

HEELEY CITY FARM LIMITED
REGISTERED IN ENGLAND AND WALES UNDER COMPANY NUMBER 2141420
REGISTERED CHARITY NUMBER 1111482

FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020

TINGLE ASHMORE LTD
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
SHEFFIELD

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020

INDEX

	Page
Trustees' annual report	1 - 9
Independent auditors' report	10 - 13
Statement of financial activities and income and expenditure account	14
Balance sheet	15
Statement of cash flows	16
Principal accounting policies	17 - 19
Notes to the financial statements	20 - 27

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

The trustees present their annual report and the audited financial statements of the charity for the year ended 31st December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Objectives and activities

- 1 To promote the benefit of the inhabitants of Heeley and the neighbourhood thereof (hereinafter called "the area of benefit") without distinction of sex or race, or political, religious or other opinions by associating the local authorities and or voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and other leisure time occupation with the object of improving the condition of life for the said inhabitants, and particularly of those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances;
- 2 To advance the education of the said inhabitants, and particularly young members of the public at large, in agriculture, horticulture, home-crafts, country-life and related subjects and in the principles of self-discipline and good citizenship through their leisure-time activities so that they develop their physical, mental and spiritual capacities and grow to full maturity as individuals and members of society and their conditions of life are improved;
- 3 To provide education and training for persons who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, resident in the said area of benefit, so as to prepare them for any trade or occupation.

OUR VISION:

HEELEY CITY FARM IDENTIFIES, CONFRONTS AND ADDRESSES THE PROBLEMS OF POVERTY, INEQUALITY, PREJUDICE AND LACK OF OPPORTUNITY IN OUR INNER CITY COMMUNITY BY SUPPORTING AND PROMOTING COMMUNITY REGENERATION AND SELF HELP WITHIN ENVIRONMENTALLY FRIENDLY AND SELF-SUSTAINING SYSTEMS, USING THE BACKGROUND OF A MINI-FARM, COMMUNITY GARDENS AND RELATED RESOURCES.

OUR PURPOSE: TO IMPROVE THE QUALITY OF LIFE FOR DISADVANTAGED PEOPLE IN SHEFFIELD BY BUILDING COMMUNITY RESILIENCE.

OUR VALUES:

- Promoting pro-environmental behaviour change and championing sustainable living
- Reducing our carbon footprint and tackling the effects of Climate Change
- Promotion of social justice, fairness and respect
- Valuing diversity, empowering and enabling others

Achievements and performance against our objectives during 2020

2020 has been a year like no other, in which – like most organisations and local charity hubs – our work at Heeley City Farm has been impacted by the global coronavirus or Covid-19 pandemic and our work plans severely disrupted by the **UK National Lockdown** (March – June 2020) and subsequent in-year restrictions on movement caused by varying social distancing measures.

We experienced a 2nd Tier 3 local lockdown between 5th November and 4th December 2020, and had to restrict access to members of the public. Not great for a year-round Visitor Centre & Community Hub which would normally have upwards of 16,000 visits per year.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

In spite of this 'Year of Covid-19' we have drawn deeply on our reserves of community resilience (built up over 40 years of activity) and maintained focus on delivering the social, environmental and economic benefits for our beneficiaries as laid out in the **Heeley City Farm Business Plan 2018-2022**.

However, in order to fully deliver against our mission this year, we have had to **adapt and change** our delivery models in line with social distancing limitations, and so 2020 has been a year of change with many different operational challenges for all of us.

These are the **4 key outcome areas** and impact that the Farm delivered to 5,000+ individuals in 2020:

- **Community Development** – enabling community action and building community cohesion – addressing disadvantage and poverty. **Covid-19 impact** – the Farm as a community hub stepped up to deliver more **direct support to local vulnerable residents during & after the pandemic**, including 'virtual' support & telephone befriending of people self-isolating/shielding. More people than ever needed our support, and 100s more benefited.
- **Environmental Sustainability** – championing Climate Action – in 2020 the Farm was a partner in the successful **Sheffield Climate Action Alliance** bid, working collaboratively (with 35 partners) on a **Net Zero Carbon** strategy for the region. Our main focus as part of the strategy is around **sustainable food systems** post-Brexit, and energy efficiency/renewable technology.
- **Community Learning** – providing training and volunteering opportunities, developing people's vocational skills and their personal development – we maintained as much of our normal delivery as possible within the constraints of keeping participants 2 metres apart.
- **Health and Wellbeing** – improving mental and physical health outcomes and quality of life for people in our neighbourhoods. We took on the challenge of supporting more people than ever with the impacts of the Covid-19 outbreak, providing information and support to vulnerable groups to help them understand the need for Social Distancing and increase the take-up of emergency grants & financial support from government.

