

# Annual Report

2021/2022





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Definitions

FareShare refers to this charity, FareShare (charity registration No.1100051).

The FareShare network refers to the warehouses managed by FareShare and its network of partners.

The FareShare network now comprises 36 warehouses which redistribute surplus food to frontline charities and community groups across the whole of the UK. Most of these warehouses are managed by independent charities, our network partners, in a partnership agreement with FareShare on a scale which makes us a leader in charity collaboration in the UK. At 31 March 2022 three regions: Merseyside, East Anglia and Southern Central were managed directly by FareShare.

FareShare is responsible for sourcing food and operating the supply chain and logistics to deliver that food to all the warehouses in the FareShare network.

FareShare provides operational support to the warehouses and promotes the sharing of best practice across the network especially in the areas of health and safety and efficiency improvement. It is responsible for the fundraising, public relations and communications relating to the FareShare brand and its own operations.

FareShare Go is a service operated in partnership with a number of the leading food retailers in the UK. This service aims to reduce the food surpluses that arise at a store level and the food is collected by

the local charities and community groups directly from the stores. As a consequence of the geographical spread of the participating stores FareShare Go is available in virtually every local authority in the UK.

The Trustees’ report provides statistics for the whole of the FareShare network and these best describe the social, environmental and economic impact of our collective work. We focus on the volume of food provided to the network and the equivalent number of meals provided by the charities and community groups from the food they receive from us. The financial statements refer to the charity FareShare and do not reflect the incomes and costs of those regions in the network operated by our network partners.

Objectives and activities

FareShare is a UK-wide charity that, in partnership with our network, redistributes surplus food to charities that turn it into meals.

Our **vision** is of a UK where ‘No good food goes to waste’.

Our **mission** is to use surplus, fit-for-consumption food to feed those who are vulnerable in the UK by supporting frontline charitable organisations that tackle the cause and not just the symptoms of poverty.

Our **values** run through everything we do and set out a clear framework for us to approach our work: **passion, ambition, respect, collaboration, and focus.**

Charitable objects

The charitable objects of FareShare are set out in the Memorandum of Association:

The relief of poverty and the preservation and promotion of good nutrition, good health and social improvement among people who are suffering from social, economic or emotional distress in such ways as the Trustees may in their absolute discretion think fit but particularly through:

- The collection and redistribution of surplus food;
- The encouragement of members of the public to undertake voluntary work;
- The advancement of public education in particular but not exclusively by providing training in the voluntary sector; and
- The furtherance, for the benefit of the public, of the conservation, protection and improvement of the physical and natural environment through the redirection of waste (in particular food waste) and its adverse environmental impacts.

Public benefit

The Trustees confirm that they have referred to the Charity Commission’s guidance on public benefit when reviewing the charity’s aims and objectives and in planning future activities. FareShare’s focus on tackling food poverty, working in partnership with local charities and community-based organisations, has a direct and positive benefit for many of the most marginalised people in the UK, particularly individuals who are homeless, unemployed, poor and isolated. The charity engages volunteers in its work and is open to all members of the community. FareShare’s training and education work provides opportunities for volunteers and others to gain recognition, including accreditation, for the skills they have acquired while working with FareShare to help them gain further employment.







## Message from our Chair and Chief Executive

**Last year, in the second year of the COVID-19 pandemic, FareShare continued to expand its work to provide food to the most vulnerable in our society. The FareShare network now comprises 36 warehouses which redistribute our food across the whole of the UK. We supplied 53,894 tonnes of food, the majority of which would have otherwise been wasted, to 9,462 charity and community groups.**

This now includes the food redistributed by The Felix Project, which joined FareShare as our London redistribution partner in November 2020 and we also increased the redistribution of surplus food in the network. Last year the food we distributed was the equivalent of 128 million meals – that's 4 meals for every second, day or night, of the year.

Over the last year the prevalence of COVID-19, and the public health measures taken to control the virus, continued to create many challenges for the charity and community groups to whom we supply food, and for the people supported by them.

**Thank you to all of our volunteers, staff and partners who have made this possible.**

Furthermore, as the year progressed the food supply chains on which we depend were severely disrupted. More than ever these problems served to highlight that the social benefits of the work by the FareShare network are so much more than providing food.

This report includes many case studies that demonstrate that our food not only helps those struggling to feed themselves but importantly it enables our charity partners to build the personal relationships needed to help them address other social challenges. Without food to share, these links don't happen. It is telling that when we asked those charities who received our food some 95% said that being given FareShare food showed the individuals they support that someone cares and that they were not forgotten or alone.

Our network partners remain the bedrock of the last-mile service for food redistribution. We continue to operate in a tough environment as shortages, lack of drivers and rapidly rising costs are affecting the whole of the food industry supply chain. At the same time more people than ever are seeking support. After the year-end we provided financial grants to all our Network Partners to support them at this time.

In the reported year we also supported our sister organisations in Ukraine, Poland, Romania, and Moldova with a £500,000 donation to support their work in providing the food needed as a result of the unprecedented refugee crisis in those countries following the Russian invasion of the Ukraine.

We expect that demand for food will continue to increase this year with a difficult time for many on the margins of our society. Government commissioned data shows that at least 200,000 tonnes goes to waste each year rather than being diverted for social good. This report highlights the steps and considerable investments we intend to make over the coming years to support the growth of our mission.

We are applying our reserves to make sure we do all we can to increase our work further as we expect the impact of cost of living increases to hit the most vulnerable in our society. We are very clear and determined to do all we can to get more food to where it is needed.



John Bason, Chairman



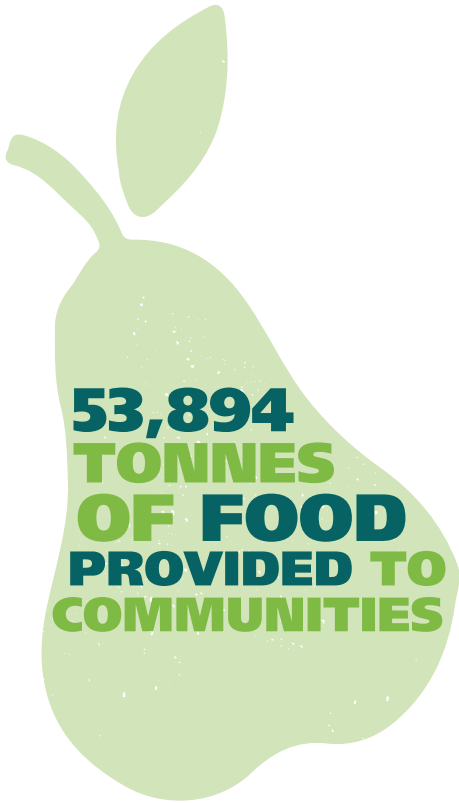
Lindsay Boswell CBE, CEO



Our impacts and achievements

This year proved to be FareShare’s biggest and most environmentally friendly year to date in terms of the volume of food we received. We redistributed roughly the same amount of food - 53,894 tonnes (2020/21: 54,203 tonnes) - as last year but the vast bulk of this was surplus food which might otherwise have gone to waste. The previous year total included food that had been specifically bought with DEFRA funding or has been donated to us.

Despite another extraordinary year of global and national turmoil, the FareShare network has again provided significant volumes of food, equivalent to 128.3 million meals, to help feed 1 million vulnerable people in the UK through our 9,462 charity partners and community group network.



The table below shows the food obtained by FareShare from surplus, donated and purchased sources, and the change year on year.

Source of food	Tonnes (19/20)	Tonnes (20/21)	Tonnes (21/22)
Surplus	22,255	35,299	49,161
Purchased	525	12,587	2,554
Donated	763	6,317	2,179
Total	23,543	54,203	53,894

FareShare’s food supports charities to increase their services that improve beneficiaries’ mental health, nutrition or reduce loneliness, as well as helping the charities themselves to save money. Without our work and efforts this year, things would have been even more difficult for people in need in deeply unsettling times. Maximising the social value of our food has been a key focus of the last twelve months.

A charity of our size is used to pre-planning on a major scale but even

we could not have anticipated the many challenges thrown our way as the second wave of COVID-19 came to an end in April 2021, followed by the arrival of the new Omicron variant towards the end of the year.

Operating in a volatile marketplace

In addition to the ongoing legacy of the pandemic, we were hampered by the double setback of the fuel crisis

and HGV driver shortage in October which pushed up our costs and significantly impacted our operations and logistics. Brexit continued to disrupt cross-border sourcing of food in Northern Ireland, while Russia’s invasion of Ukraine in February 2022 has worsened the global food crisis, interrupting supply chains and creating a scarcity of some foods and increasing the costs of others.

During the year we again experienced huge changes in both the volume and type of food available, the type and number of charities and community groups we work with, alongside major operational and logistical changes to help our staff and volunteers stay safe and our facilities remain open.

Due to the strains put on the supply chain of the UK food industry we have seen a reduction in the everyday chilled products such as ready meals and other chiller cabinet items but

have invested heavily in increasing the amount of fresh fruit and vegetables especially from British growers. It has been tricky to manage the recalibration of food types for a charity customer base that got used to tins and packets making up food parcels.

Increasing British fresh produce

In response we have been successful at increasing the mix and quantity of uneconomic surplus from the UK farmers’ fields and manufacturing. Often, farmers have the option to plough a crop for which they have no market, back into the ground. Our Surplus with Purpose fund allows us to cover the direct additional costs of harvesting, packaging and transporting a crop into the FareShare network. This has become an increasingly important part of our work as we struggle to keep up with demand and in 2021/22 we spent £2.5 million on harvesting and packaging 5,500 tonnes before we then transported it around the UK. Often it is cheaper for the food industry to divert their surpluses to biogas or anaerobic digestion because of the tax breaks these sectors attract.

We are pushing hard for our Surplus with Purpose fund to be covered by Government to create an even playing field to the tune of at least £25 million a year as part of their cost of living response.

The front-line communities we support

Our existing community groups responded to the ongoing impact of COVID-19 by flexing services, changing how they operate and developing new services to ensure they could continue to support one another, while in-person contact was more difficult. In real terms this manifested as a mass movement away from in-person shared eating, supporting, signposting and wraparound care and into direct delivery of food parcels. We hope that communal meals and food sharing will eventually return as communities

reconnect, even if that is taking longer than expected.

Similarly, charities which closed down during the first lockdown have gradually been reopening but it is taking time as they readjust to the new normal. While we might not have grown the number of charities served this year, on average each one is taking more than double the amount of food from us, compared with 2020/21.

We helped 9,462 charities and community groups and over 1 million people were provided with food supplied by FareShare. The food we redistributed contributed towards 128.3 million meals. In total, we redistributed the equivalent of 4 meals per second, for a second year in a row.





## Our impacts and achievements

**In the 2021/22 financial year FareShare has seen demand for food skyrocket, particularly among frontline organisations providing food to children and their families and for those providing emergency food aid.**

We have emerged from the pandemic working at a much larger scale with five times the food volumes of 2019. With huge increases in running costs due to fuel and energy inflation alongside the increased scale of operations, means that raising funds to maintain our increased work has never been more vital. Staff and volunteers have put in a staggering effort to maintain and grow our services during a difficult time. Now we must re-adjust to being a much larger charity with a sufficiently robust infrastructure to support us in the future. We will try to balance moving at pace with maximising impact, while making sure that a bigger FareShare grows sustainably.

During the pandemic we temporarily expanded our mission to be an organisation that also distributes donated and purchased food - the latter with the help of significant Government funding. We are now focused on getting back to our core mission of surplus food redistribution, with purchasing food no longer a key part of our strategy. The numbers

this year include the remainder of the purchasing programme started in the previous year.

In the 2021/22 financial year FareShare has seen demand for food skyrocket, particularly among frontline organisations providing food to children and their families and for those providing emergency food aid. With the coronavirus pandemic and now the cost of living crisis pushing thousands of people into financial hardship, it is clear that many more families will struggle to put food on the table this year and so we are committed to providing as much community food support as possible.

In the Spring of 2022, we published the findings of a major new survey of a sample of more than 1,500 charities and community groups which rely on food from FareShare to feed more than 120,000 people at risk of hunger. The #RunningOnEmpty survey highlighted the dramatic impact the cost of living crisis is having on the most vulnerable families across the UK.

In the research, 90% of organisations said their services had been affected in some way by the cost of living crisis, with 71% saying they had been "moderately" or "severely" affected. More than 75% of the organisations who responded to the survey said they had seen an increase in demand for their services over the past year.

Food, fuel, clothes, travel and household bills have all been rising steadily in recent months, with inflation now running at its highest level for 30 years. From April National

Insurance rose by 1.25%. The British Retail Consortium (BRC) warned that prices in UK supermarkets are the highest they have been in a decade.

Nearly seven million people, including two million children, are said to be going hungry in the UK. That is an increase of 2 million since the pandemic. Previous research also suggested that almost half of all children would be living in families who would be unable to meet the cost of some basic necessities by the end of the financial year 2021/22.\*

Those pressures are set to get even worse. Since October 2021, the increases in the cost of food, especially in 'basic' ranges, the changes in benefits and the end of the furlough scheme have led to increased demand for emergency food support.

**7  
MILLION  
PEOPLE  
GOING HUNGRY  
IN THE UK**

\*New Economics Foundation 2022





## How we redistribute surplus food

**We are now heading into another busy period for the charity as food inflation and the cost of living crisis in the UK continue to spiral. That means there are more people than ever suffering from food poverty, so FareShare's vital role in sourcing and providing food to vulnerable people will continue.**

But at the same time, we need to change the way we access surplus food and we have begun to take major steps to achieve that. Our aim is to significantly increase the volume of surplus food we make available over the next three years (starting with this 2021/22 reporting year). That means that we are looking to unlock more surplus food channels and methods and to put that food into the hands

of the communities we serve. The core mission of FareShare is as an environmental charity, preventing food waste and putting surplus food into the hands of people who most need it. In the UK, over a quarter of all the food grown is never eaten. This wasted harvest accounts for between 6 - 7% of our country's total greenhouse gas emissions. Buying food and giving it away has its advantages, but helping the environment is not one of them.

To achieve our surplus food ambitions, we have expanded and restructured our food team, and are putting in place a series of tactical interventions to help us find food from a wider range of sources.

The team is also seeking to build closer relationships with industry organisations involved in food that

could unlock access to even more food. We are talking to over 40 trade bodies such as the Food and Drink Federation (FDF) and the National Farmers' Union, while exploring potential new channels such as hospitals, hotels, schools, local councils and wholesalers.

