



A company limited by guarantee  
and not having share capital

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

Company no 5039813

Charity no 1103431

**TRANSFORM NETWORK**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

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**TRANSFORM NETWORK**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

<b>Trustees</b>	Nicole Adamides Ian Butcher Gordon Cowie (Treasurer) Nigel Desborough  (All the above trustees have held office during the whole of the year, and to the date of this report)
<b>Key Management Staff</b>	Sheena Starrett, Foodbank Project Manager (until April 2022)  Sarah Vitty, Foodbank Project Manager (from September 2022)
<b>Registered Office</b>	17 Sydenham Road London SE26 5EX
<b>Registered Company no.</b>	5039813
<b>Registered Charity no.</b>	1103431
<b>Bankers</b>	HSBC 14 High Street Beckenham BR3 1BX
<b>Independent Examiner</b>	Neil Atherton Accountancy Services Limited Rosemount, Garden Close Lane Newbury RG14 6PR

**TRANSFORM NETWORK  
TRUSTEES REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

The Trustees present their report and the financial statements for the year ended 31<sup>st</sup> December 2022.

## **Objectives and activities**

### **Charitable objectives**

Transform Network is governed by its Memorandum and Articles of Association. Transform Network's objects are:

1. To promote and advance the Christian Faith throughout the world generally including by the worship of God, the instruction and edification of Christians, the care and Christian instruction of young people and children and the evangelisation of non-Christians.
2. To relieve poverty, hardship, sickness and distress among all peoples of the world.
3. To promote education and training.
4. To support such other charities and charitable purposes as the trustees shall decide.

### **Principal Activity**

Transform Network is supported by a group of independent, self-governing churches to enable them to facilitate and operate activities that they decide to do together, including outreach and community based programmes.

### **Activities during 2022**

As a small group of churches, the main church leaders met together regularly throughout the year for support and encouragement. This provided a vehicle for church leaders to share together candidly, and discuss what they were doing to benefit their local communities. A number of local activities, especially at the Point in Catford, and Here for Good, in Sydenham, re-opened after closing during the Covid lockdowns of the previous 2 years.

**Lewisham Foodbank** continued to serve the people of Lewisham Borough very effectively. In November 2022 we had a "thank you" meal for many key volunteers, as we marked the ten-year anniversary of the opening of the Foodbank. At that event we were addressed by the Mayor of Lewisham, Damien Egan, and were presented with a special award by him. Foodbank continued to meet the needs of those in food crisis in the Borough, and indeed grew in the number of people we were able to help.

We are open 1 day a week in each of 5 centres strategically placed around the Borough: 3 Salvation Army Halls – in Catford, Deptford, and Lewisham, Perry Rise Baptist Church (Forest Hill), and St. John's church (Catford/Downham). We also have a central warehouse and operations hub at the Hope Centre, Malham Road, Forest Hill. During 2022 we were delighted to recruit a new Project Manager, Sarah Vitty, who started in September 2022, and has done a very effective job so far.

In addition to our central warehouse and operations hub, and 5 distribution centres we use a churches' giving website called Acts 435. Through this scheme, we are able to help people who cannot afford essential items like beds, white goods and school uniforms. We are also recognised as a Fuelbank – and therefore able to provide people in fuel poverty with money on a card so they could buy necessary fuel.

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TRUSTEES REPORT  
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Through very challenging circumstances we have been able to provide food for over 1,500 people a month, and also advice and other support. We remain committed to providing emergency food, and some other additional support, but are not seeking to develop a massively increased wrap-around service to try to meet everyone's poverty-related needs in a borough of over 300,000 people. Rather we play our crucial part alongside numerous other voluntary organisations. We also offer Christian prayer to our customers as we see that meeting people's spiritual needs is crucial to what we do, and treats people in an holistic way.

The ongoing level of Foodbank activity continues to account for over 95% of the income and expenditure of Transform Network.

**The Women's Commission of the World Evangelical Alliance** has continued to operate as part of Transform Network. A payment was made for design and production of materials.

The Trustees have complied with the duty imposed by Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in December 2008.