Activities undertaken for public benefit:

Children and young people from disadvantaged backgrounds: our vocational education and training programme supported 120 young people in 2020. At weekends, 25 young volunteers helped to look after our Rare Breed animals and keep the Farm running.

New in 2020 - We were one of five 'hubs' in Sheffield during the Summer School Holidays 2020 for the **Sheffield Healthy Holidays** scheme.

We worked with partners in Gleadless Valley and in Lowedges, Batemoor and Jordanthorpe to deliver over 800 family-size food hampers per week for 4 weeks during August, along with sports and play equipment including hula hoops, cricket sets, juggling balls and games for children with Special Educational Needs. Over 200 children came to activity sessions and learned Circus Skills, cooking and heritage crafts such as blacksmithing skills and willow-weaving.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Animal care: We are one of 19 **Rare Breeds Survival Trust Conservation Farm Parks** in the country.

We welcomed new animals in 2020 including Northern Dairy Shorthorn cows and a Tamworth pig.

120 new young people benefited in 2020 - impact: engaged/re-engaged in learning and progression;
reduced risk of unemployment

132 animals were cared for (including new arrivals in 2020)

40 learning outcomes from young people (Sheffield College and Schools)

Activities for adults with LDD (Learning Difficulties and Disabilities)

Our Day Provision – along with all the other LDD providers in our city – had to close rapidly in March 2020, when Prime Minister Boris Johnson announced the initial emergency national lockdown. This was a complex outcome to achieve quickly, and involved close communication with over 60 families and carers – often people who were very troubled and confused by the rapidly changing rules. However, in early July the lockdown restrictions started to be lifted and we were delighted to be able to start to re-open provision over the Summer. Gradually we were able to bring back our many participants, who were genuinely overjoyed to be back at the Farm, even though they needed help & support in keeping 2 metres apart, maintaining strict hygiene measures and wearing face masks when entering buildings and moving around the site.

Urban Farming and Local Food-growing:

We were able to keep all our agricultural and horticultural activity going during the lockdown, as food-growing (& animal care) are protected occupations. Our team had an exceptionally busy Summer with an extended growing season and harvesting season resulting in excellent volumes of organic local produce from our community gardens & land-based projects. Most of the produce went for sale/wholesale but we missed having our usual seasonal events and Farmer's Markets. We also gave away produce to volunteers and to the local food banks in Gleadless Valley. Families collecting the dried food packs were also able to help themselves to fresh fruit, vegetables and salads, with simple recipe cards provided.

92 local food volunteers, helping to produce a bumper crop of fresh food - 2020.

South Yorkshire Energy Centre

The bulk of our work supporting households to reduce energy bills and use less fuel was delivered over the telephone in 2020 rather than face-to-face at our usual drop-in sessions.

Health and Wellbeing

Our front-line health and wellbeing staff converted their group support activity into online 'virtual' groups, and carried on providing mental health support to 500 people in 2020.

A major push in December saw the Farm collate and deliver 60 Winter Wellbeing Packs to older isolated people in our local community – feedback from recipients was heart-warming and gave the team a much-needed boost at the end of a difficult year.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Dementia and Carers Support

Our Carers Support groups went online in 2020 and we were able to develop and grow our links to Care Homes and Sheltered Housing Units.

Our **Social Enterprises**: the **Farm Kitchen** café, and our **Garden Centre**; we saw an impact on our trading income which was reduced significantly in 2020 due to closure during the first national lockdown, but we were able to re-open the café from July for take-aways and collection.

Our Garden Centre rapidly adapted to having an online ordering ('Click and Collect' service) from mid- May, although we have seen reduced footfall and sales of goods because of social restrictions all year (including the 2nd 'Tier 3' lockdown in November/December).

Fewer people have visited the Farm in 2020 because of Covid-19, and we were unable to hold many of our usual community events, bringing together people from diverse backgrounds and building community cohesion.

All-in-all we estimate that we have lost around £75,000 in trading income because of these closures.

However we benefitted from the **Power to Change Trading Income Support Scheme** which helped us recover a proportion of the lost sales income for the April-June 2020 quarter only.