Overall, Tesco (the UK's largest retailer) is by far our biggest food partner and having learned numerous positive lessons from the development of this important relationship, we are planning more strategic partnering to deliver increased and longer-term outcomes on both sides.

Another example of this kind of work is demonstrated with Waitrose & Partners, which in September 2021

announced that it would supply FareShare with surplus food from its two distribution centres in Bracknell and Leyland. This followed its "Farm to Family" programme, launched earlier in the year to provide FareShare with surplus produce directly from its own supply chain.

We are also seeking more food from potential new partners such as hotels, fast food outlets, schools, the Ministry of Defence, hospitals and county councils. Part of our rationale is that we have national scale, serviced by 36 different warehouses across the UK and therefore can provide food redistribution solutions nationwide, to a variety of organisations.







## Food partner case study: How Cranswick PLC gives its surplus food purpose

**Our partnership with food producer Cranswick has gone from strength to strength since it became one of the first businesses to take advantage of FareShare's Surplus with Purpose fund when it launched in 2019.**

The top quality meat products that Cranswick supplies are in high demand from FareShare's network of charities who use them to provide nutritious meals to the families and individuals they support.

One of our current priorities is to source a greater volume of sought-after, valuable protein - meat, plant-based options, fish, seafood, eggs and dairy - working closely with the industry and its trade and logistics bodies.

At the end of 2021 we agreed a new deal with Cranswick at its Bury site (North of Manchester) to divert and use surplus sliced cooked meats from the end of a production run which would otherwise have been wasted. This new intervention went live in mid-March.

The meat trim and ends were typically discarded after whole pieces of meat were precision-cut by machine into slices. Through our Surplus with Purpose fund, Cranswick provide the surplus meat and we pay a

fixed amount per kilo for the chilled surplus to be bagged up into 5kg bags, labelled, put onto pallets and transported from the factory by FareShare's appointed haulier, with no cost to Cranswick. The product is welcomed by charities for use in hot meals such as corned beef hash.

Cranswick Continental Bury provided 21.8 tonnes of food to FareShare in the 2021/22 financial year. This mainly involved sizeable one-off offers earlier in the year before we set up the trim intervention, which was agreed in the winter.

Chris Aldersley, chief operating officer at Cranswick plc, commented: "We're incredibly proud to work with FareShare and play our part in tackling hunger and reducing our environmental impact across the UK. Our teams work hard to ensure any surplus can be diverted to benefit those most in need. We will continue to support FareShare as they deliver their great work fighting hunger and tackling food waste across the country."

**21.8  
TONNES  
OF FOOD**



# FareShare Go: Our store-level food redistribution model

New technology is helping by improving and speeding up the way we redistribute end-of-day surplus food.

Importantly, we are also looking to build new options for FareShare Go. FareShare Go provides charities and community groups with direct access to daily surplus food arising at local supermarkets including Tesco, Asda and Waitrose & Partners. A new drive was launched early in 2022 to help FareShare Go work more closely with our network delivery partners in order to deliver a more joined-up service from which our charities can benefit.

The food is good quality food that can no longer be sold for a variety of reasons, such as damaged or imperfect packaging, or a short remaining shelf

life. This doesn't have an impact on the standard or safety of the food items available. Food available often includes bread, eggs and fresh fruit and will always be within its use by date and is perfectly good to eat.

Since launching the scheme in 2015, we have connected over 7,500 charities with more than 3,600 stores across the UK. In 2021/22 we connected 6,303 charitable organisations to their local supermarket stores.

In August 2021 Booker became the first wholesale organisation to

redistribute food directly to FareShare's network of charities through FareShare Go and food waste app OLIO. Through FareShare Go, Booker sites are matched with charities and community groups in the local area that collect the items and turn that into food parcels or hot meals for the people they support.

After managing and delivering the Booker rollout, we hit 40 million meals three months ahead of our target. Through our platform, Booker is currently moving an encouraging 60 - 70% of its edible surplus to charities or communities.

New technology is helping by improving and speeding up the way we redistribute end-of-day surplus food. From April this year we have started rolling out the new Foodiverse app to FareShare Go customers.

We have also recently unveiled major new partnerships with both KFC and Nando's restaurant chains - both high-profile names on the high street, to utilise highly valued frozen chicken, an important and sought-after protein.

At a restaurant level these outlets cannot risk disappointing customers by selling out of their products near

closing time, so any surplus cooked food remaining after that time is bagged up, frozen and collected by our customers.

We continued to develop our ability to access more surplus food from farmers and growers this year with our Surplus with Purpose fund. This provides producers with the financial support to cover the added costs of harvesting and diverting surplus good-to-eat food for redistribution, rather than wasting it.

6,303  
CHARITIES  
CONNECTED  
TO THEIR  
LOCAL  
SUPERMARKETS





# Supporting vulnerable communities across the UK

**This year alone we supported 9,462 charities with food equivalent to an average of 13,561 meals each, an increase of 8.3% on the previous year. In turn, those charities supported an estimated 985,933 people over the course of the year, people who rely on charitable support for their needs and some of the most vulnerable people in our communities.**

The community of charities that we serve continues to build resilience, thanks to our support. FareShare's food has always helped charities to deliver social outcomes by providing meals alongside their vital wraparound services which improve beneficiaries' mental health, access to healthy food and support or help reduce loneliness.

## Outcomes for organisations using food from FareShare

- 87%** reduced food waste
- 84%** increased quantity of food
- 80%** increased variety of food
- 69%** have better nutritional value food
- 67%** have financial savings to reinvest
- 65%** have better quality food

In 2021, we carried out our third annual Charities Survey amongst all the charities to whom we had provided food in order to measure our impact against the key outcomes from our Theory of Change.

These include:

**For community organisations:** to improve their food provision, save time and money and increase their reach and impact

**For people:** to have access to better food, try new foods, save money, have better wellbeing outcomes and reduced isolation

We received just over 1,500 responses across all regional centres which provide a representative sample for the population size, with a 99% confidence level and 3% margin

of error. The composition of the respondent sample by organisation size broadly represented FareShare's base of members and associates and reflects the structure of the UK voluntary organisation sector.

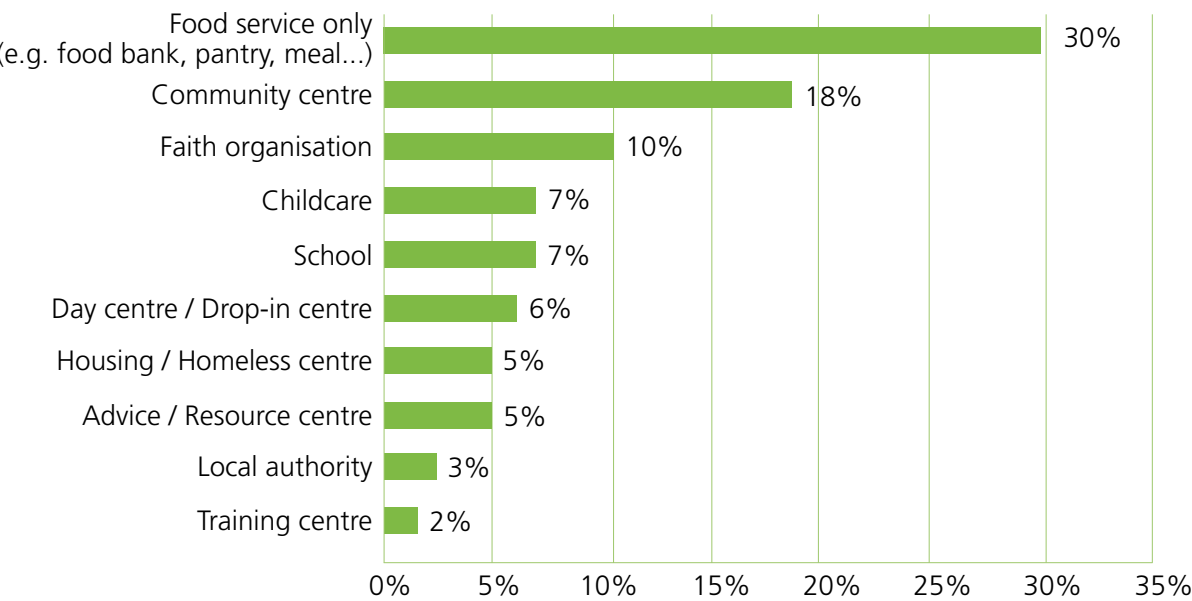
An external evaluation of the results concluded that FareShare's Theory of Change outcomes for organisations and the people using their services had been met to a significant extent, as well as high satisfaction and advocacy scores. FareShare continues to make a profound impact on the organisations with which it works, the people who use their services and society in general.





# Understanding our charity communities to serve them better

## Nature of organisation



The external evaluation of our survey results highlighted the complexity of the ecosystem of organisations and their wide-ranging services which FareShare is supporting and dealing with. Only 30% of respondents specialised exclusively in food services, with community centres and faith

organisations together making up a further 28%, followed by a broad spectrum of other organisation types, from childcare settings to prisons.

Food bank / parcel collection (60%) was the main food service offered, with the primary aim of being able

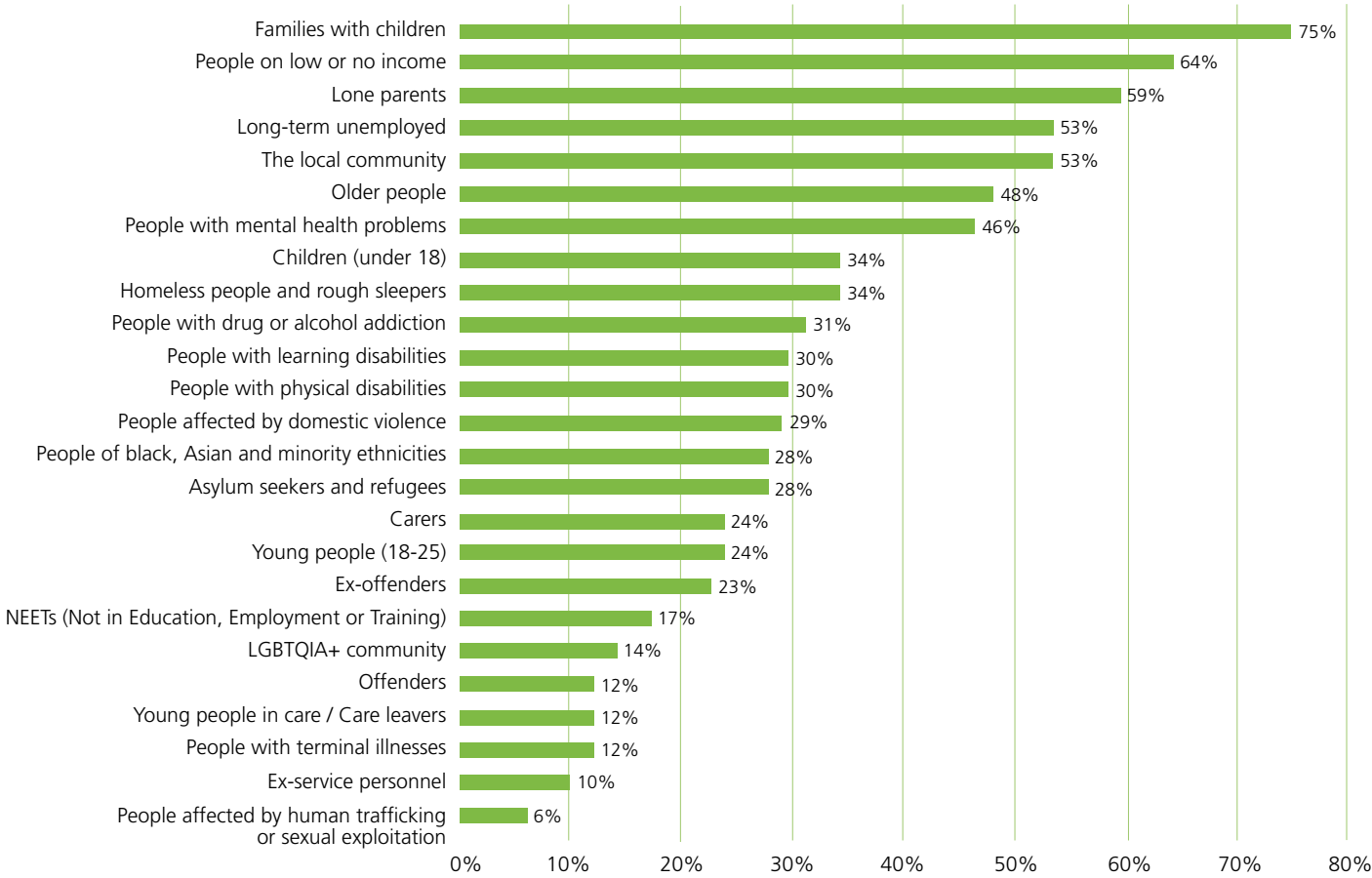
to feed people experiencing food insecurity or poverty (87%). Meeting a wide range of needs of a diverse cross-section of the population, most respondents offered support services (87%) in addition to food services and signposted to other organisations' services (85%).

In addition to their food provision services, our community charities provide ancillary wraparound support in order to give a hand-up, not a hand-out, to the people they serve.

- 41% mental health and wellbeing support
- 36% education and training
- 32% access to resources (learning, internet etc.)

- 27% benefit support and advice
- 26% financial and debt advice
- 24% employment support

The focus of their support is spread across a wide variety of groups, meaning that food from FareShare reaches communities of all ages and circumstances.







## FareShare’s food is needed now more than ever

As part of the annual survey, charities were asked how much the impending cost of living increases might impact their services or service users. Respondents shared that 90% of them were already feeling the impact of the cost of living crisis and that 76% were seeing an increased demand for their services.

The top five reasons cited for an increased demand were:

- 66% cost of food
- 63% benefits changes
- 60% unemployment
- 55% mental health issues
- 54% low pay

The survey also highlighted the critical importance of receiving food from FareShare by the percentages of respondents highlighting negative consequences if the service were to stop, with 1 in 5 (22%) saying they would have to stop their food service, and 1 in 10 (10%) stating they would have to close their operation completely.

As such, FareShare is conscious of playing its role in accessing greater volumes of food in the new year to support its charity members and the valuable work they carry out across the UK.

We want to be able to reduce overall food waste, therefore we are able to measure the benefit of using FareShare as well as providing nutritional hot meals to the most vulnerable. It’s a win/win for the environment and the local people.

No matter what, we can always rely on our FareShare order each week and know that we will always have food in our pantry because of it.