## **Achievements and performance**

The activities of Transform Network were affected by the impact of the Covid-19 pandemic, which contributed to a very substantial increase in the ministry of Lewisham Foodbank. This substantially higher level of activity continued in 2022. A table is included below which shows the rise in the number of people fed in 2021 and 2022. This increase in people served continued into 2023. Foodbank accounts for most of the staff and finances of Transform Network. As well as receiving food, clients have access to help such as: white goods, fuel vouchers, advice, employment advice, and prayer.

	2022	2021
Vouchers fulfilled*	8,342	7,404
Number of people helped	18,503 (11,982 adults, 6521 children)	17,522 (10,997 adults, 6,525 children)

\* each voucher represents one food parcel

Christian worship, prayer, pastoral support, education and training are delivered by the churches. Community groups at The Point, Catford, and Here for Good, Sydenham, continued throughout 2022. Free services available at these venues include: employment preparation, youth club, open coffee morning, warm space, ESOL classes, children's group, and elders support group.

**TRANSFORM NETWORK  
TRUSTEES REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

### **Fundraising**

In the past funds had been raised from churches and individuals to ensure there were sufficient funds to run our activities and provide sufficient support to them. A fairly informal approach had generally been taken. However, with the significant increase in Foodbank activity we applied for grants for specific costs as well as taking a more intentional approach to communicating specific Foodbank needs on social media. This has continued through 2022. The engagement through Social Media has led to an increase in community groups running fundraising events for Foodbank.

The Trustees are very grateful to individuals, grant making and other organisations, as well as the member churches and other churches, for their continued financial support during another difficult & challenging year, and for their willingness to participate in this tangible way in the extension of God's kingdom, and in particular the provision of food to those most in need in our community. We are particularly grateful that regular donations for the work of the Foodbank have continued to be at a high level.

### **Financial review**

Unrestricted income was £8,398 an increase of £2,495 on the previous year, and unrestricted expenditure was £978, an increase of £154 on the previous year. There was an increase in unrestricted reserves from £24,231 to £31,651.

Restricted income was £591,710, an increase of £91,098. This main reason for this increase was an increase in financial donations for the Foodbank. In addition, there was an increase in Food donations and in the valuation of those donations. Restricted expenditure was £488,522 a decrease of £19,485. Restricted reserves increased from £445,513 to £548,701.

### **Reserves Policy**

The Trustees aim to maintain reserves, in the relevant funds, of at least 3 months committed costs. Based on current levels of spend this would require up to £1,000 unrestricted fund reserves and £40,000 reserves in the Foodbank fund. Current unrestricted and restricted fund reserves are therefore more than sufficient. At the end of the year, we had £31,651 in unrestricted reserves, and £548,701 in restricted reserves, including £482,754 in the Foodbank fund. Note 11a gives a breakdown of the end of year reserves.

The very generous response from both the public and grant funders has continued and increased through 2022 and income has exceeded expenditure. We therefore ended the year with a higher level of reserves than 2021. We have funds in hand to meet all the needs presented to us, and also to consider reducing reserves by investing in new ways of alleviating poverty, such as providing advice and support to enable financial inclusion for people who are struggling financially and of course are conscious of the effects of the current cost of living crisis and therefore the continued and possibly increased use of our services as has happened in 2022. There will be significant costs associated with our move towards the end of 2023 but after that we will more actively review this.

**TRANSFORM NETWORK  
TRUSTEES REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

**Risk Management**

The Trustees have given consideration to the major risks faced by the charity, and reviewed policies and procedures to mitigate those risks. In addition, the Trustees have ensured that the charity has appropriate public liability and property insurance.

**Plans for future periods.**

We plan to continue the work of Lewisham Foodbank, which is the largest project in Transform Network. We have found that demand for our services has expanded substantially in recent years. Foodbank is linked to the national foodbank organisation, Trussell Trust. We will continue to liaise with Trussell Trust and consider any proposals and recommendations they make for improving the provision of the relief of poverty. Supply of food and signposting to other appropriate organisations remains our core provision. We will consider other means of poverty-relief, such as financial inclusion, and consider offering other appropriate services from time to time, where the finance and capacity exist to support them. We plan to expand the level of the advice offered with an extra advice worker in all of our centres and also increase the level of pastoral and prayer support offered. We will consider whether we have sufficient distribution centres, or whether any additional ones should be added.