Awards and Recognition in 2020:

- Britain in Bloom.
- **Green Flag Community Awards 2020.**
- Both Firth Park and Wortley were also awarded **Outstanding Level 5 in Yorkshire in Bloom** 'It's Your Neighbourhood' category.
- Press Coverage and Social Media – thank you to Andrew Pearse, our Publicity and Communications Officer, for promoting many positive stories & sharing photos and films of the Farm throughout 2020. We have upwards of 10,000 followers on Social Media.

We continue to celebrate the **outcomes we achieve and the positive impact** we make on people's lives. In the final quarter of 2020 we have invested significantly in our **IT/digital infrastructure** with a major new leased-line Broadband connection and a farm-wide Wi-Fi network.

The IT upgrade provides opportunities for staff & volunteers to embrace digital technology, increasing our capacity and systems to better evidence the effectiveness and impact of our projects and activities. Also improving our record-keeping, project monitoring and data-management.

We are grateful for the Key Fund Capital Investment funding 2020 which has enabled this, and helped us upgrade the infrastructure of the main farm site, including enhanced security (CCTV, new shutters/locks), new branded signage, and buildings maintenance such as external repairs, roofing, guttering and reinforcing the access ramp up to the main offices. All of these are areas of investment in site maintenance which the charity had neglected over the preceding 10 years of austerity 2010-20. With year-on-year funding reductions & cutbacks, against a backdrop of increased demand for charity services and annual rising costs, we were not alone in falling behind in keeping our farm secure.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

We have also upgraded the IT facilities in our classroom, started the work to install heating & lighting in our Outdoor Classroom (solar PV) and provided more equipment to enable digital learning, including tablets and more laptops for our young people to use.

In August 2020 we took on a package of external Human Resources (HR) & Legal support from Bhayani Law – money well spent to have relevant expertise available. This has brought improvements in all our HR procedures. Our Staff Handbook is being updated and all our operational policies and procedures reviewed. We are investing in more training for Staff Wellbeing and Mental Health at Work, especially after the difficult year we've all had.

We continue to build on our Quality Assurance Framework and refresh our working practices and procedures, whilst remaining true to our community values and maintaining the unique ethos and core values of the Farm.

At the end of 2020 I am proud that the Farm has weathered the storm of Covid-19, which has challenged all sectors of society and the economy. We ended 2020 with daily news about Brexit and the increasing likelihood of 'No-deal', and intense speculation about a 'second wave' of C-19 and the likelihood of a further national lockdown / continuing Tier 3 restrictions. However, we took a deep breath and managed to stay positive, focus on our achievements and be grateful as we looked forward to 2021 – the year in which Heeley City Farm celebrates its 40th birthday - with optimism for growth and renewal over the next 40 years.

Thank you to all our generous funders and donors: Key Fund, Sheffield City Council (SCC), Garfield Weston Foundation, Police and Crime Commissioner, Charities Aid Foundation (CAF) – Coronavirus Emergency Fund and CAF Resilience Fund, National Community Lottery Fund, South Yorkshire Community Foundation, People Keeping Well Resilient Communities and Community Wellbeing Programme, Sheffield Renewables, Friends of Firth Park Community Allotment, Planet First Energy, Better Energy Savings Network, SCC Community Fund, Sheffield Town Trust, University of Sheffield, Dunhill Medical Trust, Sheffield College, JustGiving, the estates of John Trevor Brooker and Roger Shepherd (deceased)

Financial review

The statement of financial activities on page 14 shows a further improvement in the Farm's finances, with total income over £150k higher than 2019. This was due to an increase in restricted funds in both the health sector, from Healthy Holidays and 3 People Keeping Well grants, and also the Key Fund capital grants. The charitable company also benefited from generous emergency covid grants from numerous benefactors, to compensate for the loss of income during the pandemic.

Total expenditure was similar to 2019 at £908k, with salary costs relatively unchanged. Maintenance costs showed the most significant increase, as renovation work was undertaken to complement the café improvements, using some of the Key Fund grant funding. There was net income for the year of £173k compared to £7k in 2019. This was made up of a surplus on unrestricted funds of £174k and a reduction of £1k in restricted fund balances.

The balance sheet on page 15 summarises the Farm's assets and liabilities at the year end. The increase in fixed assets mainly relates to the café building extension, along with the Wi-Fi hardware installation in equipment. The bank balances were much higher at the year end following the receipt of the covid grants and Key Fund grant and loan. This loan has turned the net current liabilities position of £95k at the beginning of the year into net current assets of £192k at the year end. There is £145k of the Key Fund loan that is repayable after more than a year. The funding of the Farm is now strengthened as there are £28k of general reserves, a significant turn around from the beginning of the year.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Public benefit

The trustees consider that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission and that the detailed review of activities, set out on pages 1 to 5, demonstrates comprehensively that the charity delivers public benefit.

