

Winchester Basics Bank

(a company limited by guarantee)

Report and Financial Statements

Year ending 31st December 2022

Charity number: 1102470

Company number: 05005690

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Winchester Basics Bank

Report of the directors for the year ending 31st December 2022

The trustees present their annual directors' report together with the financial statements of Winchester Basics Bank for the year ending 31st December 2022. The financial statements have been prepared for the company as a going concern on the basis set out in Note 1 to the accounts and under the accounting policies set out in Note 2 (see pages 13 and 14).

The directors have taken advantage of the exemptions applicable to small companies including: not being required to have a statutory audit, not being required to include a statement of cash flows with the financial statements, not being required to analyse and report income and expenditure on a detailed activity basis.

As total income for the period exceeds £250,000, the company is required under charity law to have either an audit or an independent examination of its accounts by a qualified person. The Board appointed K.J. Stratton of Kimball Smith as its independent examiner in 2020 and has reappointed him this year.

This directors' report includes the trustees' annual report information as required under charity law.

1. Background and Purpose

Winchester Basics Bank (WBB) provides food, hygiene products and clothing to individuals and families in emergency need. It aims to make appropriate resources available to the maximum number of people at their point of greatest need. Founded in 2004, it is an ecumenical Christian registered charity, set up by the churches based in Winchester and with the support of Winchester City Council.

Our purpose is to act as a resource for people facing a difficult situation in their lives and struggling to make ends meet, perhaps because of delayed benefit payments or a major household crisis. In recent times the impact of the Covid-19 pandemic and the cost of living crisis have caused significant difficulties for many. WBB is entirely non-judgmental in that it helps anyone that needs urgent support. The range of people who are served is wide, from individuals, to households with children and to elderly people. It also includes refugees and asylum seekers as and when required. WBB makes a vital contribution to the relief of hardship and so supports social cohesion in the community and in this way provides public benefit.

Traditionally clients are referred to WBB through referral agents such as Winchester City Council Housing Department, Hampshire County Council Social Services, Citizens Advice, Trinity Centre, local housing associations and local charitable groups, churches, doctors' surgeries, probation officers and health visitors. These referral agents issue online vouchers to people they know who are in urgent emergency need, and these vouchers are exchanged at WBB for 5-days of food and hygiene products plus articles of clothing when required. In addition, as a result of the pandemic, it was decided in 2020 to set up a self-referral process whereby people who have never used our services before could reach us directly. This has proved to be an effective way of reaching more clients in the community so the directors decided in 2021 to adopt it as a permanent process. WBB also supports other food banks and food pantries in the surrounding area with food donations.

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2. Facilities

2.1. Main Donation Sorting & Storage Site

This site in Winnall, opened in March 2021, is where the majority of food and clothing donations are delivered to WBB. Suitable space is available to correctly sort the items and store them efficiently. Adding this facility has had a transformational impact on the rest of WBB by allowing us to declutter our client-facing local Food and Clothes Hubs and as a result improve the quality of the interaction with our clients due to the extra space available for discussion.

2.2. Food Hubs

We have 4 Food Hubs where clients collect food at the following locations:

- Highcliffe: Milland Road
- Bar End: Vineyard Church
- Weeke: St.Barnabas Church
- Alresford: St.Gregory's Church

At least one of these hubs is open every day between Monday and Friday.

At the end of 2021 we re-equipped our food hubs to enable our clients to choose many food items for themselves. Since then several clients have commented on how this helps to make the experience of using our service more pleasant and more similar to visiting a shop. It also means that our staff and volunteers are able to accompany the client for longer during their visit thus enabling a better relationship to develop. In some cases this has allowed signposting of clients to other local support services.

2.3. Clothes Hubs

We have 2 hubs where clients can access clothes at the following locations:

- Highcliffe: Milland Road - adult clothing
- Bar End: Vineyard Church - full range of adult & children's clothing

Adult clothes can be selected by clients when they visit the Milland Road hub to collect food where the space allocated for this has been enlarged due to the decluttering mentioned above.

Any individual or household that requires additional clothing can access this at the Vineyard hub where a wide range is available including children's items such as cots, prams and toys. This is by appointment only to respect the privacy required for the client. Several Ukrainian refugees have benefited from this service during 2022.

