

INTO THE COMMUNITY

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

INTO THE COMMUNITY

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INTO THE COMMUNITY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

| | |
|----------------------------------|---|
| Trustees | R Edwards F O Komolafe M Sherratt I Jegumna M Avotri A Mlotha |
| Charity registered number | 1084287 |
| Principal office | Strudwick Drive Oldbrook Milton Keynes MK6 2GT |
| Accountants | MHA MacIntyre Hudson Chartered Accountants Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ |

INTO THE COMMUNITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the financial statements of the Charity for the year 1 January 2021 to 31 December 2021.

Objectives and activities

a. Policies and objectives

Into the Community is a Registered Charity no: 1084287, governed by its Declaration of Trust adopted on 1st September 2000. Management of Into the Community is the responsibility of the Trustees who are elected in accordance with the Declaration of Trust.

Into the Community seeks to benefit the citizens of Milton Keynes through the provision of food distribution centres and a parent and toddler group.

The objects of the Trust are:

"To promote for the benefit of the inhabitants of Milton Keynes in the County of Buckinghamshire and its surrounding area through the provision of facilities for leisure time occupation in the interests of social welfare and to advance the education of the public (including without limitation children of school and pre-school age) and relieve poverty through the provision of information, advice and vocational training."

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Financial review, review of activities and future developments

The Statement of Financial Activities for the year is presented on page 9 of the financial statements.

Total charitable incoming resources equated to £393,709. The Food Bank received a total of £368,953 in the form of food donations (£61,305) and cash donations (£307,648) during 2021 whilst the Parent and Toddler group received a total of £113 in the form of subscriptions. Bank interest received amounted to £1,099 whilst £23,544 was received through gift aid. The surplus on the activities of Into The Community amounted to £113,120. Governance costs accounted for less than 0.8% of total expenditure.

Donations, grants, and gifts in support of The Food Bank or Parent and Toddler group are restricted specifically for use by the project they were given for. Where individual donations, grants, and gifts are restricted it is the policy of Into The Community that these funds are utilised strictly in line with the stipulations of the donor.

It is an endeavour of the trustees to have £60,000 in reserve to remunerate staff and pay all monthly bills.

Into The Community operates The Food Bank providing local families and individuals with essential food supplies at a time when they need them most, covering the days or sometimes weeks before other parts of the social care infrastructure can come into play. To qualify for help, families or individuals need to be referred to The Food Bank by one of its many referral agents across the city of Milton Keynes.

Agents include Health Visitors, Doctors Surgeries, Probation Service and Social Services etc. ITC also operates a parent and toddler group which seeks to provide a facility for parents within the local community meet and interact with other parents, find support, and build friendships.

In deciding what activities the charity should undertake, the trustees have considered the Charity Commission's guidance on public benefit and conclude that ITC's objectives, aims, and activities provide identifiable benefits to the public and that these benefits are not unreasonably restricted in any way.

INTO THE COMMUNITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

Food Bank Introduction

2021 was the year that the Covid pandemic started to become history and normal life began tentatively to resume. Though we started the year in lockdown and the Omicron variant dominated headlines at the end, the vaccination programme accelerated and many people looked forward to a freer, less restricted future. Inevitably, however, the impacts of the pandemic continued to be felt. October saw the end of the Universal Credit uplift, and the rising costs of gas, electricity, food and fuel contributed to the start of a cost of living crisis which was to overshadow the post-lockdown period.

Core statistics

Over the year we distributed **18,249** emergency food parcels. **9,872** of these were adult parcels, **6,307** went to children, and **2,070** were delivered directly through our community partners. While this number was considerably lower than the crisis peak of 2020, the overall number represents a nearly **30% increase** on pre-covid (2019) figures.

42% of parcels given out were **self-referrals** via the helpline and **58%** directly through one of the many support agencies who we partner with. Through these local social care, health, education and other partners we also ensure people are receiving help with their underlying issues.

Short-term vs longer-term support

Historically, MK Food Bank has provided emergency food parcels to families and individuals in Milton Keynes, who hit a short-term crisis. We allow a household to claim up to 6 times in 12 months, after which further review by professional support is required.

In total, over the year we helped just over 2,000 households with emergency support. Of these users, the great majority used the Food Bank fewer than 6 times, indicating that their use was short-term. As the Covid dust settled, however, it started to become clear that a significant number were relying on the Food Bank on a far more long-term basis, with a definite rise in this group over 2021, and a risk of dependency. While many had relied on food parcels in the short-term to help them through illness or an unexpected financial shortfall, hundreds of families in Milton Keynes faced a much bleaker, longer-term future ingrained in poverty.