Reliable source of fruit and vegetables, enabling us to provide balanced food parcels for users.

We save a lot of money through accessing food through FareShare. Less time shopping. We are able to offer a wider range of higher grade foodstuff.

Ability to provide a wider range of nutritional requirements to more people.

Working with FareShare has made us more ‘credible’ in terms of discussions with local businesses and individuals.

It has given us the opportunity to reach out into the community and help those who are isolated and alone.

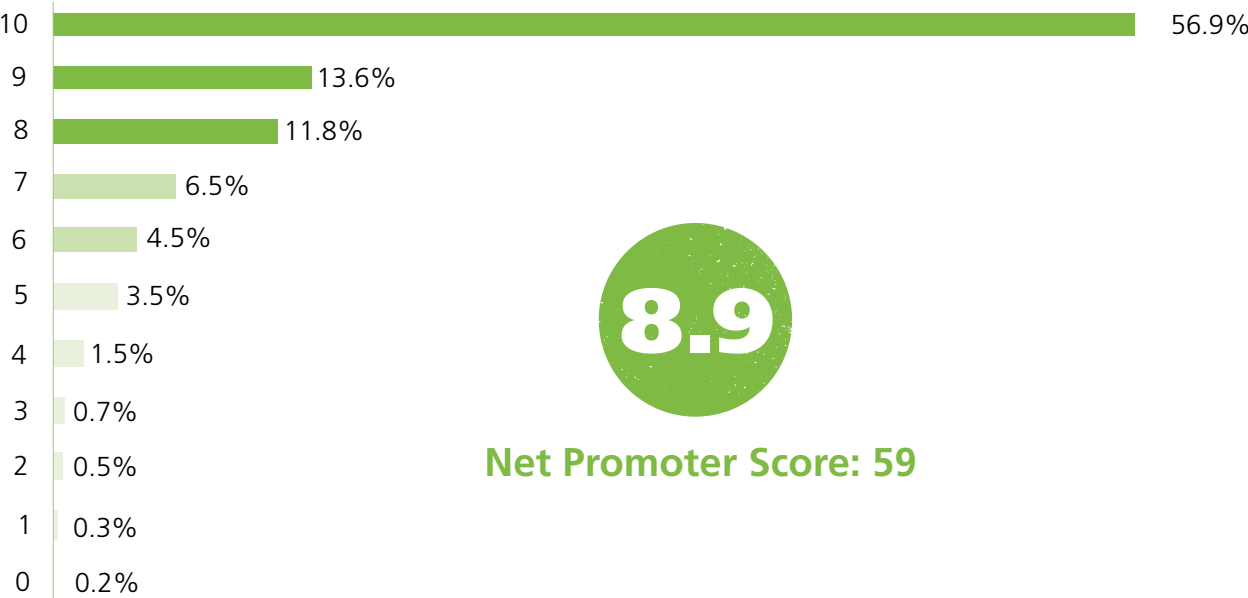
We couldn’t exist without you! Financially you make a massive saving to our charity.

Satisfaction with FareShare was very high, with an average satisfaction score of 8.4 out of 10 and respondents

were highly likely to recommend FareShare, with an exceptionally high overall recommendation score of 8.9

(out of 10) and an excellent Net Promoter Score (NPS) of 59[1].

### How likely are you to recommend FareShare?



8.9

Net Promoter Score: 59

[1] NPS range is -100 to 100. Above 0 is considered good, and 50+ is excellent.



## Case study: Celebrating Nigerian culture and tradition in Kent

**“...the feedback we’ve had from the local organisations we’re supporting is that their members look forward to our [FareShare] delivery every week.**

**At some of the domestic shelters I deliver to, when the children see me now they’re always excited. They call me the delivery man, they scream ‘oh the delivery man is here!’. That gives us a lot of joy because we can see that we’re positively impacting the lives of people.”**

Olu Obadare,  
President of the Nigerian Community  
Association Kent and Medway.

“Our association organises several activities that promote our culture and celebrate our members,” explains Olu Obadare, President of the Nigerian Community Association Kent and Medway (NCAKM).

The group launched in 2017 with the aim of supporting the socio-economic and welfare needs of Nigerians throughout the region. For Black History Month 2021, NCAKM organised two events in support of its members with the aim of educating people about Nigerian cultures and traditions.

### Celebrating Black History Month

As Olu describes: “The first Black History Month event was in commemoration of World Mental Health Day on Sunday 10th October, where we invited community members to discuss and focus on taking good care of their mental health.”

“We helped them understand what good mental health is, and emphasized the various support services available in the area. Most importantly, we encouraged members to speak up when they need help.”

“The second event was on Tuesday 19th October as we visited The Victory Academy, Chatham to showcase our rich culture,” Olu continues, “we had over 500 students that came to watch us perform through singing and playing musical instruments.

We dressed in our native attire, and we were able to showcase what we do as a community.”

### Keeping communities together

Events like these are an important part of how NCAKM helps strengthen the community, as Olu explains: “we are committed to providing advice, guidance, counselling, and support. The team at NCAKM has brought a sense of unity and togetherness amongst Nigerians living in the area; thanks to our amazing volunteers and dedicated executives who continually give their time, talent and treasure.”

With the isolation that COVID-19 has brought, that sense of togetherness is more important than ever. “Usually in October we have our Nigerian Independence Day celebration but, because of COVID-19, we decided to reach out to more families this year instead. We’ve been able to visit loads of Nigerian families this month, to help get them out of isolation and let them know they’ve got a shoulder to lean on if things aren’t going well.”

### A positive impact through food

Since launching, the group has provided the equivalent of more than 334,000 meals in the form of food parcels to people in the area, using food from FareShare Kent and FareShare Go.

“We launched the project ‘Help Feed Those in Need’ and we support over 120 families, totalling around 250 individuals, on a weekly basis. We deliver to people’s homes, youth shelters, and domestic violence shelters,” Olu explains. “Our relationship with FareShare has been brilliant, we’ve not had any issues whatsoever since the beginning.”

“Some of the feedback we’ve had from the local organisations we’re supporting is that their members look forward to our delivery every week,” says Olu.

Seeing the impact that the food they provide has on children is one of the most rewarding parts of NCAKM’s work: “At some of the domestic shelters I deliver to, when the children see me now they’re always excited. They call me the delivery man, they scream ‘oh the delivery man is here!’. That gives us a lot of joy because we can see that we’re positively impacting the lives of people.”

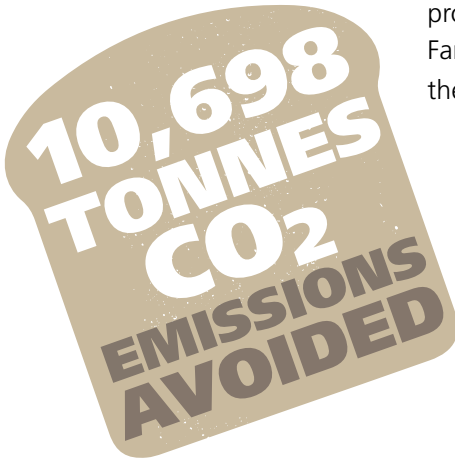
**‘HELP FEED  
THOSE IN NEED’  
HAS PROVIDED  
THE EQUIVALENT OF  
334,000 MEALS**





# Redistributing surplus food is better for the planet

**WRAP estimates that if all of the available edible surplus food in the UK was redistributed instead of being wasted, the volume of carbon emissions avoided from that alone would enable the UK to achieve its goal of becoming net zero by 2030.**



Food production is a major contributor to climate change. One third of all emissions arise from food production and yet we waste approximately a third of all food grown.

In turn, food waste itself accounts for between 6 and 7% of total greenhouse gas emissions and with an estimated 2 million tonnes of perfectly edible food wasted on UK farms and throughout the supply chain every year, there is a pressing environmental argument to divert that food to local communities, as well as the more obvious social benefit which can be achieved.

Moreover, WRAP estimates that if all of the available edible surplus food in the UK was redistributed instead of being wasted, the volume of carbon emissions avoided from that alone would enable the UK to achieve its goal of becoming net zero by 2030.

As a result, by accessing the surplus food which exists in the UK and getting it to people rather than it be disposed of lower down the waste hierarchy to animal feed, energy production, composting or landfill, FareShare is playing a major role in the UK's climate ambitions.

## Our positive impact on the environment

In addition to maximising the environmental benefit of redistributing food, FareShare began work in 2021 to estimate our carbon footprint and as such, the carbon emissions avoided through the act of redistributing surplus food through our owned regional centres.

FareShare has been working with the Carbon Trust to create our first independently calculated environmental impact report.

The report was produced based on using their analysis of our operations, as primary research, combined with expert interviews and secondary desk research.

The report quantified for the first time the 'hidden' carbon embedded within the lifecycle of the food FareShare redistributes, arising from the energy used in everything from cultivation and harvesting to packaging and transportation.

Through the Carbon Trust's research we are able to claim, with external corroboration by a credible auditor that: the CO<sub>2</sub>e embedded in the food FareShare redistributes, and therefore prevents from going to waste, is 9 x greater than the CO<sub>2</sub>e emitted in the running of the FareShare UK operation (using data from 2019/20).

It was agreed to use 2019/20 data to provide a truer picture of our impact outside of the extraordinary times and practices of the past two years, and a steady state calculator for our future impact coming out of the pandemic as we return to a new normal.

The footprint calculation relates solely to FareShare's owned operations and does not include FareShare Go activity, as we are not responsible for any movement of food in the redistribution of those food volumes.

Our objective for this first piece of work was to follow the process of measuring, managing and improving our own operational environmental impact (our carbon, water and waste footprint). We are now working on a programme to operationalise this work and

manage our footprint. We shall develop plans to reduce our own operational impact (e.g. electrify the fleet where appropriate, source electricity from zero carbon sources, reduce warehouse waste and comply with waste hierarchy).

The second part of the Carbon Trust's impact report delivered a calculation of the carbon and water embedded in the surplus food we redistribute based upon the Carbon Trust's own databases, developed with over 20 years of experience in carbon accounting.

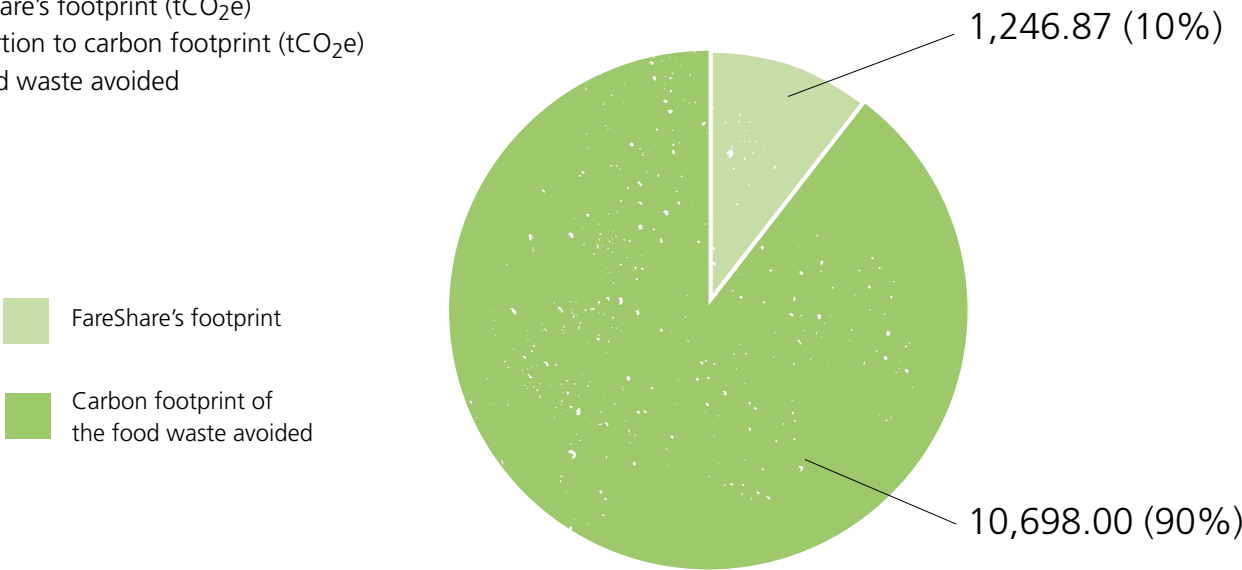
It was calculated that for every 1 tonne of edible food which was redistributed to people instead of being wasted, 1.6 tonnes of embedded CO<sub>2</sub>e within that food will not have been emitted in vain.

The research also found that for every 1 tonne of food sent to charities, the loss of 1,525,000 litres of water needed to produce that food would also be avoided.

Moving forwards, FareShare plans to create a calculation tool which can be used to apply to each new year's food volumes across its entire network to measure and manage the environmental impact of our collective work.

## Footprint proportion (tCO<sub>2</sub>e)

FareShare's footprint (tCO<sub>2</sub>e) proportion to carbon footprint (tCO<sub>2</sub>e) of food waste avoided







**2,000,000,000kg  
UNSOLD FOOD  
WASTED  
INSTEAD OF  
GOING TO  
CHARITIES**

**[www.FoodOnPlates.org](http://www.FoodOnPlates.org)**

## Spreading the word about surplus food: Marketing, communications and public affairs campaigns

**We believe that £5m per year to offset the costs of redistributing food from farmers and businesses to charities is a “drop in the ocean” in relation to the value of food that could be rescued.**

In September 2021 we launched our national #FoodOnPlates campaign which called on urgent Government funding of £5m a year to help farmers and food producers cover the costs of safely storing and transporting unsold food so it can be redistributed. We wanted to end the scandal whereby it is cheaper for farmers to waste good-to-eat food than get it to frontline charities putting meals onto people's plates.

This annual funding would enable the UK to redistribute an additional 53 million meals worth of good-to-eat food that is wasted each year. On the designated *International Day of Awareness of Food Loss and Waste* in September, we beamed striking images of tumbling carrots onto landmarks across London – including the Houses of Parliament – to highlight the campaign and urge members of the public to back us by getting their MPs to sign a letter of support which was hand delivered to Prime Minister Boris Johnson. Chefs Tom Kerridge, Hugh Fearnley-Whittingstall and Prue Leith shared the images on Twitter.

The Government's waste advisory group WRAP estimates there are over 2 million tonnes of edible surplus food in the supply chain, with the bulk of it found on farms. There is a precedent here, as similar 'lifeline' government funding launched in 2018 to help farmers cover the costs of getting unsold food to charities has not

been repeated.