2.4. New Electric Van

Following a significant donation, WBB was able to purchase a small electric van in 2022. The main purpose of the van is to deliver food crates from our donation site to the hubs on a regular basis. As such the distances involved are short so an electric vehicle is ideal.

3. Services

3.1. Client numbers

2022 proved to be a record year for client numbers with 5,282 food parcels given out. This is +34% up on 2021 and +9% on 2020 - the peak year of the pandemic.

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The main increase occurred in the second half of the year mirroring the impact of the cost of living crisis. Numbers were high through to December which itself was a record month being double the level of December 2021.

As an emergency service, our general rule is to limit the number of vouchers per client in a 12-month period. This limit was raised to 8 visits during the pandemic and remains at this level. Most clients only need our support over 2 - 3 visits. For those who visit more often and especially those who reach the maximum level of 8 visits, we signpost them to other support services or to our partner food pantries in Stanmore and Winnall.

3.2. Schools Programme

Our School Holiday Lunch Scheme for Pupil Premium children who are referred to us by local schools was expanded in 2021 to include additional families who needed support. This scheme continued in 2022.

3.3. Deliveries to Clients

Our delivery service, set up during the pandemic for clients who needed to isolate or physically could not get to one of our food hubs to collect, has now been established as a permanent service. It is clear that it is helping us to improve our reach into the community as around a quarter of all vouchers are linked to a delivery.

3.4. Signposting

In order to help our clients access additional services we have partnered with Winchester Citizens Advice to gain signposting training and several volunteers and staff members have now been trained as Advice First Aiders. As mentioned above, our self selection process has proved to be useful in developing more interaction with our clients as they are always accompanied when they select their food items, which allows conversations to more easily flow.

We also have an "Other Services" page on our website to provide information and links to appropriate support services.

4. Partnerships with Local Food Pantries

In 2022 we set up partnership agreements with the two food pantries based in Winchester at The Carroll Centre, Stanmore and Unit 12, Winnall. Anyone needing ongoing help with accessing food can sign up at one of these pantries and pay £5 per week to choose a minimum of £15 worth of food. This service compliments that given by WBB very well and enables our clients to move to a different level of longer term support, if required, after they have had their emergency help.

As part of these agreements we have committed to provide food in bulk from our donation site on a weekly basis. This support has helped these pantries to become sustainable charitable entities.

5. Future developments

In addition to having the flexibility to cope with increased client numbers, our main focus is on improving the quality of our client interactions. We continuously strive to remove the stigma some potential clients can feel in approaching a food/clothing bank and to make WBB a friendly place where helpful and relevant support can be accessed.

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Churches, Corporates, Charities and individuals in our community continue to be very generous in their giving of time, food and finances. We are extremely grateful for this support without which none of our steps to improve our services would be possible.

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Financial review

	2022 £	2021 £
<u>Income</u>		
Monetary donations, rent and interest	192,787	168,861
Donated goods received	178,923	115,302
Total income	371,710	284,163
<u>Expenditure</u>		
Monetary expenditure – unrestricted	98,539	82,471
- restricted	-	-
Donated goods given out	179,515	115,033
Total expenditure	278,054	197,064
Net surplus/(deficit)		
Monetary	94,248	86,502
Donated goods	(592)	269
Net income/(expenditure)	93,656	86,771
Funds at 31 st December		
Unrestricted general income funds	413,192	318,944
Donated goods and restricted funds	28,690	29,282
Total funds	441,882	348,226

Momentum from the increased fundraising campaign initiated in 2019 continued to have a very significant positive effect during the pandemic and cost of living crisis. Such generosity resulted in total monetary income of £192,787 (2021 - £168,861) – representing churches 6% (last year 7%), businesses/ charities 33% (last year 47%) and individuals including associated Gift Aid 60% (last year 46%). Monetary donations were received from a combination of local council bodies, private individuals, local church communities, schools, local businesses, charitable trusts, grants and fundraising events. We also received gift aid (directly or via CAF,

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and Stewardship), interest from cash deposits and a small amount of rental income.

We are very grateful for the continued financial support of Winchester and the surrounding communities for our activities. We are blessed to be in a healthy financial situation and therefore able to consider improving/broadening our services particularly as a function of the increased need arising from the pandemic and more recently from higher inflation. We now have £362,631 (2021 - £308,690) in the bank and cash in hand. These funds will enable us to meet the needs of our community well into the future.