The Top-Up Shop

A dependency on the immediate aid of food parcels has a detrimental effect on an ultimate, longer-term solution to helping people out of poverty. Similarly, we are aware from our demographic data, that there are still groups of people living in poverty (the elderly and African and Asian communities for example) who don't come to the Food Bank to ask for help, possibly through shame or pride. It became clear that we needed an alternative.

Our new venture - the Top-Up Shop – was developed in 2021 to address this. Customers can purchase any 10 items for £2, to a maximum of 20 items per household. The aim is to increase independence and freedom of choice, and ultimately help people to take control of their lives and move, step-by-step, out of poverty. We now hold holiday shops at our warehouse in Kiln Farm, a weekly shop at King's Community Centre in Wolverton and a fortnightly shop at the Frank Moran centre in Bletchley. Well over 400 households visited from across Milton Keynes and feedback has been overwhelmingly positive. In addition to food, baby and hygiene items, customers can access wraparound services and advice.

The shops are open to everyone in financial hardship, but we are specifically targeting Food Bank users who have had 5 or more parcels in 12 months (and therefore at risk of dependency) as well as African and Asian communities through cultural groups and mosques, and young people in hostel-type accommodation and supported living.

INTO THE COMMUNITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

Looking ahead, we plan to develop a mobile top-up shop to reach as many people across Milton Keynes as we can – particularly in our no.1 postcode area of MK6 but also across the pockets of low-income and poverty scattered around the outskirts.

Council partnership and a Charity Hub

The continuing partnership with MK Council has enabled MK Food Bank to go from strength to strength. As our time at Saxon Court came to an end, we needed a new home to accommodate our much bigger footprint, as well as two other charities who we share space with, Baby Basics and St Mark's Meals.

In April MK Council leased a 13,000-square-foot warehouse in Kiln Farm and set aside funds to cover the rent and premises costs for five years, which has given us the welcome practical security to reach even more people in need. Facing the very real challenge of moving around 200 tonnes of food and equipment in the space of a few days, we enlisted help from our network of supporters. John Lewis, M&M Supplies, MK Play Association and countless other individuals helped with lifting and shifting and we were in within a few days, not missing a single day's operations.

The premises in Kiln Farm has always been intended to be a short-term option and discussions have already begun to build a new 'Charity Hub' in conjunction with MK Community Foundation. This will provide a long-term base for like-minded organisations to work together to achieve more - tackling immediate crises such as the Covid-19 pandemic and the arrival in August of 400 Afghanistani refugees to MK – as well as the longer-term, wider effects of poverty on the most vulnerable residents in Milton Keynes.

Our supporters

We would not be able to operate without our **70-strong team of dedicated volunteers**. Undertaking a variety of roles in the warehouse, on the helpline, at serving centres and delivering and collecting in our vans, they deliver an average of well over **200 voluntary hours every week**. Our volunteers come from a diverse range of backgrounds and include adults and young people with support needs, asylum seekers and those undertaking community service and reparations. Our **corporate volunteering programme** has gone from strength to strength and during our busy months of October – February, we regularly welcome teams from businesses of all sizes across the city.

As a local, independent charity, we rely solely on donations of food and money from the community. This year we focused heavily on **networking and partnership building**, developing an engagement programme with major food manufacturers through M&M Supplies, creating an online corporate presence primarily through LinkedIn, and taking advantage of face-to-face networking opportunities where possible. As a result, we have built up our supporter network, increasing our corporate supporter database by 30% and growing our LinkedIn profile by more than 50%.

Community support – from individuals, churches, schools and community groups - has also increased. A new Fundraising and Communications coordinator started in October and began an overhaul of our social media platforms, website and printed materials, contributing to an increase in followers across all platforms. A new event 'Messages of Hope' was launched this Christmas to celebrate the contributions of the community. School children from across the city were invited to share messages of hope to decorate our Christmas tree and share some much-needed hope and positivity with our community this winter.

INTO THE COMMUNITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

Parent & Toddler Group

The group operates at MKCC within school term times. The majority of families who attend live on the local estate however we do have a number of families who come from all over Milton Keynes as well as from all different ethnic groups.