The Hope Centre has continued as a central warehouse serving the other distribution centres and ceased to serve customers at the building. The owners of the Hope Centre are selling it to a Christian property development company. We are looking for a replacement facility, and during 2023 we have been negotiating with St. John's Church, Catford, for use of their church hall. We may be moving sometime between September and December 2023.

Our three churches which have continued to be active in the Network, in Forest Hill, Catford and Brockley have functioned throughout 2022, operating as church communities, and also serving their local communities through groups and community projects. The plan was for them to continue into the future indefinitely. However, within Brockley Community Church there had been a significant reduction in numbers since the pandemic and increased demands on people's time outside of the church. Following a period of conversation, prayer and discernment as leaders, as a church, and as individuals, the congregation of Brockley Community Church took the decision to close. Brockley Community Church's held its final church service on 9 July 2023

The future of Switch It! remains uncertain, with the lack of suitable premises, and insufficient volunteers. We anticipate the project remaining dormant.

We continue to hold funds for other projects that have either closed or moved elsewhere, and, where appropriate, will ensure those funds are transferred.

**TRANSFORM NETWORK  
TRUSTEES REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

## **Structure, governance and management**

Transform Network is a charitable company limited by guarantee, incorporated on 10 February 2004 and registered as a charity on 27 April 2004. It is governed by its Memorandum and Articles of Association dated 29 January 2004.

Transform Network is run by a Board of Trustees who are directors of the company. The Trustees are responsible for the strategy and management of the charity. There is also a leadership group that includes the main leaders of the member churches which met bi-monthly to discuss, review, and pray about the activities of Transform Network.

The Board of Trustees has been stable in recent years, and there has not been a perceived need for ongoing training for the trustees. However, with the significant increase in the size of the charity, the Board of Trustees continues to be aware of needing to consider appointing additional trustees, and how they would be inducted as well as any ongoing training needs for trustees and continues to keep this under active consideration.

The work of Lewisham Foodbank is overseen by a Steering group, under the supervision of the Board of Trustees. The Steering group, which includes trustees and the Project Manager, met several times during the year, both on a regular basis and as particular needs arose.

Staff remuneration has been considered in the light of salaries paid in the Transform Network churches, and with a view to the London Living Minimum wage when considering pay for basic admin work. In terms of remunerating staff working with Lewisham Foodbank, consideration was also made of pay in other local Foodbanks. A pay review was conducted, with some pay increases being implemented in November 2022.

The Board of Trustees met six times during the year, with some meetings focussing specifically on the various developments within the Foodbank.

Three churches, based in Southeast London are members of Transform Network. These churches are:

- \* Brockley Community Church (which closed in July 2023)
- \* Catford Community Church
- \* Forest Hill Community Church

All are registered companies limited by guarantee and registered charities.



**TRANSFORM NETWORK  
TRUSTEES REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

Lewisham Foodbank operates as part of Transform Network, and also has a franchise agreement with Trussell Trust, a national umbrella organisation for many foodbanks. Under this agreement the trustees of the franchisee organisation (Transform Network) are responsible for all aspects of running a foodbank with particular focus on vision, strategy, governance and management arrangements. Under the agreement we also commit to certain Trussell Trust values, including upholding organisational values of compassion, justice, dignity and community; involvement of those with lived experience of foodbank where possible; and working towards ending the need for foodbank services. Trussell Trust provide a wide range of support to enable the smooth running of the Foodbank including a detailed manual, access to their software packages, training and personal support.