Total monetary expenditure in the year was higher at £98,539 (2021 - £86,771) – further details of other costs are provided in Note 3 to the accounts. Historically much of the provision to facilitate our service was in kind and therefore the cash costs of operations were lower and in effect understated in true value terms. Investment has now been made to make the operations more efficient, safer and scalable.

The net surplus for the year was £93,656 (2021 - £87,099), comprising a net monetary surplus of £94,248 (2021 - £86,502), plus a net deficit of £592 (2021 – net surplus of £269) on donated goods, representing a small increase in donated goods and voucher stock at the year end.

The directors' policy is to aim to hold unrestricted monetary funds as a reserve of at least six months of operating costs (which now equates to approximately £50,000), plus funds for investment in the future sustainable provision of services to meet the needs of the community. The total of unrestricted general funds at 31st December 2022 exceeds this level as the Board consider the future strategy investment opportunities.

The fair-value cost of donated goods received in the year was £178,923 (2021 - £115,302) a net increase of 55%. The main reasons for this increase is the public responding to the increased demand and food inflation. We also increased the amount of food we purchased to complement this using cash donations.

Food donations are received from a variety of sources: there are regular collection points at many local churches, supermarkets and other locations. This is supplemented by occasional collections from local businesses, churches and schools. Rather than manage a large donation around the traditional Harvest Festival period we have developed a new scheme to spread these donations through the year. This also enables us to request the items that are low in stock at different points in the year.

We would like to give a huge thank you to all those individuals and organisations who have helped us during the year through gifts of food, clothing, cash and time. These organisations include supermarkets such as Sainsbury's, Tesco, Co-op and Waitrose. We also purchase fresh food weekly from FareShare.

In 2022 we have continued to attract and retain new volunteers which has helped us cope with demand and replace some of the existing volunteers who needed to withdraw due to the pandemic or other reason. We are hugely grateful for their work. In total we are supported by over eighty volunteers who donate very generously of their time and skills. Some of our volunteers have given over 10 years of voluntary service which has been recognised recently by nomination and acceptance for the Mayor of Winchester's Community Awards. Our volunteers transport food collected at supermarkets and other donation sites to our bulk sorting and storage site and food hubs as well as to individual client households as part of our delivery service. They also sort and store the food as well as serving our clients with food and clothing at the hubs. Without our wonderful volunteers we would not be able to provide our services.

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Structure, governance and management

Winchester Basics Bank is a charitable company limited by guarantee without share capital. It was incorporated on 5th January 2004 and registered as a charity on 4th March 2004.

It is governed under its Articles of Association and was established under a Memorandum of Association that sets out the objects and powers of the charitable company. These documents were updated in 2020 with the help of the Hampshire County Council legal team.

The members of the Board of Trustees, who are also Directors and members are elected at the AGM to serve for three years, subject to ratification at each AGM. The directors of the charitable company (the charity) are its trustees under charity law. Directors are selected from local churches and from the wider local community.

The members of Winchester Basics Bank are guarantors of the company to an amount not exceeding £1 per person in the event of winding up.

The board of directors normally meets every two months to review the operation of the charity, consider/decide upon investments and to agree policies and procedures. Reports from the Operations Manager and the Treasurer are reviewed and updates given by the Chair and specific directors responsible for Safeguarding & Welfare and Communications. In addition, a Strategy Meeting is normally held once per year to discuss and set the direction for the coming period. Decision making is the responsibility of the board.

Contact details for the charity are set out on the Winchester Basics Bank website (www.winchesterbasicsbank.org.uk).

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Reference and administrative details

Name of charity: Winchester Basics Bank

Charity registration number: 1102470

Company registration number: 05005690

Registered office
and principal
place of
business: 21a Penton Place,
Milland Road
Winchester
SO23 0PZ

The directors (trustees and members) at the end of 2022 were as follows:

Mike Whitehead	Director and Chair
Mary Alveyn	Director
David Bartholomew	Director and Company Secretary
Paul Breakwell	Director and Treasurer
Beauman Chong	Director
Lesley Little	Director (from September 2022)
Leona Mani	Director
Julie Wells	Director (until January 2023)

Patron: Lord Raymond Plant (until March 2022)
David Innes OBE (from January 2022)

President: Dean Catherine Ogle

Independent Examiner: K.J. Stratton – Kimball Smith

Bankers: Santander 119 High St, Winchester SO23 9AS

Deposit accounts also held with RBS, Virgin Money and
Kingdom Bank

Exemptions from disclosure

None applicable.