It was May 2021 before we were able to confidently open our doors once more but sadly covid caution remained high within our local community with only 3-5 families attending each week prior to the summer break, significantly down on previous years.

Following the summer break, we averaged 10 families each week with numbers rising each week to a high of 20 families attending our Christmas party on the 7th of December. Attendance continued to rise into 2022 with an average 15 families attending.

We maintained the group format during 2021 with toys and equipment available for the children to play with each week, a simple craft provided for the children to undertake and then snack time before the group ended with some singing.

The group will continue to provide public benefit to each family that attends – providing an opportunity to meet together, to build friendships and for the toddlers to develop their social skills and gain self-confidence.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

a. Constitution

Into the Community is a registered charity, number 1084287, and is constituted under a Trust deed.

There are four trustees of Into The Community who are required to meet at least twice a year. Originating trustees are entitled to hold office for life whilst new trustees are appointed for terms of office of three years by resolution of the trustees. Trustees may be removed from office if disqualified under the Charities Act 1993, if absent from two consecutive meetings, if removed by resolution by all other trustees, or if they resign trusteeship by notice in writing provided there are at least two continuing trustees.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

INTO THE COMMUNITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

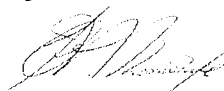
Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
R Edwards

Trustee

Date: 7th October 2022



.....
F O Komolafe

Trustee

INTO THE COMMUNITY

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Independent examiner's report to the Trustees of Into the Community ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of (enter body here), which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

INTO THE COMMUNITY

INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 24/10/2022.

Elizabeth Newell BA (Hons) FCA

MHA MacIntyre Hudson
Chartered Accountants
Milton Keynes

INTO THE COMMUNITY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | Restricted funds 2021 £ | Unrestricted and Designated funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------------------------|------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies: | | | | | |
| Cash Donations | | - | 307,648 | 307,648 | 378,156 |
| In-kind food donations | | - | 61,305 | 61,305 | 196,501 |
| Parent and toddler funds | | - | 113 | 113 | 238 |
| Other income - Gift aid | | - | 23,544 | 23,544 | 25,264 |
| Investments | 4 | - | 1,099 | 1,099 | 811 |
| Total income | | - | 393,709 | 393,709 | 600,970 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| Food Bank food distributions | 5 | - | 152,173 | 152,173 | 120,855 |
| Charitable activities | | - | 128,416 | 128,416 | 174,590 |
| Total expenditure | | - | 280,589 | 280,589 | 295,445 |
| Net income | | - | 113,120 | 113,120 | 305,525 |
| Transfers between funds | 14 | (487,021) | 487,021 | - | - |
| Net movement in funds | | (487,021) | 600,141 | 113,120 | 305,525 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 487,021 | - | 487,021 | 181,496 |
| Net movement in funds | | (487,021) | 600,141 | 113,120 | 305,525 |
| Total funds carried forward | | - | 600,141 | 600,141 | 487,021 |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 21 form part of these financial statements.

INTO THE COMMUNITY

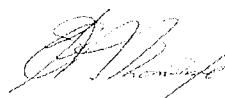
**BALANCE SHEET
AS AT 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|--|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 9 | 22,035 | 4,635 |
| | | <u>22,035</u> | <u>4,635</u> |
| Current assets | | | |
| Stocks | 10 | 35,260 | 126,128 |
| Debtors | 11 | 4,187 | 4,298 |
| Cash at bank and in hand | | 540,270 | 353,565 |
| | | <u>579,717</u> | <u>483,991</u> |
| Creditors: amounts falling due within one year | 12 | (1,611) | (1,605) |
| Net current assets | | <u>578,106</u> | <u>482,386</u> |
| Total assets less current liabilities | | <u>600,141</u> | <u>487,021</u> |
| Net assets excluding pension asset | | <u>600,141</u> | <u>487,021</u> |
| Total net assets | | <u>600,141</u> | <u>487,021</u> |
| Charity funds | | | |
| Restricted funds | 14 | - | 487,021 |
| Unrestricted funds | 14 | | |
| Designated funds | 14 | 600,141 | - |
| Total unrestricted funds | 14 | <u>600,141</u> | <u>-</u> |
| Total funds | | <u>600,141</u> | <u>487,021</u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
R Edwards
Trustee
Date: 7th October 2022



.....
F O Komolafe
Trustee

The notes on pages 11 to 21 form part of these financial statements.