We highlighted the situation in France where tax breaks are offered for businesses and where six times more fresh unsold food is redistributed to charities than in the UK.

We believe that £5m a year to offset the costs of redistributing food from farmers and businesses to charities is a “drop in the ocean” in relation to the value of food that could be rescued. It will also help the UK avoid the waste of 36,000 tonnes of embedded carbon emitted in the production of that food.

The Government has made positive statements about recommitting to funding for tackling food waste, but we have not seen details yet.

Among other supportive campaigns, we have received high-profile backing from the comedian community, including Matt Lucas, Jon Richardson, Katy Brand, Lucy Beaumont and Angela Barnes, for which we are very grateful.

In the run-up to the COP26 climate conference in Glasgow in November 2021, we published new data from the Carbon Trust highlighting the hidden carbon and water cost of food waste. We also expressed our disappointment that the wider issue of food waste had been “frozen out” of the event. We attended it as official observers, showing the world that surplus food is delicious and should have been on the agenda.



# FareShare’s added social impact through volunteering and new employability programme

A regular highlight for us is in September, when we host our volunteer awards ceremony which celebrates their special contributions, often with stories of how they have triumphed over adversity.

## Our volunteers

From warehouse pickers and packers to drivers and administrative staff, we rely enormously on our army of dedicated and hard-working volunteers. Inevitably numbers fluctuated during the rollercoaster phases of the pandemic but we now have over 4,800 volunteers who supported us over the year, with varying numbers of shifts. There were 2,100 unique volunteers a month at our peak and 1,600 during the lowest month.

The typical volunteer profile has been aged 60-plus, including early retirees. During the pandemic there was a shift to younger volunteers, because of older people self-isolating and younger furloughed employees stepping in to support FareShare. However, the shift has now reversed and the typical volunteer profile is now 60-plus again.

A regular highlight for us is in September, when we host our volunteer awards ceremony which celebrates their special contributions, often with stories of how they have triumphed over adversity.

Volunteer hours donated each month have fallen over the last year as the economy got back to normal. We started the year with 47,000 volunteer hours per month in April and ended the year at 31,000 volunteer hours in March. We saw a fall of around 6,000 hours per month from April to May when the economy reopened. We then saw a further fall of another 4,000 hours per month in September when furlough ended. November was an excellent month with volunteer hours rising to 43,000 again. However, this rise quickly fell back again in December to 33,000 hours and

aligned to the spread of the Omicron variant. Since January 2022 volunteer hours have stabilised at around 30,000 hours per month. Last fiscal year our volunteers provided over 445,000 hours of support for FareShare.

Our conversion rate from applications to active volunteering is 32% but we now need to be more proactive in our recruitment. In the new fiscal year we will be pushing out brand new recruitment guides and resources while increasing our presence on social media. We are also piloting ways to expand our range of activities for corporate volunteering.





## FareShare's added social impact through volunteering and new employability programme

### FareFutures

**FareShare is a recipient of the UK Government's Kickstart grant scheme. Since April 2021 we have facilitated 122 young people aged 16-24 to take up paid placements across 15 of our network partners' warehouses. The programme closed for new applicants on 31 March 2022 and our latest placements, that last 6 months, will have completed by the end of September 2022.**

Around 90% of placements joined our warehouse teams directly supporting the redistribution of surplus food. For some network partners, which were already involved in providing employability support, the Kickstart Scheme enabled them to employ large numbers of young people. FareShare Thames Valley and Milton Keynes were able to employ 26 young people through FareShare's Kickstart Scheme. For other network partners it gave them the opportunity to trial delivering this type of work on a smaller scale. In addition to employing the young people FareShare also delivered

support to help them into future employment. This has included training and mentoring around CV writing, interviews, and job searches as well as vocational training in food hygiene, manual handling, forklift truck operation and many other skills.

Some placements have gone on to become longer-term members of staff for example 5 out of the 6 placements provided by FareShare Midlands have either gained or will be offered long-term positions once their placements ended. Overall, over 30% of placements had already secured further employment once their placement ended and over 80% reported they are confident of finding work.

The Kickstart Scheme has also improved the mental and physical health of the young people employed with over 80% reporting improvements to their wellbeing.

In January 2022 we launched FareFutures, an initiative which gives jobseekers the chance to gain industry-recognised qualifications and valuable work experience at FareShare food warehouses across the UK. From learning how to drive a forklift truck to completing food hygiene courses; participants can gain new skills in food, warehousing and logistics, while helping local charities at the same time.

The initiative involves FareShare working regionally and nationally to deliver projects that support people into sustained and meaningful employment. FareFutures' projects will be tailored to meet local priorities but share the same key principles; a focus on participants' wellbeing, supporting FareShare's mission and building stronger partnerships. Places are free of charge, with no previous knowledge or experience required.





## Meeting transport and logistics challenges

**Transport and logistics are a huge part of our operations. FareShare bears the costs to move half of the food we source from A to B but transport costs, which are our second biggest cost after staff, have soared in recent months.**

This has been caused by the combined effect of the sudden shortage of haulage drivers in the UK and the fuel crisis. It was clear that we were going to struggle to find enough HGV transportation to obtain the food offered to us.

With retailers and supermarkets also under pressure and keen to avoid empty shelves - arguably the number one challenge in retail - diverting surplus food to FareShare was understandably far down their list of priorities. Our running costs went through the roof and the cost of transport went up from £95 per tonne to £145 per tonne overnight. Soaring energy costs also bumped up the costs of running essential equipment such as fridges and freezers.

The haulier crisis was a thorn in an otherwise incredibly successful year for the charity. Our ability to distribute food to the network was hampered overnight. At the peak of the crisis, we saw record levels of rejections due to not having the necessary logistics partners in place.

Finding enough HGV drivers has been an ongoing challenge, but as with most challenges there comes opportunity and we have taken numerous steps to improve the situation. This includes trialling the running of our own fleet of smaller 7.5 tonne lorries (which can be driven by people of a certain age without extra

training) as well as exploring new ways to distribute food to the network. We have now made a commitment to a fleet of nine 7.5 tonne lorries and paid drivers. In 2022 we began revamping our distribution model to ensure we are able to get food to regional centres more quickly and in better quality than we ever have before.

In 2021 both the Asda Foundation and The National Lottery Community Fund grants - respectively worth £12m and £5m over three and a half years - came to an end. Without such a significant investment it is doubtful that we would have been able to respond to the pandemic as we did.

The Asda 'Fight Hunger Create Change' (FHCC) project funded:

- Expansion into 3 new regions
- 9 new warehouses
- 27 new vans
- 27 bigger chillers
- 13 new freezers
- 9 forklifts
- Investment in volunteering, employability and technology

The National Lottery Community Fund provided us with the strategic and operational staff to manage the upscaling of our work, which was significant even before the outbreak of the pandemic.

Over that period, nearly 6,000 new charities were recruited, and we provided over 100,000 million meals. The successful delivery of the programme is an example of how the network and FareShare teams can collaborate to deliver excellent projects. We now need to focus on our target of sourcing more than 30% more surplus food every year and maximising its social impact within the charities we serve.





# Plans for the future

**In 2021/22 the Trustees, working closely with the Senior Leadership Team, agreed the organisation's new 3-year strategy.**

The strategy seeks to utilise the significant influx of funds that has arisen through the COVID-19 pandemic to increase the size of the core mission of FareShare, to ensure that donated income funding streams are grown to underpin long-term sustainability and to provide the capacity and infrastructure to secure its ability to continue to increase the charity's social and environmental impact.

The key objective of the renewed strategy is to target significant growth in the volume of food redistributed through the FareShare network in the period to March 2025 that will have a direct beneficial environmental impact in avoiding food waste and a social impact as more communities in need are reached. Normally we would set a clear and measurable target against this growth, however the turmoil and disruption in the commercial supply chain and logistics is making measurement tough. We remain committed to the objective of doubling food volumes over a three-year period.

In particular we aim to:

## Access more food

- To access more surplus food, we will continue to invest in our Food Team to provide the capacity and experience needed to engage and secure more food sources.
- We will be focusing on increasing local surplus food sources. Engaging locally is a strength of FareShare's network structure. We believe by demonstrating a local impact to businesses we can secure greater food volumes.
- We will also be focusing on accessing more Surplus with Purpose food, although substantial volume increases will need to be externally funded in the future.
- We will be investing in FareShare Go, making it more competitive to bring on board more retailers and gain access to more food.

## Accept more food

- We are investing in creating greater flexibility around our regional logistics, increasing our fleet and developing relationships with other charitable redistributors. We are developing a stronger third-party logistics (3PL) solution for national redistribution working with a logistics consultancy to reduce our dependency on one primary haulage business.

- We are supporting our network by continuing to provide them with grants to increase their capacity. The Trustees have designated £1.4m to be allocated to network partners in 2022/23.
- We are looking at innovative ways to move more food, to extend the operating hours in the network and increase our frozen capacity to accept perishable products amongst other initiatives.

## Fundraising

- We are investing in growing our fundraising team and the range of our fundraising activities to enable us to achieve long-term financial sustainability.
- We are looking at diversifying our fundraising activities across corporates, trusts and foundations, statutory and individual giving.
- We are investing in our operational systems to manage fundraising at a higher scale.

## Marketing

- We are refreshing our marketing strategy to have a greater emphasis on food procurement and food industry communications.
- We are developing the tools and resources to effectively communicate the impact that surplus food makes on society and to mobilise the food industry

to make diverting surplus the default position.

- We are investing in developing stronger relationships with farmers, growers, manufacturers, trade bodies, policy influencers and governments to get them to help reach and secure more food.

## Staff

- To enable us to support increased levels of staff, we are bringing in additional resources into Human Resources, developing learning and development plans and investing in an HR Information System.
- We will be bringing in an Equality, Diversity and Inclusion Manager to develop an EDI framework.

## IT and digital technology

- We continue to invest in our systems and processes to enable the delivery of the strategy and to ensure that we comply with the market standards in terms of the security of our data.
- We are investing in maximising the use of digital tools in the supply chain and logistics, to enable us to move and monitor food efficiently, control inventory and capture data across the network.





## Fundraising review

**In the 2021/22 year FareShare raised £17.4m donated income, which compares to £39.5m (excluding Department for Environment, Food & Rural Affairs (DEFRA) and Scottish Government restricted funding of £29.7m) in the previous financial year. Our prominent message this year was that small amounts can help and that just £1 can provide four meals for those in need through our food redistribution activities.**

Our fundraising activities took place throughout the year with key campaigns in the peak summer and Christmas seasons. We were thrilled to partner with the new brand, the Full Time Meals campaign, which was threaded throughout the year and, in collaboration with The Sun newspaper, had a big Christmas focus.

Each week chef Tom Kerridge and footballer Marcus Rashford shared a new family recipe designed to be easy, budget-friendly, healthy and tasty, using fresh, frozen and tinned foods. These were filmed with other celebrities and shared on social media, to promote ideas and skills to make cooking accessible for all. The highlight at Christmas was a special festive lunch which fed up to six

people for under £10, with enough for Boxing Day lunch too. The call to action was for both one-off donations and regular gifts. Its impact was increased as funding was generously matched by key donors Mike and Helen Brown with regular gifts as part of their support of our Christmas fundraising appeal. Our messages and calls to action during the Christmas fundraising season galvanised FareShare's supporters to donate £500,000 in the space of a few weeks across a variety of activities, making another 2 million meals possible. The Full Time Meals programme continues into a new year, with monthly recipes published on Instagram.

The food retail sector rallied and responded with not just generous financial support, but also a strong commitment to help promote FareShare to their respective shopping communities through advertising campaigns and social media. Visible and highly successful was the Buy One To Help a Child campaign devised by Tesco which was launched in July/August 2021 and then repeated at the end of March 2022. To help address food insecurity, Tesco made a financial donation for every piece of fresh fruit and veg bought in its stores during the promotion, to help FareShare redistribute food to charities and local community groups supporting children and their families. This was

a huge commitment from the UK's largest supermarket, which has been working with us since 2012 and which also organises in-store food collections twice a year (and all-year round collection points in more than 290 stores). No other retailer has instigated a produce-related promotion before, and it generated such a generous donation for FareShare. It raised over £2m and provided the equivalent of 8m meals.

Other corporate partnerships have been invaluable in raising our profile to a wide range of individual donors. The Old Vic Theatre in London named us as its charity of the year and invited audience members at its performances of A Christmas Carol to donate - not

just through cash in buckets but also contactless equipment which we used for the first time. The audience were far from Scrooge-like and kindly dug deep into their pockets to raise nearly £200,000. We extend sincere thanks to The Old Vic Theatre and its audiences for this invaluable support.

Our partner Barclays stepped up to the plate again with a major advertising campaign which ran from July to August in the broadsheet media, underlining the impact of its COVID-19 'Community Aid Package'. This involved a £100,000 grant to support our transport and logistics to move food into our network for redistribution. Barclays generously matched public donations and there was no cost to us.





## Fundraising review

We were also deeply grateful for the support of food-to-go restaurant chain McDonald's, who for the second year running gave us a Christmas donation of £1.25 million and featured FareShare in their festive 'Imaginary Iggy' TV advert which saw singer Mabel recording a cover of Cyndi Lauper's Time After Time as the soundtrack. The track was available for download and 10p from every download went to FareShare. Mabel also visited one of our charities where she donned an apron to help with the cooking.

Sincere thanks also go to The Global FoodBanking Network and The European Food Banks Federation for their continued support with our international funder relationships with Enterprise Rent-A-Car Foundation, Blackstone, BlackRock, Nestlé, and General Mills. Also to Comic Relief whose long-term support has helped FareShare through many challenges and has continued to enable FareShare to achieve national growth and to drive local impact.

Among other corporate fundraising activities, we launched many commercial projects involving on-pack promotions; these promotions are an excellent way for partners to support us, promoting the charity and engaging customers in raising funds at the same time. Partners this year included major food brands such as Coca Cola, Actimel/Danone and AMT Fruit, Jaffa Oranges and Pink Lady Apples.

An emerging new area with exciting potential is digital commercial fundraising, whereby consumers are encouraged to watch brand adverts via on-demand videos, in return for donations to FareShare. We have partnered with the agency Good-Loop for such collaborations and have enjoyed positive relationships with brands such as Philadelphia and Cheerios.

Among other digital partners, we were fortunate to work with the online restaurant bookings agency OpenTable, who teamed up with MasterCard to launch Dine Local to help tackle food poverty while supporting local restaurants just before Christmas. For every booking made through OpenTable at participating restaurants in November, OpenTable and MasterCard donated £5 per diner to FareShare.