Approved by the Board of Directors on [15 May 2023] and signed on its behalf by:

Mike Whitehead, Director and Chair



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Report of the Independent Examiner to the trustees of Winchester Basics Bank

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2022 as set out on pages 11 to 19 (including notes to the accounts).

Responsibilities and basis of report

As the charity trustees of the company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which give me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006;
- or the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

Signed by: As signed by K. J. Stratton

Date: [27 June 2023]

Name: Kenneth John Stratton FMAAT 6195080

Address: c/o Kimball Smith
Brewery House
High Street
Twyford
Winchester
SO21 1RG

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Statement of Financial Activities (including Summary Income and Expenditure Account)

for the year ending 31st December

			Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	Note		£	£		£
Income						
Donations		Donations and gifts	180,115	-	180,115	156,390
		Gift Aid on direct giving	10,882	-	10,882	12,033
		Donated goods received	178,923	-	178,923	115,302
Other income		Interest and rent	1,790	-	1,790	550
Total income			371,710	-	371,710	284,275
Expenditure						
Charitable activities		Donated goods given out	179,515	-	179,515	115,033
		FareShare fees	2,174	-	2,174	2,254
		Food purchased	19,409	-	19,409	3,763
		Staff costs	35,997	-	35,997	31,141
		Other costs	40,959	-	40,959	45,313
Total expenditure			278,054	-	278,054	197,504
Net income for the reporting period			93,656	-	93,656	86,771
Transfers between funds	10.		-	-	-	-
Net movement in funds			93,656	-	93,656	86,771
Reconciliation of funds						
Total funds brought forward	10.		348,201	25	348,226	261,455
Total funds carried forward	10.		441,857	25	441,882	348,226

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Balance Sheet

as at 31st December

		2022	2021
	Note	£	£
Fixed Assets	5.	32,377	1,320
Current assets			
Stocks	6.	28,690	29,282
Debtors and pre-payments	7.	21,771	10,889
Cash at bank and in hand	8.	362,631	308,802
Total current assets		413,093	348,973
Creditors: amounts falling due within one year	9.	3,587	2,067
Net current assets		409,505	346,906
Total assets less current liabilities		441,882	348,226
Funds of the charity			
Restricted income funds	10.	25	25
Unrestricted general funds	10.	413,167	318,919
Donated goods fund (fair value)	10.	28,690	29,282
Total funds	10.	441,882	348,226

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

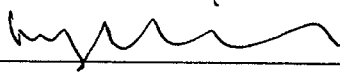
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The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with Charities SORP (FRS102).

These financial statements were approved by the Board of Directors on [15 May 2023] and are signed on its behalf by:

Mr Mike Whitehead, Director and Chair



The notes to the accounts on pages 13 to 19 form part of these financial statements

Notes to the accounts

1. Basis of preparation

- a. These accounts have been prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.
- b. The accounts have been prepared in accordance with the Charities Statement of Recommended Practice (FRS 102), second edition – October 2019 and with the Charities Act 2011 and with the Companies Act 2006.
- c. The charity constitutes a public benefit entity as defined by FRS 102.
- d. Unrestricted income funds exceed twelve months of operating costs and so the Directors conclude that the charity is a going concern.
- e. The accounts present a true and fair view and no changes have been made to the accounting policies.
- f. The value of donated goods for distribution to beneficiaries, predominantly food, groceries and toiletries, has been included in these accounts as required by Charities SORP (FRS102), except for items of immaterial or uncertain value such as clothing.

2. Accounting policies

- a. Income is generally recognised and included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources and it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.
- b. There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the Charities SORP or FRS 102.
- c. Grants and cash donations are only included in the SoFA when the general criteria for recognition of income are met.
- d. Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered as part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.
- e. Donated goods are measured at fair value unless impractical to do so. The cost of stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed they are recognised as an expense at the carrying amount of the stocks at the time of distribution.

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- f. The value of voluntary help received is not included in the accounts but is described in the directors' report (incorporating the Trustees' annual report).
- g. Interest income is included in the accounts when receipt is probable and the amount receivable can be measured reliably.
- h. Expenditure is recognised on an accruals basis and includes VAT which cannot be recovered. Liabilities are generally recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
- i. Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- j. The charity has creditors which are measured at settlement amounts less any trade discounts applicable.
- k. Expenditure on individual fixed asset items of less than £2,000 cost is 100% written-off in the year of purchase. Items in excess of that are capitalized and depreciated over five years.