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Into The Community is a registered charity in England and Wales and is unincorporated. The address of the principal office is Strudwick Drive, Oldbrook, Milton Keynes, MK6 2GT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Into the Community meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|-----------------------|---|-----|
| Fixtures and fittings | - | 20% |
| Computer equipment | - | 20% |

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---------------------|--|---------------------------------------|
| Interest receivable | <u>1,099</u> | <u>1,099</u> |

| | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|---------------------|--|---------------------------------------|
| Interest receivable | <u>811</u> | <u>811</u> |

INTO THE COMMUNITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Analysis of expenditure on charitable activities

Summary by fund type

| | Designated funds 2021 £ | Total 2021 £ |
|---|--|-----------------------------|
| Parents and Toddlers | 368 | 368 |
| Food Bank : Food Distributions and stock movement | 152,173 | 152,173 |
| Food Bank : Purchased Food | 32,450 | 32,450 |
| Food Bank : Salaries and Social Security Costs | 56,438 | 56,438 |
| Food Bank : Premises | 18,601 | 18,601 |
| Food Bank : Postage, Stationery and Computer Supplies | 2,016 | 2,016 |
| Food Bank : Publicity | 3,075 | 3,075 |
| Food Bank : Sundries and Training | 16 | 16 |
| Food Bank : Volunteer Costs | 344 | 344 |
| Food Bank : Depreciation | 5,808 | 5,808 |
| Food Bank : Vehicle Costs | 7,137 | 7,137 |
| Governance costs | 2,163 | 2,163 |
| | <u>280,589</u> | <u>280,589</u> |

| | <i>Restricted funds 2020 £</i> | <i>Total 2020 £</i> |
|---|--|-----------------------------|
| Parents and Toddlers | 318 | 318 |
| Food Bank : Food Distributions and stock movement | 120,853 | 120,853 |
| Food Bank : Purchased Food | 68,574 | 68,574 |
| Food Bank : Salaries and Social Security Costs | 67,464 | 67,464 |
| Food Bank : Premises | 17,520 | 17,520 |
| Food Bank : Postage, Stationery and Computer Supplies | 2,278 | 2,278 |
| Food Bank : Publicity | 3,805 | 3,805 |
| Food Bank : Sundries and Training | 459 | 459 |
| Food Bank : Volunteer Costs | 1,009 | 1,009 |
| Food Bank : Depreciation | 809 | 809 |
| Food Bank : Vehicle Costs | 10,531 | 10,531 |
| Governance costs | 1,825 | 1,825 |
| | <u>295,445</u> | <u>295,445</u> |

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

For 2020, there was an updated assessment and re-evaluation of the methods and unit prices used to value food donated in, distributed to beneficiaries, and held as stock for future distribution to beneficiaries. This has taken into account the means by which food supplies are available to beneficiaries, consideration of the future dates of products held within stock, and a revised policy to arrive at the average cost of items distributed and held.

6. Independent examiner's remuneration

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts | 1,150 | 930 |

7. Staff costs

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Wages, social security costs and pension costs | 56,438 | 67,464 |
| | <u>56,438</u> | <u>67,464</u> |

The average number of persons employed by the Charity during the year was as follows:

| | 2021 No. | 2020 No. |
|-----------|-------------|-------------|
| Employees | 3 | 4 |

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel include all persons that have authority and responsibility for planning, directing, and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £26,417 (2020 : £27,738).

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|----------------------------|-------------------------------|----------------------------|---------------|
| Cost or valuation | | | |
| At 1 January 2021 | 16,163 | 1,898 | 18,061 |
| Additions | 17,950 | 5,258 | 23,208 |
| At 31 December 2021 | <u>34,113</u> | <u>7,156</u> | <u>41,269</u> |
| Depreciation | | | |
| At 1 January 2021 | 11,545 | 1,881 | 13,426 |
| Charge for the year | 4,915 | 893 | 5,808 |
| At 31 December 2021 | <u>16,460</u> | <u>2,774</u> | <u>19,234</u> |
| Net book value | | | |
| At 31 December 2021 | <u>17,653</u> | <u>4,382</u> | <u>22,035</u> |
| <i>At 31 December 2020</i> | <u>4,618</u> | <u>17</u> | <u>4,635</u> |

10. Stocks

| | 2021 £ | 2020 £ |
|-------------------------------------|---------------|----------------|
| Finished goods and goods for resale | <u>35,260</u> | <u>126,128</u> |