### Our fundraising principles

FareShare is registered with the Fundraising Regulator, which is responsible for the UK code of fundraising practice. Our approach is to ensure that we comply with the standards as set out in the Code across all of our fundraising activity.

We comply with the behaviours required by the Code and we will not exploit the trust or lack of knowledge or awareness of any donor in vulnerable circumstances.

All of our fundraising was managed by our own staff in 2021-22 and no external fundraising organisations were employed to carry out our activities, other than using a third-party payment platform to receive and manage online donations. The platform used provides the security processes to protect donors and the charity, and their funds, and reduces administrative burden and costs for FareShare's small team of fundraisers.

During the 2021-22 year, we received a very small number of complaints from supporters. These mainly related to the technical performance of payment platforms and consequently we are dedicating additional resource and processes to improving donor experiences through new projects in the new financial year.

We strive to address any expression of dissatisfaction on the part of our supporters and to examine ways to improve our levels of service to them. To increase our transparency and openness of communications for our supporters, FareShare's new Gift Acceptance and Ethical policies will be included on our website in the new financial year.





List of our donors

We would like to take this opportunity to recognise and thank some of our many corporate, trust and individual supporters:

Supporters

- American International Group UK Ltd (AIG)

AMT Fruit

Anchorage Capital Europe (ACE)

Apex Group Ltd

Arch Europe

Asda

Aspect Capital Ltd

AXA UK Ltd

Bakkavor Group

Bayer Healthcare Pharmaceuticals Inc

Bel UK Ltd

Cargill Plc

Coca-Cola Services S.A/N.V.

Danone/Actimel

Deutsche Bank

DocuSign

DR OETKER (UK) Ltd

EduGive
- Exact Sciences UK Ltd

Fight - Reckitt Benckiser Corporate Services Limited

General Mills

Good-Loop

Gü Puds

H & T Group PLC

Hellmann's (Unilever)

Hitachi Capital (UK) PLC

Jarden Consumer Solutions (Europe) Limited

Jazz Pharmaceuticals

John Lewis & Partners

Kellogg's

McDonald's UK & Ireland

Motonovo Finance

Ogilvy & Mather Group (Holdings)

One Stop Stores Limited

OpenTable

Orbis Investments (U.K.) Ltd

- OXO International Ltd

Pacifica Group Limited

The PIMCO Foundation

Pink Lady (Brands)

Premier Foods

Roofoods Ltd

Sainsbury's

Sealed Air Global Community Investment Fund

Sodexo Stop Hunger Foundation

Soho House

Standard Life Aberdeen Charitable Foundation

Takeda UK Limited

Tesco Stores Ltd

The Blackstone Group

The Jolly Hog

The Times

The Tudor Capital

Tokio Marine Kiln Insurance Ltd

Troy Asset Management Ltd

Warburtons Limited
- Odin Charities Trust

Orr Mackintosh Foundation Ltd (ShareGift)

Players of People's Postcode Lottery

Reed Foundation

Strand Parishes Trust

Swire Charitable Trust

Talent Fund/Make Humanity Great Again

The Arpad and Alena Rosner Foundation

The Volant Trust

Thompson Family Charitable Trust

Welland Charitable Trust

Statutory donors

- East Hampshire County Council

Hampshire County Council

Liverpool City Council

New Forest District Council

The Scottish Government:Fair Food Fund

The Welsh Government

The Welsh Government:Prosperous Futures

Suffolk County Council

Major donors / individuals

- Mike and Helen Brown

Frances Jacob

Vic Lee

The Oeri Family

Trust and foundation donors

- Adint Charitable Trust

Ako Foundation

Albert Gubay Foundation

Amir Khan Foundation

Barbet Charitable Trust

Birrane Foundation

Broome Family Charitable Trust

City Bridge Trust

Comic Relief

David & Ruth Lewis Family Charitable Trust

Esmée Fairbairn Foundation

FEBA (European Food Banks Federation)

Fidelity UK Foundation

FIFA Foundation

Global FoodBanking Network / Enterprise-Rent-A-Car

Global FoodBanking Network / BlackRock

Headley Trust

Islamic Relief UK

John Horseman Trust

John Laing Charitable Trust

Marguerite Foundation


MJB Charitable Trust

NFU Mutual Charitable Trust

We would also like to thank all those supporters not listed here who wish to remain anonymous, those who support us through regular giving and those who have fundraised in support of our work.





A photograph of a smiling man with a beard wearing a yellow polo shirt, and a woman with glasses wearing a teal shirt, looking at a document together. The image is split diagonally, with the man on the left and the woman on the right.

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“The food is a real lifeline for me, as the sole carer to four young children – but it’s also about the community support they offer. The kids can throw up real challenges at times, and I know I’ll be listened to and helped with my problems – it’s like a big family, all pulling together.”





## Financial review 2021/2022

**After the first year of the COVID-19 pandemic, which saw an exceptional spike to all our income streams, we entered 2021/22 in a strong financial position, with reserves at £27.7m and cash in bank at £29.3m. In 2021/22 we continued to receive increased levels of income compared to pre-pandemic years but considerably lower than in the exceptional year of 2020/21.**

Underlying expenditure levels were also significantly higher than pre-pandemic levels although lower than the previous exceptional year. We ended the year with total reserves of £29.8m (2020/21: £27.7m) and cash in bank of £29.5m. The reserves were made of unrestricted reserves of £25.9m (2020/21: £21.9m) and restricted reserves of £3.9m (2020/21: £5.8m).

**The income growth over the last 4 years**

### Income

Total income for the 2021/22 year was £20.3m (2020/21: £72.1m), a 71% reduction on the 2020/21 year but a 26% increase on the pre-pandemic levels of income of £16.1m in the prior year. The unrestricted income in the year was £12.2m (2020/21: £23.6m) and restricted income was £8.1m (2020/21: £48.4m).

### Restricted income

Restricted income in the year reduced to £8.1m (2020/21: £48.4m). The two main reasons for the reduction in income were:

- The DEFRA grants totalling £27.6m received in the year to 31/3/21 were specific, one-off activities and did not recur in the year to 31/3/22.
- The major multi-year grants given by Asda, The National Lottery Community Fund ("TNLCF") and the Walmart Foundation were mainly completed by 31/3/21 with income of £0.7m in the 2021/22 year (2020/21: £2.7m).

The restricted income received in the year represented funding mainly from the Global FoodBanking Network (GFN), Enterprise Rent-A-Car Foundation, Sainsbury's, The National Lottery Community Fund, the UK Government for the Kickstart Scheme via DWP, The Scottish Government, Fidelity UK Foundation, Comic Relief, People's Postcode Lottery, Marguerite Foundation, Sodexo Stop Hunger Foundation, and grants from Asda to support the FareShare network.

### Unrestricted income

Total unrestricted income for the year was £12.2m (2020/21: £23.6m), of which £10.9m was donated (2020/21: £22.3m). Whilst overall donated income reduced by 51% year-on-year, based on the more comparable pre-pandemic year ended 31/3/20, income significantly grew by 319%. In the year to 31/3/22 we continued to receive higher than expected donations from corporates, trusts and foundations and individual donors.

Individual giving income was £4.4m in cont. over...

£/m	18/19	19/20	20/21	21/22
Donated income – unrestricted	2.3	2.8	22.4	10.9
Donated income - restricted	1.4	4.0	14.2	4.7
FareShare 1st – trading income	0.0	0.0	0.3	0.4
Major grants and Government COVID-19 related	5.7	6.6	32.8	1.8
FareShare Go	2.1	1.9	1.5	1.5
Community Food members and other income	0.8	0.8	0.9	1.0
Total income	12.3	16.1	72.1	20.3



# Financial review

the 2021/22 year, compared to £6.8m in the 2020/21 year, which included some significant contributions from individuals. Over the last two years FareShare has built a base of 13,900 regular donors from a very low pre-pandemic level, which we plan to grow further in forthcoming years through investment.

Corporate income levels reduced to £5.5m in the year 2021/22 (2020/21: £10.5m) but we continue to have a wide range of generous supporters and income levels are significantly ahead of pre-pandemic levels.

Trust income levels remain ahead of pre-pandemic levels but reduced to £0.9m in the year to 31/3/22 (2020/21: £4.9m).

## Expenditure

Total expenditure was £18.1m, a 64% decrease from £50.2m in the 2020/21 year. Excluding expenditures directly related to one-off government grants in the year, charitable expenditure reduced to £17.1m in the year (2020/21: £19.3m).

The expenditure on raising funds was £1.0m, a 20% increase on 2021 costs of £0.8m. The ratio of expenditure on raising funds to donated income increased to 5.6% (2020/21: 2.2% after excluding the major grants and exceptional pandemic related statutory funded grants). The rise was due mainly to the decline in donated income levels but remains low in comparison with levels in comparable charities and the Trustees expect this cost-to-income ratio to rise considerably in future years as

investment is made to secure higher but sustained income levels. The total spend on support costs remained constant at £2.5m (2020/21: £2.5m) which represents 14% of FareShare's total expenditure (2020/21: 12% excluding the major grants and exceptional pandemic related statutory funded projects).

Staff costs increased by 4% to £6.1m (2020/21: £5.9m) although average numbers of staff employed during the year fell by 3% as the charity experienced higher than normal staff turnover levels as pandemic restrictions eased mid-year. The charity continues to invest in staff to manage the increased levels of activities and underpin the long-term sustainability of FareShare.

Network support costs reduced to £12.7m in the year from £44.0m in the 2020/21 year, with this reduction being in line with the reduction in major grant funding related to the COVID-19 response. FareShare Go costs were £2.1m, a 4% increase on 2020/21 levels as staff began to be able to more easily visit retail and charity partners. There was a 46% reduction in costs at our operational centres, mainly as a result of a return to more normal activity levels as the initial pandemic response reduced and the effect of lower overall costs due to the disposal of the London operations in November 2020.

## Cash flow

Cash generated from operating activities was £0.5m (2020/21: £22.1m).

Cash at bank and in hand remained stable during the year at £29.5m (2020/21: £29.3m). The fall in creditors of £3.1m due to the payment of supplier accruals for purchased goods received but not invoiced as at 31/3/21 and the purchase of fixed assets (£0.3m) was mitigated by the operating surplus (£2.2m), lower debtors (£0.8m) and the depreciation charge (£0.5m).

Unrestricted cash of £25.5m (2020/21: £21.6m) represented 86% (2020/21: 74%) of the cash at bank and in hand and restricted cash decreased from £6.6m in previous financial year to £4.0m this year.

## Reserves

FareShare has a risk-based reserves policy to protect the operational requirements of the charity from short term disruption to ensure that our partners can continue to operate. The FareShare network supports almost 10,000 charities and community groups providing food to in excess of one million individuals a week. If FareShare was suddenly unable to operate, the repercussions on our partners would be severe and cause serious problems for the vulnerable and disadvantaged people whom they help.

The reserves policy is based on the risk analysis and the estimated related financial exposure that could arise from the risk crystallising. The risks provided against include not meeting the budgeted fundraising income for the next financial year, the costs that could arise if two average network partners were to have significant

financial difficulties and an allowance for other key risks identified within the corporate risk register. In addition, there is a need to maintain an adequate level of working capital at all times within the organisation. Based on this approach, the reserves level needed to be maintained by the charity is estimated at £7.4m.

The actual unrestricted and free reserves held at 31/3/22 were £25.4m, which represent 343% of the estimated required level. This level is calculated as Total Unrestricted Reserves (£24.5m) plus Designated Reserves (£1.5m) less Tangible Fixed Assets (£0.6m). The corresponding 2021 net figure was £21.1m.

The rise in reserves over the last couple of years has been faster than

the capacity of the organisation to immediately apply it to its charitable objectives. In 2022 the Trustees and management refined the 3-year strategy to utilise the funds to significantly increase the food volumes that the charity can source and redistribute, to increase the income generating capacity of the organisation to ensure that higher volumes can be maintained in the long-term and to strengthen the charity's network. More detail on the plans to utilise the reserves is provided in Plans for the Future section.

## Designated funds

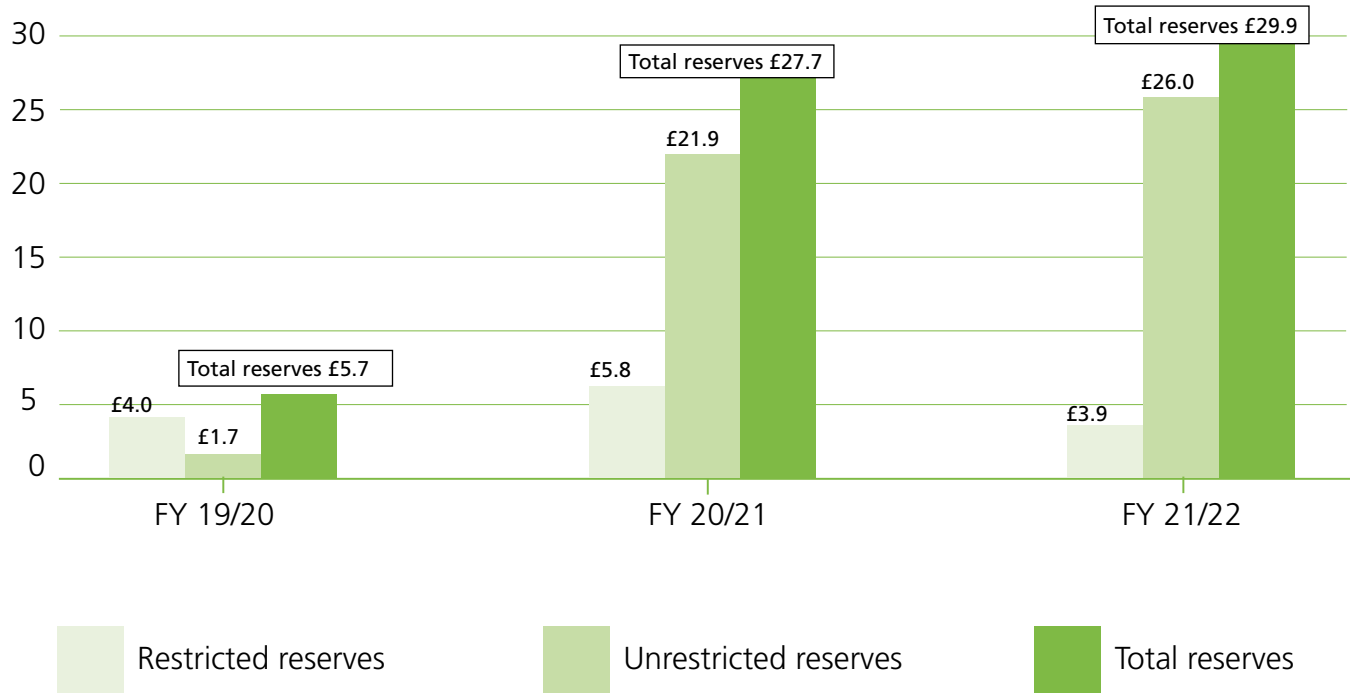
In 2021/22, the Trustees agreed to designate £1.4m to invest in the charity's network to strengthen its capacity to receive and redistribute

food and expects that the majority of these funds will be allocated during the financial year ending 31/3/23.