3. Expenditure on charitable activities

a. Staff costs

	2022	2021
Salaries and wages	34,339	29,658
Social security costs	-	-
Pension costs	1,658	1,483
Total staff costs	35,997	31,141

Headcount for the period was 3 (2020: 3). The part time employees work wholly in the delivery and support of the charity's activities.

The charity continues to take advantage of the Government's NEST defined contribution workplace pension scheme. Pension costs are employer pension contributions. All pension expense is taken from unrestricted funds.

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b. Other costs

	2022 £	2021 £
Equipment, fixtures and depreciation	6,332	6,515
Transport expenses	642	291
Sundry operating costs	2,780	1,234
Rent & rates	24,856	26,187
Postage and stationery	2	30
Computer consumables	547	250
Insurance	2,815	2,229
Professional fees	660	5,058
Website	-	398
Training	434	1,527
Telephone	1,149	937
Energy	742	657
Total other costs	40,959	45,313

Equipment in 2022 relates mainly to new fridges and freezers as well as fitting out our hubs. 2021 relates mainly to equipping out the bulk store at Gabare House and improving efficiency and safety there.

4. Taxation

The charity is exempt from tax on income and gains to the extent that these are applied for its charitable purposes. No tax liabilities or charges have arisen in the period.

5. Fixed Assets

During 2022 we purchased an electric van, costing £32,583, which is used for collections and deliveries within our network. This is depreciated over five years with £1,086 charged this year.

During 2020, a clothes store was created at a cost of £2,200 (£2,200 last year). This is to be depreciated over five years and therefore £440 (£440 last year) of annual depreciation has been provided for. The net book value and accumulated depreciation are £1,320 (£1,760 last year) and £880 (£440 last year) respectively.

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6. Stocks

	2022 £	2021 £
Donated goods for distribution to beneficiaries		
Opening stock value	29,282	29,013
Received in period	178,923	115,302
Expensed in period	(179,515)	(115,033)
Closing stock value at 31 st December	<u>28,690</u>	<u>29,282</u>

Other than the stock of donated goods and prepaid vouchers, the charity does not hold any material value of stocks.

7. Debtors and prepayments

	2022 £	2021 £
as at 31st December		
Donations in transit	-	-
Gift Aid reclaim	18,500	7,619
Rent deposit	3,115	3,114
Prepayments	156	156
Total debtors	<u>21,771</u>	<u>10,889</u>

8. Cash at bank and in hand

	2022 £	2021 £
as at 31st December		
Short term deposits	361,487	304,050
Cash at bank and on hand	1,144	4,752
Total	<u>362,631</u>	<u>308,802</u>

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9. Creditors and accruals

Amounts falling due within one year

as at 31st December	2022 £	2021 £
Accrued expenses	-	2,067
Grant deferral	3,588	-
Total	3,588	2,067

There were no creditors falling due after more than one year at either 31st December 2022 or 2021.

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10. Fund movements

Funds held and movement 2021		Opening balance	Income	Expenditure	Transfers	Closing balance
		£	£	£	£	£
Restricted funds	Fuel poverty fund	25	-	-	-	25
	Sub-total	25	-	-	-	25
Unrestricted funds	General funds	232,417	168,973	(82,471)	-	318,919
	Donated goods fund (fair value)	29,013	115,302	(115,033)	-	29,282
	Sub-total	261,430	284,275	(197,504)	-	348,201
Total charity funds		261,455	284,275	(197,504)	-	348,226

Funds held and movement 2022		Opening balance	Income	Expenditure	Transfers	Closing balance
		£	£	£	£	£
Restricted funds	Fuel poverty fund	25	-	-	-	25
	Sub-total	25	-	-	-	25
Unrestricted funds	General funds	318,919	192,787	98,539	-	413,167
	Donated goods fund (fair value)	29,282	178,923	(179,515)	-	28,690
	Sub-total	348,201	371,710	(278,054)	-	441,857
Total charity funds		348,226	371,710	(278,054)	-	441,882

11. Transactions with trustees and related parties

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- a. None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity.
- b. No trustee expenses have been incurred or paid.
- c. There have been no related party transactions in the reporting period.