Non-perishable food is donated by the public through supermarket collections and donation points in schools, businesses, churches and other organisations. Volunteers store, pack and distribute food. Advice, care and support agencies refer people in crisis; and vouchers are exchanged for three days' emergency food supplies. Because of its ability to partner with national organisations, the Trussell Trust can offer opportunities which foodbanks may choose to participate in, such as: grants to support new initiatives, national supermarket food collection events, access to equipment, or provision of additional food.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the company's financial activities during the financial year and of the income and expenditure and financial position of the company as at the end of that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments and estimates that are prudent;
- state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that the accounts comply with current statutory requirements and those of the company's governing documents.

**Approved by the board of trustees on 28 September 2023  
and signed on its behalf by**

Nigel Desborough  
Trustee

**TRANSFORM NETWORK  
INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

We report to the charity trustees on our examination of the accounts of the Company for the year ended 31 December 2022.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. Our examination has been undertaken so that we might state to the trustees those matters we are required to state to them in an independent examiner'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 charity and the trustees as a body, for my examination, for this report, or for the opinions we have formed.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors 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 ourselves that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out our examination we have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. We confirm that we are qualified to undertake the examination with myself being a Chartered Institute of Management Accountants member in practice, which is one of the listed bodies.

We have completed our examination and confirm that no material matters have come to our attention in connection with the examination giving us cause to believe:

1. Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

We 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.

Neil Atherton ACMA, CGMA  
Neil Atherton Accountancy Services Limited  
Rosemount, Garden Close Lane  
Newbury RG14 6PR

28 September 2023

**TRANSFORM NETWORK**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

		Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	Note	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies:							
Gifts, offerings & grants:			367,144	367,144		307,961	307,961
Gifts in Kind - food for Foodbank	5		222,771	222,771		190,851	190,851
General Contributions from member churches:		8,280		8,280	5,880	1,800	7,680
Charitable activities							
Fees & takings for courses & activities		100	1,666	1,766			0
Investments		18	129	147	23		23
<b>Total income</b>		<b>8,398</b>	<b>591,710</b>	<b>600,108</b>	<b>5,903</b>	<b>500,612</b>	<b>506,515</b>
<b>Expenditure on:</b>							
<b>Charitable Activities</b>							
Foodbank	2		198,428	198,428		212,353	212,353
Foodbank food distributed	2		286,228	286,228		293,137	293,137
Street Pastors	2		3,628	3,628		400	400
Other courses, activities and grants	2	978	238	1,216	824	2,117	2,941
<b>Total expenditure</b>		<b>978</b>	<b>488,522</b>	<b>489,500</b>	<b>824</b>	<b>508,007</b>	<b>508,831</b>
<b>Net income for the year</b>		<b>7,420</b>	<b>103,188</b>	<b>110,608</b>	<b>5,079</b>	<b>-7,395</b>	<b>-2,316</b>
<b>Transfers between funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net movement in funds</b>		<b>7,420</b>	<b>103,188</b>	<b>110,608</b>	<b>5,079</b>	<b>-7,395</b>	<b>-2,316</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		24,231	445,513	469,744	19,152	452,908	472,060
<b>Total funds carried forward</b>		<b>31,651</b>	<b>548,701</b>	<b>580,352</b>	<b>24,231</b>	<b>445,513</b>	<b>469,744</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 11 to the financial statements.

**TRANSFORM NETWORK**  
**COMPANY NUMBER: 5039813**  
**BALANCE SHEET AS AT 31ST DECEMBER 2022**

		2022 £	2021 £
	Note		
<b>Current Assets</b>			
Foodbank stock	5	46,891	23,717
Debtors	8	30,503	18,603
Cash at bank and in hand		518,085	437,889
		<b>595,479</b>	<b>480,209</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	9	15,127	10,465
<b>Net Assets (Assets less current liabilities)</b>		<u><b>580,352</b></u>	<u><b>469,744</b></u>
<b>The funds of the charity:</b>	10		
Restricted Funds	11	548,701	445,513
Unrestricted Funds	11	31,651	24,231
<b>Total charity funds</b>		<u><b>580,352</b></u>	<u><b>469,744</b></u>

Audit Exemption

The opinion of the trustees is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The trustees acknowledge the following responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

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

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the board on 28 September 2023