## Going concern

In continuing to adopt the going concern basis the Trustees assessed the viability of the charity over a three-year period which includes the budget for the next financial year and our best estimates for the two years thereafter. On the basis of financial forecasts and the charity's available resources, the Trustees consider that the charity has sufficient resources to continue for the foreseeable future and therefore continue to adopt the going concern basis in preparing these financial statements.

Reserves over the last 3 years - all figures in £m





# Principal risks and uncertainties

FareShare operates a structured approach to risk management which includes policies and procedures to mitigate those risks identified and maintains a risk register. The Trustees are responsible for risk management with the process managed by the Finance, Audit and Risk committee and oversight of all risks by the Board.

The risk management process was reviewed during the year with the revised process being based on departmental risk registers that have been consolidated into an overall corporate risk register. From this process the Trustees have identified our key risks.

Our main risk categories are as follows:

- Food safety compliance
- Health and safety
- Meeting strategic surplus food volume targets
- Generating sufficient donated income
- Network resilience
- Reputational damage due to having a high profile
- Over-reliance on key management and third parties
- Staff recruitment and retention
- Inflation becoming endemic
- Information systems (IS) security
- Information systems (IS) strategy alignment

The renewed risk management process did not identify safeguarding as a key risk to the organisation. A statement on the organisation's approach to safeguarding is included on page 55.

## Food safety compliance

Compliance with food safety legislation has been a major reason for the organisation's success as it has given food donors confidence that they will not become involved in indirect reputational issues involving their products. Given the diversity of the product base handled and the number of network partners, there

is an on-going risk that a lapse in compliance with standards causes an issue with authorities in this area and reputational damage for both FareShare and our donors leading to future donations being reviewed.

**Mitigation:** We have built a customised system which allows us to track all food providing full traceability. Our policies and procedures enable us to maintain the highest standards and we constantly review our food safety systems. Compliance is monitored through a programme of audits in this area and in addition, staffing in this area is being increased.

## Health and safety

We operate busy warehouses with potentially hazardous equipment such as forklift trucks and walk-in freezers. Our sites have increased their levels of activity significantly as food volumes have continued to increase. There is a risk due to the nature of the operations that we run and the pressure to put mission delivery as the primary objective, that the health and safety environment is inadequate to prevent significant accidents, service disruption and presents a risk to staff safety.

**Mitigation:** FareShare puts health and safety as its highest priority and has implemented a strong training, reporting and action culture for all managers, with executive management exercising oversight. Health and safety is given prominence on the agenda of all Board and management meetings. We maintain an up-to-date health and safety

manual and we ensure that it is consistently communicated through training and induction programmes. We have a dedicated volunteer management team and volunteer activities are only allowed where insurance cover is in place. The charity has launched independent audits of all operational network sites and will provide a significant contribution to the potential costs of mitigating actions when identified.

## Meeting strategic surplus food volume targets

The demand for food from our end users continues to grow significantly and the capacity of our network to handle large volumes has been significantly increased. However, there is a risk that the charity is unable to fully meet its stated strategic objective of doubling surplus food volumes by the end of 2024/25 through a combination of competition for surplus food, the rapidly developing strain being placed on global food supply chains due to the war in Ukraine and the ongoing and complex issues within the UK logistics sector. If this risk materialised one potential consequence is the weakening of network partner financial resilience, as most partners' main income source is the fees related to food volumes.

**Mitigation:** We have invested heavily in strengthening our capabilities in accessing and accepting more food and are planning to continue to further increase investment in the future through the implementation of the Food Strategy. We also continue

to strengthen our position with the food industry as the primary social impact partner for their surplus food through ensuring that adequate senior resources maintain close relationships with all key partners.

## Generating sufficient donated income

The organisation requires a significantly larger donated income stream than pre-pandemic levels in order to grow and sustain its mission due to the costs involved in accessing the range of food needed and the logistics and transport costs involved in distribution. There are a number of potential issues that may make this harder to achieve in future years, including the need for funding to support normal expenditure and not incremental and tangible projects, a possible waning of interest in food waste or the FareShare brand and the current financial strength of the organisation.

**Mitigation:** We have continued to invest significantly in strengthening our fundraising capacity during the current financial year and major ongoing investment is planned for future years. The future investment will ensure that resources dedicated to donated income generation are in line with levels experienced in established charities with high sustained income levels and have been reviewed by independent fundraising consultants. The need to ensure that we can demonstrate clearly the impact of our mission delivery to donors is being recognised through the expansion of staff capacity in this area.

## Network resilience

The charity relies significantly on a network of regional partners to ensure that food reaches the end user charities. The network regional partners are either focused solely on FareShare activities or are part of a larger charity, but they are independent of FareShare itself. Consequently, there is a risk that the charity's mission delivery to end-user beneficiaries is impacted by the operational or financial failure of one of the 18 independent network partners. The risk of financial failure is linked in many cases to the organisation's ability to grow food volumes as planned, as income levels are linked to the fees charged and ensuring that no one partner is favoured in this distribution at the expense of others.

**Mitigation:** The financial and operational sustainability of network partners is monitored on a regular basis by FareShare through network focused staff being in regular dialogue with partners. Additional mitigation is provided by ensuring that all network partners have business continuity plans in place and that full network knowledge sharing events are held regularly. The reserves required to be held by the charity include the estimated costs should two regional partners cease providing the current service and FareShare monitors whether an ongoing emergency fund is needed.



# Principal risks and uncertainties

## Reputational damage due to our high profile

The organisation's profile has continued to be high and, due to the number of network partners involved, the organisation faces an ongoing risk that its reputation could be damaged by the actions of one of its high-profile supporters or one of our partners. The importance of maintaining the trust of the public, donors, food partners and governments continues to be paramount.

**Mitigation:** The Board of Trustees and the Senior Leadership Team are focused on ensuring that the appropriate policies and procedures are in place throughout the charity and network and in addition have recently adopted an appropriate Ethics policy. The organisation maintains a pro-active press office that monitors and responds to all media coverage.

## Over reliance on key management and third parties

Due to its recent rapid growth, there is a risk that the organisation is increasingly reliant on key third parties including suppliers, technology platforms and high profile supporters and key management, the loss of any of which could significantly impact on the ability to sustain and expand the mission.

**Mitigation:** In order to reduce the risk on the over-reliance on key management, during the reported financial year, the executive director team has been expanded to include a

Director of Food and the department heads team has been expanded to cover all areas of the organisation and now numbers eleven. The organisation will develop a formal succession plan in the forthcoming year and support this with the necessary development support needed. The renewed risk management process has highlighted the need to develop targeted plans to reduce the dependency risk in each area.

## Staff recruitment and retention

Following the easing of pandemic restrictions in 2021 the organisation has had a high level of staff turnover and, in common with most organisations, challenges in attracting new staff. As the organisation needs to increase its headcount to deliver its strategic growth objectives, there is a risk that the delivery is delayed due to problems in retaining and recruiting key staff.

**Mitigation:** The organisation has formed a dedicated recruitment team and introduced a candidate management system to ease administration. During the year, an up-to-date learning and development system has been introduced and a hybrid working policy adopted. To further assist retention, future planned actions include a benchmarking and job evaluation exercise on salaries and benefits and ensuring that all staff have a training and development plan. The governance review undertaken has led to the formation of a 'People and Organisational Development Committee' to allow for Trustee oversight of progress in these areas.

## Inflation becoming endemic

Inflation has risen significantly during the last year and, should endemic inflation take hold, there is a risk to the ability of the organisation to expand its mission as much as it would want to, as the value of reserves base would be eroded, the operational cost base would rise significantly and donors may be less willing to contribute income if they are financially challenged themselves.

**Mitigation:** The organisation undertakes regular operational and financial planning exercises that indicate the level of external funds that will be available over the period reviewed. In recent years, due to the very low interest rates available and uncertainty over how long high-income levels would continue, excess funds have been held in current accounts. The charity is currently re-evaluating its approach to investment and will implement any renewed policy during the current financial year.

## Information systems security

The charity is increasingly managing data on a large scale and is also dependent on third parties to manage data security. As the organisation grows there is a risk that the overall current cyber security environment adopted by the organisation is not kept adequately robust enough to meet the growing threats that all organisations face in this area.

**Mitigation:** With respect to compliance with GDPR regulations, there is an ongoing monitoring group in the organisation that seeks to ensure compliance with regulations. With respect to cyber security and GDPR, an independent review of the current environment has been undertaken that highlighted areas for improvement and an external organisation is working with FareShare to project manage and deliver best practice. This project should complete the majority of its objectives by the end of 2021/22 which include external accreditation.

## Information systems strategy alignment

There is a risk that the lack of an agreed and validated Information Systems and Technology strategy for the organisation leads to a reactive approach to supporting the business needs of the future and a growth in independent systems with relatively low levels of integration.

**Mitigation:** In previous years, the development of Information Systems was constrained by the financial position of the organisation and so investment decisions were often aligned to the availability of external funding. The rapid recent growth of the organisation requires that an independent review of the strategic Information Systems options is undertaken to ensure that the charity adopts the direction most aligned to its future business needs and allocates the funding needed to support this.





# Structure, governance and management

**FareShare is a charitable company limited by guarantee (no. 4837373) and registered with the Charity Commission as a charity in England and Wales (no.1100051). FareShare was incorporated in 2003 and is governed by its Memorandum and Articles of Association adopted on 31 January 2006.**

The administrative details of the charitable company are detailed on page 55.

## Recruitment and appointment of Trustees

The Trustees, who are also directors and members of the charitable company, are appointed for a three-year term and then retire from office but may stand for re-election for up to two further terms according to the procedures set out in the Articles of Association.

Trustees are recruited with a range of skills and experience that are needed to ensure sound governance and strong progress towards the charity's mission and aims. Newly appointed trustees receive an induction that includes making them aware of their legal responsibilities as well as FareShare's policies, decision-making processes, strategic plan and recent financial performance.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

## Organisation

The Trustees together constitute the Board that is FareShare's governing body. The Board is responsible for agreeing strategy and annual budgets and oversight of policies, risk management and controls.

Following an external review of governance arrangements during the year, the Board decided to form the following three committees:

- The Finance, Audit and Risk Committee that provides more detailed oversight on all financial reporting matters including audit arrangements, financial risks, long-term planning, treasury and investment. The committee also oversees the organisation's risk management process.
- The People and Organisational Committee is responsible for overseeing, monitoring, reviewing and reporting on the development and implementation of our people and organisational development plans.
- The Nominations Committee which focuses on the specification, recruitment and selection of appointments to the Board and provides oversight of FareShare's governance arrangements.

Day-to-day operations are delegated to the Chief Executive who leads the Senior Leadership Team which is responsible for implementing the strategy and for progressing towards agreed key aims and objectives.

## Staff pay policy (including the Senior Leadership Team)

Our approach to staff pay is designed to ensure we can attract and retain people with the passion, commitment and skills we need to achieve our mission and deliver our strategic goals. It is applied consistently

across the organisation. We aim to pay competitively in the not-for-profit sector within the context of affordability. We therefore use external salary surveys and other tools to enable us to benchmark our salaries against other charities. The lowest rate of pay is at least the living wage set by the Living Wage Foundation.

Annual increases are normally awarded in April each year, taking into account the rate of inflation and organisational affordability. Annual increases are subject to approval by the Board of Trustees.

FareShare's key management personnel are the Senior Leadership Team. The same staff remuneration approach is applied to the recruitment and retention of the Senior Leadership Team.

## Staff engagement

The Trustees have continued to promote the interests of the employees by encouraging the establishment of a learning culture through the introduction of a Learning Management System launched in 2021/22.

Communication with staff is regarded as an important priority within the organisation. The organisation has continued to ensure that regular staff briefings are held that cover all major important issues. We have appointed a dedicated staff member to manage the internal communications.

Staff are periodically surveyed on matters of importance with an emphasis in the year on obtaining staff

views on management of COVID-19 related working plans. Staff were also consulted on the plans for the new London office. Additionally, the feedback from prior year consultations has been incorporated into operational plans with an emphasis on safety and wellbeing, including the introduction of a dedicated application to protect lone workers and the effectiveness of internal communications resulting in a broader agenda in briefing sessions. Staff affected by mental health issues have continued to be supported when needed. When staff turnover levels begin to decline, a staff engagement survey will be undertaken.

The organisation has continued to run several working groups that review internal policies and advise management including groups addressing culture and values and issues that need more communication.

## Safeguarding

We recognise our responsibility to promote safe practice and to protect any young people or vulnerable adults that we engage with from harm. All employees receive safeguarding training as part of their mandatory training whilst on probation and safeguarding forms part of volunteer induction. We are committed to identifying and minimising safeguarding risks across all our activities through appropriate training, risk assessments, policies and processes. We have a strong ethos throughout the charity to deliver good safeguarding practices and we take

seriously any report of suspected harm, abuse or neglect and have a robust process to deal with an incident if it were to arise. We operate safe and transparent recruitment practices.

We have a Safeguarding Policy, which sets out our mandatory standards and provides clear details of our reporting process. The policy is reviewed by the board periodically. Safeguarding Policy for the charity is led by the Chief Executive and Senior Leadership Team supported by the Safeguarding Officer.



Trustees’ responsibilities

The Trustees (listed on page 61) are also directors of FareShare under company law.

The Trustees are responsible for preparing financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with ‘United Kingdom Generally Accepted Accounting Practice’ (United Kingdom Accounting Standards) and applicable law. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including the net income or 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;
- Make judgments and estimates that are reasonable and prudent;

- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

In accordance with company law, each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

Our auditors, PKF Littlejohn LLP were re-appointed during the year and have expressed their willingness to continue in that capacity.