11. Debtors

| | 2021 £ | 2020 £ |
|----------------------------|--------------|--------------|
| Due within one year | | |
| Other debtors | 4,187 | 4,298 |
| | <u>4,187</u> | <u>4,298</u> |

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|--------------|--------------|
| Trade creditors | 561 | 555 |
| Accruals and deferred income | 1,050 | 1,050 |
| | <u>1,611</u> | <u>1,605</u> |

13. Financial instruments

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | <u>540,270</u> | <u>353,565</u> |

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2021 £ |
|---------------------------------------|--------------------------------------|----------------|------------------|--------------------------|---|
| Designated funds | | | | | |
| Parents and Toddlers | - | 113 | (368) | 915 | 660 |
| Food Bank | - | 362,497 | (249,238) | 487,205 | 600,464 |
| Milton Keynes Community Foundation | - | 30,000 | (30,983) | - | (983) |
| | <u>-</u> | <u>392,610</u> | <u>(280,589)</u> | <u>488,120</u> | <u>600,141</u> |
| General funds | | | | | |
| General Funds - all funds | - | 1,099 | - | (1,099) | - |
| | <u>-</u> | <u>1,099</u> | <u>-</u> | <u>(1,099)</u> | <u>-</u> |
| Total Unrestricted funds | <u>-</u> | <u>393,709</u> | <u>(280,589)</u> | <u>487,021</u> | <u>600,141</u> |
| Restricted funds | | | | | |
| Parents and Toddlers | 915 | - | - | (915) | - |
| Food Bank | 486,106 | - | - | (486,106) | - |
| | <u>487,021</u> | <u>-</u> | <u>-</u> | <u>(487,021)</u> | <u>-</u> |
| Total of funds | <u>487,021</u> | <u>393,709</u> | <u>(280,589)</u> | <u>-</u> | <u>600,141</u> |

After careful consideration, the Trustees have noted that funds have been incorrectly categorised in previous years. Funds have been set aside and designated by the Trustees for specific purposes, there is no set agreement that requires these funds to be restricted. As such, the restricted funds have now been correctly reallocated to designated funds.

In relation to the fund with Milton Keynes Community Foundation, the next batch of funding was received in January 2022 which covers the small overspend being carried forward.

INTO THE COMMUNITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2020 £</i> | <i>Resources £</i> | <i>Balance at 31 December 2020 £</i> |
|-------------------------|--|------------------------|--|
| Restricted funds | | | |
| Parent and Toddlers | 995 | (80) | 915 |
| Food Bank | 180,501 | 305,605 | 486,106 |
| | <u>181,496</u> | <u>305,525</u> | <u>487,021</u> |

15. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2021 £ |
|------------------|--|---------------------|--------------------------|-----------------------------------|--|
| Designated funds | - | 392,610 | (280,589) | 488,120 | 600,141 |
| General funds | - | 1,099 | - | (1,099) | - |
| Restricted funds | 487,021 | - | - | (487,021) | - |
| | <u>487,021</u> | <u>393,709</u> | <u>(280,589)</u> | <u>-</u> | <u>600,141</u> |

Summary of funds - prior year

| | <i>Balance at 1 January 2020 £</i> | <i>Income £</i> | <i>Balance at 31 December 2020 £</i> |
|------------------|--|---------------------|--|
| Restricted funds | 181,496 | 305,525 | 487,021 |

INTO THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Designated funds 2021 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 22,035 | 22,035 |
| Current assets | 579,717 | 579,717 |
| Creditors due within one year | (1,611) | (1,611) |
| Total | 600,141 | 600,141 |

Analysis of net assets between funds - prior year

| | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 4,635 | 4,635 |
| Current assets | 483,991 | 483,991 |
| Creditors due within one year | (1,605) | (1,605) |
| Total | 487,021 | 487,021 |

17. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2021.

The trustees recognise that the charity Milton Keynes Christian Centre (MKCC) is a related party. Some of the directors/trustees of Milton Keynes Christian Centre are also trustees of Into the Community (ITC).

MKCC passed donations given by church members to ITC totalling £5,097 and gifted a further £5,000 in-kind, being the provision of space within their foyer to undertake our weekly serving sessions. MKCC also passed on weekly food donations collected on behalf of ITC and arranged for us to receive the Christmas hampers collected as part of our annual reverse advent appeal.