Signed on its behalf by

Nigel Desborough

Trustee

**TRANSFORM NETWORK**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	2022 £	2021 £
<b>Net income for the reporting year (as per the statement of financial activities)</b>	110,608	-2,316
Dividends, interest and rents from investments	-147	-23
(Increase)/decrease in stocks	-23,174	5,333
(Increase)/decrease in debtors	-11,900	6,215
Increase/(decrease) in creditors	4,662	418
<b>Net cash provided by / (used in) operating activities</b>	<u>80,049</u>	<u>9,627</u>
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	147	23
<b>Net cash provided by (used in) investing activities</b>	<u>147</u>	<u>23</u>
<b>Change in cash and cash equivalents in the year</b>	80,196	9,650
Cash and cash equivalents at the beginning of the year	437,889	428,239
<b>Cash and cash equivalents at the end of the year</b>	<u>518,085</u>	<u>437,889</u>

**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1 ACCOUNTING POLICIES**

**a) Statutory information**

Transform Network is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 17 Sydenham Road, London, SE26 5EX.

**b) Basis of preparation**

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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The board has considered the impact of both Covid 19 and future plans and the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

g) **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) **Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) **Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of staff time attributable to each activity.

k) **Tangible fixed assets**

Items of equipment are only capitalised where the purchase price exceeds £1,000.

As the charity has no fixed assets there is no policy on depreciation.

l) **Debtors**

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

m) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

n) **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.

o) **Financial instruments**

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

p) **Pensions**

Transform Network contributes to a defined contributions scheme. Payments in respect of the current service contributions are charged in the accounts as they fall due.

**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**2a ANALYSIS OF EXPENDITURE (CURRENT YEAR)**

	Foodbank	Foodbank food distributed	Street Pastors	Other courses, activities and grants	Support costs	2022	2021
	£	£	£	£	£	£	£
Food distributed		286,228				286,228	293,137
Staff costs	100,606				5,129	105,735	109,805
Rent and other property costs	28,903				2,400	31,303	35,916
Grants to other organisations	20,008		3,628			23,636	26,788
Acts 435 purchases	11,237					11,237	14,237
Other Foodbank costs	24,118					24,118	26,760
Special events	1,841					1,841	1,980
Accounting costs					1,200	1,200	1,200
Insurance	2,458				447	2,905	916
Other admin, office & miscellaneous costs				431	866	1,297	-1,908
	189,171	286,228	3,628	431	10,042	489,500	508,831
Support costs	9,257			785	-10,042	0	0
Total expenditure 2022	198,428	286,228	3,628	1,216	0	489,500	0
Total expenditure 2021	212,353	293,137	400	2,941	0	0	508,831

**2b ANALYSIS OF EXPENDITURE (PRIOR YEAR)**

	Foodbank	Foodbank food distributed	Street Pastors	Other courses, activities and grants	Support costs	2021
	£	£	£	£	£	£
Food distributed		293,137				293,137
Staff costs	103,726			568	5,511	109,805
Rent and other property costs	35,916					35,916
Grants to other organisations	26,788					26,788
Acts 435 purchases	14,237					14,237
Other Foodbank costs	26,760					26,760
Special events	1,980					1,980
Accounting costs					1,200	1,200
Insurance	475				441	916
Other admin, office & miscellaneous costs			400	1,549	-3,857	-1,908
	209,882	293,137	400	2,117	3,295	508,831
Support costs	2,471			824	-3,295	0
Total expenditure 2021	212,353	293,137	400	2,941	0	508,831



**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**3 ANALYSIS OF STAFF COSTS AND TRUSTEE REMUNERATION AND EXPENSES**

a) Eight people (2021 - eight people) were employed by the company during the year.

b) Employment Costs	<b>2022</b>	<b>2021</b>
	£	£
Gross Pay	99,871	103,003
Social Security costs (Employer's National Insurance	3,062	3,846
Pension costs (Employer's contribution)	2,802	2,956
	<u><b>105,735</b></u>	<u><b>109,805</b></u>

c) No employee earned more than £60,000 during the year.

d) The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

e) No charity trustees received payment or reimbursement of travel or subsistence costs (2021: £nil).