This report was approved by the Trustees on 18 July 2022 and signed on their behalf by:



John Bason, Chair

Reference and administrative details

FareShare is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office is: 19th Floor, Millbank Tower 21-24 Millbank London SW1P 4QP

Board of Trustees

- John Bason\*\*\*, Chair
- Simone Connolly\*\* (appointed on 31 August 2021)
- Vince Craig\*\*
- Christèle Delbé\*\*\*
- Adam Eisenstadt\*\*
- John Hinton\*\*\*
- Andrew Hood\*\*
- Richard King\*
- Juergen Pinker\*
- Alicia Reyes Revuelta\*\*
- Stephen Robinson\*\*\*
- Helen Sisson\*\*\*\*
- Tony Sykes\*
- Alan Gosschalk\* (appointed 8 July 2022)

- \* Member of the Finance, Audit and Risk Committee
- \*\* Member of the People and Organisational Committee
- \*\*\* Member of the Nominations Committee
- \*\*\*\* Advisor and oversight of health and safety and compliance

Company secretary

Jerome Walls

Senior leadership team

- Lindsay Boswell, Chief Executive
- Alyson Walsh, Commercial Director
- Jerome Walls, Director of Finance and Resources
- Kris Gibbon-Walsh, Director of Network and Operations
- Simon Millard, Director of Food (joined on 9th September 2021)

Bankers

- Charities Aid Foundation 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4TA
- Co-operative Bank plc 9 Prescott Street London E1 8BE
- Lloyds Bank plc 25 Gresham Street London EC2V 7HN

External auditors

PKF Littlejohn LLP 15 Westferry Circus London E14 4HD

Solicitors

Bates Wells 10 Queen Street Place London EC4R 1BE

Company Registration Number 4837373  
Charity Registration Number 1100051



# Independent Auditor’s report to the Members and Trustees of FareShare

## Opinion

We have audited the financial statements of FareShare (the ‘parent charitable company’) and its subsidiary (the ‘group’) for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- Give a true and fair view of the state of the group’s and the parent charitable company’s affairs as at 31 March 2022, and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom ‘Generally Accepted Accounting Practice’; and
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s or parent charitable company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements

are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the report of the Trustees, other than the financial statements and our auditor’s report thereon. The Trustees are responsible for the other information contained within the report of the Trustees. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees’ Report, which includes the strategic report and the Directors’ Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the Directors’ Report included within the Trustees’ Report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors’ Report included within the Trustees’ Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company’s financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees’ remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Trustees’ responsibility statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group and parent charitable company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent charitable company financial statements, the Trustees are responsible for assessing the group

and parent charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor’s responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



# Independent Auditor’s report to the Members and Trustees of FareShare

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from Companies Act 2006. Charities Act 2011, employee and tax legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to, enquiries of management and review of minutes.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that judgement was required with regards to the recognition of incoming resources and completeness of provisions.
- As in all our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor’s report.

## Use of our report

This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the charitable company and the charitable company’s members as a body for our audit work, for this report, or for the opinions we have formed.

Alastair Duke  
(Senior Statutory Auditor)  
For and on behalf of  
PKF Littlejohn LLP  
Statutory Auditor  
15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

# Consolidated statement of financial activities

For the year ended 31 March 2022 (incorporating an income and expenditure account)

	Note	Unrestricted Funds 2022 £'000	Restricted Funds 2022 £'000	Total Funds 2022 £'000	Unrestricted Funds 2021 £'000	Restricted Funds 2021 £'000	Total Funds 2021 £'000
<b>Income</b>							
Income from generated funds							
Donations	1	10,891	6,535	17,426	22,263	46,971	69,234
Other trading activities	2	21	-	21	157	-	157
Commercial trading income	11	422	-	422	265	-	265
Income from investments	3	1	-	1	9	-	9
		11,335	6,535	17,870	22,694	46,971	69,665
Income from charitable activities	4	844	1,582	2,426	932	1,471	2,403
<b>Total Income</b>		12,179	8,117	20,296	23,626	48,442	72,068
<b>Expenditure</b>							
	6,7						
Expenditure on raising funds		981	-	981	816	-	816
Expenditure on charitable activities		7,209	9,917	17,126	2,934	46,407	49,341
<b>Total Expenditure</b>		8,190	9,917	18,107	3,750	46,407	50,157
<b>Net Income</b>		3,989	(1,800)	2,189	19,876	2,035	21,911
Transfers between funds	19,20	80	(80)	-	303	(303)	-
<b>Net movement in funds</b>		4,069	(1,880)	2,189	20,179	1,732	21,911
Balance at beginning of year		21,882	5,768	27,650	1,703	4,036	5,739
Balance at end of year	19,20	25,951	3,888	29,839	21,882	5,768	27,650

The Group has no gains or losses other than those shown above.

The Accounting Policies and notes on pages 64 to 77 form part of these financial statements.



## Balance sheet

At 31 March 2022

	Note	Group		Charity	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed Assets</b>					
Tangible fixed assets	12	551	799	551	799
Investments	13	-	-	-	-
		551	799	551	799
<b>Current Assets</b>					
Debtors	14	3,542	4,355	3,594	4,323
Cash at bank in hand		29,498	29,331	28,984	28,968
		33,040	33,686	32,578	33,291
<b>Creditors:</b> Amounts falling due within one year	15	(3,285)	(6,435)	(3,244)	(6,304)
<b>Net Current Assets</b>		29,755	27,251	29,334	26,987
<b>Creditors:</b> Amounts falling due after one year	16	(467)	(400)	(467)	(400)
<b>Net Assets</b>		29,839	27,650	29,418	27,386
<b>Reserves</b>					
Unrestricted Funds					
General	20	24,501	21,882	24,080	21,618
Designated	20	1,450	-	1,450	-
Restricted funds	19	3,888	5,768	3,888	5,768
<b>Net Assets</b>		29,839	27,650	29,418	27,386

These financial statements were approved and authorised for issue by the Board of Trustees on 18 July 2022 and signed on their behalf by:



John Bason, Director



Richard King, Director

The Accounting Policies and notes on pages 64 to 77 form part of these financial statements.

Registered company number: 04837373

## Consolidated cashflow statement

For the year ended 31 March 2022

	Total Funds 2022 £'000	Total Funds 2021 £'000
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities (see reconciliation below)	458	22,085
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(291)	(584)
<b>Change in cash and cash equivalents in the year</b>	167	21,501
<b>Cash and cash equivalents</b>		
At beginning of year	29,331	7,830
At end of year	29,498	29,331
<b>Reconciliation of net income to net cash flow from operating activities</b>		
	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)	2,189	21,911
<b>Adjustments for:</b>		
Depreciation charges	454	277
Loss on disposal of fixed assets	85	95
Increase / (decrease) in provisions	-	94
(Increase) / decrease in debtors	813	(1,757)
Increase / (decrease) in creditors	(3,083)	1,465
	458	22,085

The Accounting Policies and notes on pages 64 to 77 form part of these financial statements.



## Accounting policies

Year ended 31 March 2022

### Basis of accounting and consolidation

FareShare is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address and principal place of business is: 19th Floor, Millbank Tower 21-24 Millbank London SW1P 4QP

The financial statements have been prepared 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), and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The financial statements consolidate the results of the charitable company, FareShare Limited and its subsidiary trading company, FareShare 1st Limited, on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. The amounts due to/from the charity and its subsidiary are disclosed in the notes to the accounts (Notes 14-15). A separate statement of financial activities for the charitable company has not been presented, taking advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £'000. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### Public benefit

The charity constitutes a public benefit entity as defined by FRS 102.

### Going concern

The financial statements have been prepared on the going concern basis. An organisation is considered a going concern if it is expected to continue its operations for the next twelve months. The Trustees consider FareShare to be a going concern for the foreseeable future as there are sufficient cash resources to meet liabilities for a period of at least twelve months from the date of approval of the financial statements. More detail is provided in the Financial Review section.

### Income

Donated income is recognised in the financial statements when the charity has entitlement to the funds, it is probable income that will be received and the amount can be measured reliably.

When there are any performance conditions attached to the grant agreements, the grant income is recognised when there is sufficient evidence that these conditions have been met.

Charitable trading income, arising from contracts from services, is recognised when earned. Such income received in advance of entitlement is deferred to the balance sheet and released to the statement of financial activities in the periods to which the income relates.

Donated gifts and services are measured at their monetary value to the organisation and are included under donations where it is possible to establish a fair value without incurring excessive cost. An equal amount is included under the relevant expenditure category so the net income is nil. The value of donated and surplus food is excluded from the accounts, as the costs of establishing the fair value of these would be excessive in comparison to the benefit to the users of the accounts. However, an estimated value of donated food is included as a note to the accounts under Intangible Income.

### Expenditure

Expenditure is accounted for on an accruals basis when there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. The costs of raising funds relate to the costs incurred by the charitable company in generating voluntary income and any other costs related to the fundraising activities. Charitable expenditure comprises the direct costs of delivering the FareShare charitable objects and their associated support costs. Support costs are apportioned to FareShare's activities in line with the staff time

spent on each activity. The type of costs allocated in this way include finance and governance, HR, office and technology. Governance costs comprise the legal and professional costs associated with the running and management of the charity, auditing fees, other accountancy costs and trustee expenses.

Untaken staff holiday is calculated at staff average salary cost and is included in the 'staff gross salaries' costs.

Rentals under operating leases are charged to the Statement of Financial Activities as incurred.

### Grants given

FareShare can only make grants to other organisations where these are in support of its charitable activities. Grants are given to our partners from the designated funds as well as grants given by funders to be allocated across the entire network. The expenditure is recognised when the criteria for a constructive obligation has been met, payment is probable, it can be measured reliably and there are no conditions attached which limit its recognition.

### Taxation

As a registered charity, the Company is generally exempt from Corporation Tax but not from Value Added Tax (VAT). The Company's subsidiary trading company is registered for VAT and is liable to corporation tax on trading profits not transferred under the Gift Aid arrangements.



Accounting policies

Year ended 31 March 2022

Pension costs

The charity operates a group personal pension plan which is a direct contribution scheme. The assets of the scheme are held separately from those of the charity. Contributions are charged to the statement of financial activities in the periods to which they relate. The charity has no liability under the scheme other than for the payment of those contributions.

Redundancy costs

Where a demonstrable commitment is made to terminate the employment of staff before the end of the reporting benefit any termination benefit is charged to the Statement of Financial Activities and a liability is recognised for the best estimation of the cost at the reporting date.

Funds

Unrestricted funds comprise those monies that may be used towards meeting the charitable objects of the charity at the discretion of the Trustees. Restricted funds arise when donations are received for specific purposes or are subject to specific conditions imposed by the donor. Restricted funds are to be used for particular aspects of the objects of the charity.

Designated funds

Designated funds have been established by the Trustees to fund the cost of strategic initiatives which the Trustees consider will contribute to the achievement of the charity's objectives. The funds are not restricted and to the extent the funds are not required will be available to support the charity's day to day activities.

Fixed asset investment

The investment in the wholly owned subsidiary trading company is shown at cost.

Tangible fixed assets

Tangible fixed assets are stated at cost. Fixed assets over the value of £2,000 are capitalised and the depreciation is charged on a straight-line basis over the asset's estimated useful life:

- Leasehold improvements - over the life of the lease
- Warehouse equipment - 5 years
- Vehicles - 5 years
- Computer equipment and software - 3 years
- Other assets - 3 to 5 years

Assets held under finance leases

Leased assets where the risks and rewards of ownership are substantially transferred to the charity are classified as finance leases. The asset is recognised at fair value or, if lower, the present value of the minimum lease payments. A creditor is established for the capitalised value of the assets and lease payments are split between the capital element and interest cost. The asset is depreciated over the shorter of the term of the lease and the useful economic life of the asset.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments, which are payments received in advance, are valued at the net amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand consists of cash only.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The full estimated cost of dilapidations is provided in respect of existing current lease obligations.

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.

Accounting estimates and key judgements

In the process of applying the charity's accounting policies described in this note, judgements and estimates are made that have an effect on the reported amounts of assets, liabilities, revenue and expenses during the reporting period. Significant estimates made in the course of preparing the financial statements include the provision for debtors that may not be recoverable and the provision for dilapidations relating to our leased buildings.

Notes to the financial statements

Year ended 31 March 2022

1. Donations

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Individuals and legacies		4,392	12	4,404	6,777
Trusts and foundations		902	3,043	3,945	10,782
Corporate		5,489	2,174	7,663	21,242
Statutory		108	1,306	1,414	30,433
		10,891	6,535	17,426	69,234

In the year 2021/22 income from donated gifts and services was recognised to the value of £6,000. In the 2020/21 year donated gifts and services ranged from PPE, COVID-19 test kits, warehouse space and a national distribution centre to support with the increased volumes of food being received as a result of the pandemic. These were not recognised in the accounts but estimated at the value of £2.8m.

2. Other trading activites

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Other trading income		21		21	157

3. Income from investments

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Bank interest receivable		1		1	9

4. Income from charitable activities

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Community food members		826	-	826	832
Fees reclaimable from movement of goods		18	-	18	100
Fees received for FareShare Go	10	-	1,582	1,582	1,471
		844	1,582	2,426	2,403



Notes to the financial statements

Year ended 31 March 2022

5. Donated goods for distribution

In 2021/22 the network which includes the charity and its partners received an estimated 53,894 tonnes of food (2020/21: 54,203 tonnes) from the retailers, food distributors and consumers for distribution to the FareShare network. In line with the accounting policy, it is not currently considered practical to establish a fair value for the surplus and donated food given the charity. However, a study conducted by FareShare in 2015 calculated an average value per tonne of food to be £3,000 based on a typical composition of products. Using this estimate, an indicative value of food received into the network was £162 million (2020/21: £163 million).

6. Expenditure

	Staff costs 2022 £'000	Operational costs 2022 £'000	Grants given 2022 £'000	Support costs 2022 £'000	Total costs 2022 £'000	Total costs 2021 £'000
Expenditure on raising funds	598	185	-	198	981	816
Charitable activities						
Managed depots	442	657	-	513	1,612	2,983
Network support	2,640	8,534	500	1,026	12,700	44,325
FareShare Go	1,284	129	-	678	2,091	2,033
Employability	124	549	-	50	723	-
	5,088	10,054	500	2,465	18,107	50,157

The managed depots costs include three operational centres in East Anglia, Merseyside and Southern Central. The results in the 2020/21 year also included the London operations, disposed of in November 2020 (Total costs £308,000).

Network support expenditure in the 2021/22 year reduced on the previous year as activity levels were exceptionally high in the 2020/21 year as a result of government funding received to cover food purchases and food distribution costs in response to the COVID-19 pandemic (DEFRA - £27.6m and Scottish Government - £2.1m). The 2022 expenditure levels represent business as usual activities and include the increase in overall volumes of food distributed to the network. Network costs include a grant given to the European Food Banks Federation (FEBA) for £500,000, to assist FEBA members operating to relieve the effects of the Ukrainian conflict.

A new employability programme was started in 2021/22 and the main source of income was from the Department of Work and Pension (DWP) as part of the government’s Kickstart Scheme. This consisted of staff costs and funding managed on behalf of the network partners to fund the employees hired via the scheme.

7. Analysis of support costs

The make-up and allocation of support costs to business areas is:

	Staff costs £'000	Operational costs £'000	Governance costs £'000	Total 2022 £'000	Total 2021 £'000
Expenditure on raising funds	84	106	8	198	279
Charitable activities					
Managed depots	216	275	22	513	552
Network support	433	550	43	1,026	1,108
FareShare Go	286	363	29	678	573
Employability	21	27	2	50	-
	1,040	1,321	104	2,465	2,512

The spilt of support costs into functional expenditure areas is as follows:

	Staff costs £'000	Operational costs £'000	Governance costs £'000	Total 2022 £'000	Total 2021 £'000
Finance	298	405	-	703	543
Governance costs	23	81	-	104	59
HR & Organisational Development	450	274	-	724	459
IT & Systems	220	442	-	662	684
Office	49	223	-	272	767
	1,040	1,425	-	2,465	2,512

8. Governance costs

	2022 £'000	2021 £'000
Staff costs	23	16
Auditors - audit fees	13	20
Auditors - accountancy & tax	24	23
Indemnity insurance	15	-
Other costs	29	-
	104	59

The indemnity insurance for 2022 is included above and totalled £14,830. In 2020/21 it was included within the support costs and totalled £8,542. Other costs include the expenditure incurred in the review of governance arrangements during the year.



Notes to the financial statements

Year ended 31 March 2022

9. Staff and Trustee expenses

No Trustees received any remuneration from FareShare during the year (2020/21: none). Trustees’ reimbursed expenses totalling £628 were incurred during the year 2020/21: £466). These expenses were incurred by two Trustees (2020/21: two), being travel and subsistence costs for attending Board meetings or other charity business. Staff costs in the year were as follows:

	2022 £'000	2021 £'000
Salaries and wages	5,206	5,248
Social security costs	479	469
Pension contributions	195	186
Redundancies and settlements	13	-
Temporary staff costs	235	12
	6,128	5,915

Pension contributions include £74,000 (2020/21: £73,000) allocated to restricted grants as funding for total staff costs including pension contributions was within the terms of these grants. At the end of March 2022, there were 179 members of staff, this equated to 169 full time equivalent.

Average number of employees during the year were as follows:

	2022 £'000	2021 £'000
Managed depots	42	45
Network partner support incl. Food and Supply Chain	48	48
Employability	3	-
FareShare Go	41	46
Raising funds	12	12
Marketing & Comms	14	12
Support Functions	12	23
	181	186

Higher paid employees

The number of staff paid over £60,000 during the year was:

	2022	2021
£60,000 - £70,000	1	2
£70,000 - £80,000	1	1
£80,000 - £90,000	1	-
£90,000 - £100,000	-	-
£100,000 - £110,000	1	1

Key management personnel

Key management personnel are the Senior Leadership Team, comprising in total 5 (2020/21: 4), with one member having started in September 2021. The team comprises of the Chief Executive Officer, Director of Finance and Resources, Commercial Director, Director of Network and Operations and Director of Food (from Sept onwards). The total remuneration of the key management personnel, including employer pension contributions, was £456,000 (2020/21: £360,000).

10. FareShare Go

	Note	Total 2022 £'000	Total 2021 £'000
Invoiced based on budget		1,478	1,800
Income deferred	17	(625)	(775)
Released from deferred income		729	466
Amount recognised in a year	4	1,582	1,471
Direct costs incurred	6	(1, 413)	(1,461)
Fixed assets purchased		-	(1)
Contribution to core costs		(169)	(9)
Transfer (from) / to core		-	-

This note represents the total income and costs from four major retailer contracts during the year.

11. Subsidiary trading income and expenditure

FareShare has a wholly owned subsidiary, FareShare 1st Limited, which is a company limited by shares incorporated in England and Wales. The principal activity of FareShare 1st Limited is to undertake commercial activities on behalf of the charity.

FareShare 1st Limited is registered company no 05412034 and its registered office is  
19th Floor, Millbank Tower  
21-24 Millbank  
London  
SW1P 4QP

FareShare 1st Limited financial results are consolidated into the group financial statements. As of 31 March 2022, the net assets of FareShare 1st Limited were £419,000 (2020/21: £264,000). Its trading results extracted from its audited financial statements for the year to 31 March 2022 were:

	2022 £'000	2021 £'000
Turnover	422	265
Cost of sales	-	-
Gross Profit	422	265
Admin costs	(3)	(1)
Qualifying donation	-	-
Retained profit	419	264



## Notes to the financial statements

Year ended 31 March 2022

### 12. Tangible fixed assets - group and charity

	Leasehold improvements £'000	Office equipment £'000	Computer equipment & software £'000	Warehouse equipment £'000	Total 2021 £'000
<b>Cost</b>					
At beginning of year	641	32	655	598	1,926
Additions	-	-	75	216	291
Disposals	(14)	(3)	(82)	(76)	(175)
At end of year	627	29	648	738	2,042
<b>Depreciation</b>					
At beginning of year	317	29	471	310	1,127
Charge for the year	96	2	202	154	454
Release on disposals	(4)	(2)	(57)	(27)	(90)
At end of year	409	29	616	437	1,491
<b>Net book value</b>					
31 March 2021	324	3	184	288	799
31 March 2022	218	-	32	301	551

The net book value of assets held under finance leases included in the warehouse equipment above is £127,000 (2020/21: £56,000).

### 13. Investments

	2022 £	2021 £
Shares in subsidiary company (see note 11)	1	1

### 14. Debtors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	612	1,542	468	1,510
Prepayments and accrued income	2,532	2,549	2,508	2,549
VAT reclaimable	227	222	227	222
Amounts due from subsidiary	-	-	220	-
Other debtors	171	42	171	42
	3,542	4,355	3,594	4,323

The decrease of trade debtors in 2021/22 is the result of the completion of the DEFRA project in 2021. Trade debtors in 2021 included £705,000 due from DEFRA. Trade debtors in 2022 include £236,000 due from the Community Food Members (2020/21: £175,000).

The major items included within accrued income as at 31/3/22 were related to the Tesco 'Buy One to Help A Child' initiative in March 2022 (£1,595,000), individual giving donations from external platforms (£247,000) and grants recognised from the Scottish Government (£185,000).

### 15. Creditors: amounts due within one year

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	1,096	3,556	1,096	3,556
Amounts due from subsidiary	-	-	-	9
Accruals and deferred income	1,945	2,465	1,945	2,456
Obligations under finance leases	38	11	38	11
Taxation and social security	165	152	165	152
VAT payable	41	-	-	-
Other creditors	-	251	-	120
	3,285	6,435	3,244	6,304

The decrease in trade creditors in 2022 is the result of the DEFRA food purchase project completion in April 2021. As at 31/3/21, trade creditors relating to this contract totalled £2.35m and these were all fully paid for in the 2021/22 year.

### 16. Creditors: amounts falling due after one year

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Provision for dilapidations	359	359	359	359
Obligations under finance leases	108	41	108	41
	467	400	467	400

The dilapidations provision is the estimated cost of restoring leased buildings to the required condition at the end of the lease. No changes to the provision were made in 2021/22. Additional vehicles were purchased under finance leases and the long term obligations amounted to £108,000 (2020/21: £41,000).



Notes to the financial statements

Year ended 31 March 2022

17. Deferred income

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
At the beginning of the year	1,750	3,200	1,750	3,200
Released from deferred income	(1,703)	(2,760)	(1,703)	(2,760)
Income deferred	1,321	1,310	1,321	1,310
At end of year	1,368	1,750	1,368	1,750

Included within deferred income is income received and not spent by 31 March 2022 from participating retailers for the FareShare Go project for the total of £671,000 (2020/21: £775,000), Community Food Members fees received in advance for the total of £211,000; an advance grant for £450,000 from FareShare Cymru and John Lewis income of £136,000 for the employability programme. There is also £100,000 transferred over from FareShare Go deferred income towards the Tesco PCP (Permanent Collection Points) income contribution, which was agreed with Tesco in order to run down the deferred surplus income.

18. Future commitments - operating and finance leases

The charitable company had the following annual commitments under non-cancellable leases:

	Payments due within one year £'000	Payments due in two to five years £'000	Payments due in more than five years £'000	Total £'000
At 31 March 2022				
Operating lease commitments	253	233	-	486
Finance lease commitments	38	116	-	154
	291	349		640
At 31 March 2021				
Operating lease commitments	132	208	25	365
Finance lease commitments	8	-	-	8
	140	208	25	373

Operating lease commitments relate to premises including a new office lease for the headquarters at Millbank Towers in London, entered into from February 2022. Finance lease commitments include new vehicles for our Merseyside and Southern Central operations entered into during the 2021/22 year. Total expenses paid under operating leases and reflected in the Statement of Financial Activities were £267,000 (2020/21: £331,000).

19. Restricted funds

	Note	Beginning of year £'000	Transfer of funds £'000	Income in year £'000	Utilised in year £'000	End of year £'000
At 31 March 2022						
Restricted funds						
a) FareShare depots		295	-	668	(649)	314
b) Network support		5,473	(80)	5,219	(7,040)	3,572
c) FareShare Go	10	-	-	1,581	(1,581)	-
d) Employability		-	-	648	(646)	2
		5,768	(80)	8,116	(9,916)	3,888

	Note	Beginning of year £'000	Transfer of funds £'000	Income in year £'000	Utilised in year £'000	End of year £'000
At 31 March 2021						
Restricted funds						
a) FareShare depots		244	(292)	1,729	(1,386)	295
b) Network support		3,792	(10)	45,242	(43,551)	5,473
c) FareShare Go	10	-	(1)	1,471	(1,470)	-
d) Employability		-	-	-	-	-
		4,036	(303)	48,442	(46,407)	5,768

Restricted reserves

**a) FareShare depots**  
This reflects the food redistribution operations of FareShare’s national depots in Merseyside, Southern Central and East Anglia. As at 31 March 2022, the Comic Relief East Anglia donation has £105,000 to be carried forward and the donation from the Liverpool City Council £70,000 unspent.

**b) Network support**  
This reflects staffing and other support activities for FareShare’s national network of delivery partners, including the transport costs of food redistribution. Included with the carried forward total as at 31 March 2022 are a £1.0m grant from Enterprise Holdings Foundation of which £847,000 is taken into the new financial year, £1,070,000 in various donations from Asda and £1,312,000 from Sainsbury’s.

**c) FareShare Go**  
Funds relating to the FareShare Go activities are restricted and disclosed in note 10.

**d) Employability**  
This relates to the various employability programmes being run at FareShare UK and network partners. Employability programmes are mostly designed to sit within the FareShare Regional Centre’s operation, providing participants with warehousing work experience, training, qualifications and other support to succeed in securing work.

**Comic Relief**  
The restricted funds income includes £277,075 donated by Comic Relief (2020/21: £2,289,596). This funding was to help increase FareShare’s ability to scale up its activities throughout the COVID-19 pandemic.

**Fund transfer**  
An amount of £80,000 (2020/21: £303,000) has been transferred from restricted to unrestricted funds to correct a prior year error.



Notes to the financial statements

Year ended 31 March 2022

20. Unrestricted funds

	Beginning of year £'000	Transfer of funds £'000	Net movement in funds in the year £'000	End of year £'000
At 31 March 2022				
Unrestricted funds				
General fund - The charity	21,617	(1,450)	3,914	24,081
General fund - The subsidiary	265	-	155	420
Designated funds	-	1,450	-	1,450
	21,882	-	4,069	25,951

In 2021/22 the Trustees agreed to designate £1.4m to invest in the charity's network to strengthen the capacity of network partners to receive and redistribute surplus food.

	Beginning of year £'000	Transfer of funds £'000	Net movement in funds in the year £'000	End of year £'000
At 31 March 2021				
Unrestricted funds				
General fund - The charity	1,138	565	19,914	21,617
General fund - The subsidiary	-	-	265	265
Designated funds	565	(565)	-	-
	1,703	-	20,179	21,882

21. Related parties

**John Hinton**, a Trustee of FareShare UK, is the Executive Director of MoveOn that runs the Glasgow-West of Scotland FareShare Regional Centre. FareShare UK provides MoveOn with regular food, support, guidance and oversight and at times, grant funding. During the year FareShare paid £146,000 (2021: £477,000) to MoveOn, being the funding received from the Department of Work and Pensions for the Kickstart Scheme as well as funding received to support the network operations from Sainsbury's, Tesco, The Scottish Government, The Big Lottery Fund, Savills Plc and the individual donation from Mrs P Sinclair. FareShare received £20,000 from MoveOn in relation to the start-up costs of the Kickstart programme.

**Vincent Craig**, a FareShare UK Trustee, is a senior independent director of the British Frozen Food Federation (BFFF). FareShare paid the BFFF a total of £6,000 in relation to educational seminars and training programmes that are relevant to FareShare's operations and run by the Federation, as well as the annual membership fees in the 2021/22 year.

**Simone Connelly**, a FareShare UK Trustee appointed on 31 August 2021, is also the Chief Executive Officer of FareShare Midlands, a network partner running a number of regional centres. FareShare UK paid a total of £406,000 to FareShare Midlands from September 2021 to end of March 2022 which included £328,000 support for FareShare UK East Anglian depot operations, as our existing operations had to partially close at short notice. Also included were payments for the Kickstart programme and several other grants where FareShare UK received funding that had to be passed on to FareShare Midlands. FareShare received £6,000 from FareShare Midlands for joint funded roles and £1,400 for the return of underspend funds from the TNLCF project.

All transactions were conducted on an arms-length, commercial basis. None of the trustees concerned were involved in approving these transactions.

22. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

23. Events after the reporting period

There were no material events after the reporting period which require disclosure in accordance with the Charities SORP (FRS 102) section 13.







## FareShare UK

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Registered Charity No. 1100051  
Limited by Guarantee  
Company Registration No. 04837373