**4 RELATED PARTY TRANSACTIONS**

The charity pays rent to Forest Hill Community Church (one of the members of the charity) for the Foodbank's use of the Hope Centre as a warehouse. The total rent paid to Forest Hill Community Church was £25,958 (2021 - £25,958).

Forest Hill Community Church also provides free usage to the charity of 17 Sydenham Road. The charity uses this as its registered office and as an administrative and staff base. Income and equal expenditure of £2,400 (2021: £1,800) has been included in the 2021 accounts to recognise the donated facilities

There were no other related party transactions in 2022.

**5 GIFTS IN KIND - food for Foodbank**

This is food given by individuals and organisations for distribution at the Lewisham Foodbank. In accordance with recommendations in the FRS 102 it is recognised as income when received and appears as stock on the balance sheet. Food distributed also includes food purchased for distribution.

	<b>2022</b>	<b>2021</b>
	£	£
Opening stock at 01.01.22	23,717	29,050
Gifts in Kind	222,771	190,851
Bought in stock	86,631	96,953
Food distributed	-286,228	-293,137
Closing stock at 31.12.22	<u><b>46,891</b></u>	<u><b>23,717</b></u>

Donated stock was valued at £1.85 per kilogram until August 2022 and £2.37 per kilogram from September 2022 (2021: £1.85 per kilogram) based on the Trussell Trust recommended valuation.

The Foodbank stock is not a liquid asset and is only to be donated to individuals in need.

Prior to Covid the Foodbank weighed and recorded all donations of food received into the warehouse and all food distributed out of the warehouse. In 2020 due to the significantly increased demand as a result of Covid and the requirement to socially distance in the warehouse, it was difficult to weigh food in and out, so the pragmatic decision was made to temporarily stop this. Instead, a record of the number of parcels distributed was kept. The weight of the total parcels distributed in 2020 was then estimated. Using the opening and closing stock figures, the food distributed figure and the bought in stock figure, the Gifts in Kind figure was calculated as a balancing figure. This process continued until June 2021. From June 2021 onwards food was weighed in and weighed out as before.

A stock take was undertaken as at 31 December 2022.

# TRANSFORM NETWORK

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

6 GRANTMAKING	2022 £	2021 £
<b>Grants to institutions</b>		
Latin American Disabled People's Project	10,008	21,788
Rushey Green Time Bank (Lewisham Local)	10,000	0
Ascension Trust	3,628	0
Therapy 4 Healing	0	3,000
The Salvation Army	0	2,000
<b>Grants to individuals</b>	0	0
	<b>23,636</b>	<b>26,788</b>

## 7 TAXATION

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes

8 DEBTORS	2022 £	2021 £
Income tax recoverable (Gift Aid)	12,521	12,243
Accrued income	17,820	5,999
Other debtors	162	361
	<b>30,503</b>	<b>18,603</b>

## 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade Creditors	4,444	1,061
Accruals	2,365	4,038
Taxation and social security	4,118	2,366
Other creditors	4,200	3,000
	<b>15,127</b>	<b>10,465</b>

## 10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2022			2021		
	Unrestricted £	Restricted £	Total funds £	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	0	0	0	0	0	0
Net current assets	31,651	548,701	580,352	24,231	445,513	469,744
Net assets	<b>31,651</b>	<b>548,701</b>	<b>580,352</b>	<b>24,231</b>	<b>445,513</b>	<b>469,744</b>

**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**11a MOVEMENTS IN FUNDS (CURRENT YEAR)**

	At 1.01.22 £	Income & gains £	Expenditure & losses £	Transfers	At 31.12.22 £
<b>Restricted funds:</b>					
Foodbank Fund	390,503	346,880	258,577	3,948	482,754
Foodbank Salary Fund	5,245	0	5,245		0
Foodbank Financial Inclusion Fund	10,000	10,000	10,000		10,000
Foodbank Food Fund	23,717	222,771	199,597		46,891
Acts 435	48	11,320	11,237		131
Transformed Lives Funds	1,195	0	0		1,195
Street Pastors Fund	5,948	720	3,628		3,040
Women's Commission	2,116	0	238		1,878
Switchit!	412	19	0		431
Other Restricted Funds	6,329	0	0	-3,948	2,381
<b>Total restricted funds</b>	<b>445,513</b>	<b>591,710</b>	<b>488,522</b>	<b>0</b>	<b>548,701</b>
<b>Total unrestricted funds</b>	<b>24,231</b>	<b>8,398</b>	<b>978</b>		<b>31,651</b>
<b>Total funds</b>	<b>469,744</b>	<b>600,108</b>	<b>489,500</b>	<b>0</b>	<b>580,352</b>

**11b MOVEMENTS IN FUNDS (PRIOR YEAR)**

	At 1.01.21 £	Income & gains £	Expenditure & losses £	Transfers	At 31.12.21 £
<b>Restricted funds:</b>					
Foodbank Fund	380,641	275,601	267,139	1,400	390,503
Foodbank Salary Fund	5,092	6,294	6,141		5,245
Foodbank Financial Inclusion Fund	21,788	10,000	21,788		10,000
Foodbank Food Fund	29,051	190,851	196,185		23,717
Acts 435	271	14,014	14,237		48
Transformed Lives Funds	1,195	0	0		1,195
Street Pastors Fund	3,628	2,720	400		5,948
Women's Commission	3,665	0	1,549		2,116
Switchit!	412	0	0		412
InsideOut	-264	832	568		0
Other Restricted Funds	7,429	300	0	-1,400	6,329
<b>Total restricted funds</b>	<b>452,908</b>	<b>500,612</b>	<b>508,007</b>	<b>0</b>	<b>445,513</b>
<b>Total unrestricted funds</b>	<b>19,152</b>	<b>5,903</b>	<b>824</b>	<b>0</b>	<b>24,231</b>
<b>Total funds</b>	<b>472,060</b>	<b>506,515</b>	<b>508,831</b>	<b>0</b>	<b>469,744</b>

**TRANSFORM NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**Purposes of restricted funds**

**Foodbank Fund**

This fund represents gifts and grants given for the work of Lewisham Foodbank

**Foodbank Salary Fund**

This fund is a grant received to enable the employment of the Foodbank deputy Chief Operating Officer

**Foodbank Financial Inclusion Fund**

This fund represents grants received to pay for the provision of an Income Maximisation Advisor for Foodbank clients.

**Foodbank Food Fund**

This fund represents food donated for Lewisham Foodbank

**Acts 435**

This a fund connected with the "Acts 435" charity that enables equipment, such a white goods and beds, to be provided to Foodbank clients.

**Transformed Lives Funds**

These are funds given to support the running of "Transformed Lives" courses, and to enable individuals, who may not otherwise be able to afford it, to attend these courses.

**Street Pastors Fund**

This fund represents gifts given for the work of Lewisham Street Pastors

**Women's Commission**

This fund represents gifts given for the work of the World Evangelical Alliance Women's Commission

**Switchit!**

This fund is for the work of the Switchit! youth outreach project

**Inside Out**

This fund provided administrative support to the InsideOut project working with ex-prisoners, run by the Christian Life Fellowship, Greenwich

**12 LEGAL STATUS OF THE CHARITY**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**TRANSFORM NETWORK  
INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

We report to the charity trustees on our examination of the accounts of the Company for the year ended 31 December 2022.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. Our examination has been undertaken so that we might state to the trustees those matters we are required to state to them in an independent examiner'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 charity and the trustees as a body, for my examination, for this report, or for the opinions we have formed.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors 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 ourselves that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out our examination we have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. We confirm that we are qualified to undertake the examination with myself being a Chartered Institute of Management Accountants member in practice, which is one of the listed bodies.

We have completed our examination and confirm that no material matters have come to our attention in connection with the examination giving us cause to believe:

1. Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

We 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.

Neil Atherton ACMA, CGMA  
Neil Atherton Accountancy Services Limited  
Rosemount, Garden Close Lane  
Newbury RG14 6PR

28 September 2023