Reserves policy

The trustees aim to establish sufficient cash reserves to allow the Farm to continue trading should a major source of funding be suddenly lost or reduced. To allow replacement funding to be obtained, it is estimated that 3 months of essential expenditure will need to be financed. The minimum level of general reserves is therefore targeted to be £250,000. This requires the long-term maintenance of overall profitability, building on the in-year operational surpluses of 2019 and 2020, and can therefore only be achieved over a period of time, which is likely to be between 3-5 years.

Asset Management

We secured a new 30-year lease with Sheffield City Council in 2020 (11th August 2020 to 10th August 2050) which provides a level of security and stability. The lease also goes some way towards protecting our investments and buildings which the charity owns and manages.

We are exploring other options to protect our assets, such as listing the Farm's land as an Asset of Community Value (ACV) which forms part of the Community Right to Bid. We are looking into the feasibility of carrying out a Community Asset Transfer (CAT) and asking the council/landowner (again) about acquiring the Freehold on the land. In 2021 we will be taking business planning advice about other options such as setting up a Community Land Trust, issuing Community Share Options and Crowdfunding.

We have a duty to protect the community assets which the Farm holds, on behalf of the many local people & vulnerable groups who use these facilities and need them to be available for future generations.

The charity owns outright the freehold and building (the Energy Centre) at 25 Alexandra Road (valued commercially at £130,000 in 2019). Whilst the council owns the rest of the land, & the charity is the leaseholder, all the other established assets of the charity are under-capitalised and should be revalued at a future date, to reflect their real, current value in use.

Future Development and Social Investment:

Principal funding sources

The principal regular funding sources of the Farm are contract income, grants (both restricted and unrestricted), donations and earned income from trading & sales of produce.

Our main ongoing contracts include the provision of community health services, adult community learning, Learning Disability day provision, dementia support and young people's education and learning, including our alternative provision. We continue to make the case for Full Cost Recovery from all our funders, but some grant funders – including the Police and Crime Commissioner – still openly decline to contribute towards overheads or management costs.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Structure, Governance and Management

Governing Document

Heeley City Farm Limited is a charitable company limited by guarantee, incorporated on 19th June 1987, and governed by its Memorandum and Articles of Association, as amended by written resolution dated 15th September 2005. It was registered as a charity with the Charity Commission on 28th September 2005. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

Appointment of Trustees

All directors of the company are also trustees of the charity. There are no other trustees. All the trustees named below served for at least part of the year. One third of the trustees retire at the Annual General Meeting but are eligible for re-appointment. The trustees may appoint a person as a trustee to fill a vacancy or to act as an additional trustee provided that the appointment does not cause the number of trustees to exceed 15.

Organisation

The charity is organised so that its Board of Directors meets bi-monthly to manage its affairs. There are 6 members of the Senior Management Team* who support the CEO in the management of the day to day administration of the charity. The SMT meet monthly to review operations, improve our systems and reporting and progress the Business Plan.

*Finance and HR Manager

Operations manager

LDD and Health and Safety Manager

Youth and Training Manager

Local Food Manager

Health and Wellbeing/Dementia Manager

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place to mitigate the exposure to major risks.

A Risk Register is maintained and reviewed annually by the Board, and all identified risks are scored for (a) probability and (b) impact, enabling action-planning for risk management and mitigation which prioritises those risks which are more likely and/or more potentially serious.

The Risk Register was amended in 2020 to include the impact of the Covid-19 pandemic and changes in government policy around mitigating the spread of the virus. The lessons learned in 2020 from 'managing through Covid-19' will apply for any future public health crisis.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Reference and administrative details

Directors and trustees

Barry Handyside Lee-Potter - Chair

Carl Clive Lee - Vice Chair

Graham Farrow - appointed November 2020

Mary Jane Webb - stepped down June 2021

Grace Lucy Radford - removed - November 2020

Lewis William Dagnall - stepped down November 2020

Secretary

Gloria Ward

Key management personnel

Chief executive

Sue Pearson

Finance Manager

Gloria Ward

Registered office

Richards Road
Sheffield
S2 3DT

Auditors

Tingle Ashmore Ltd
Chartered Accountants and Statutory Auditors
Enterprise House
Broadfield Court
Sheffield
S8 0XF

Bankers

Co-operative Bank plc
84-86 West Street
Sheffield
S1 3SX

Registered in England and
Wales under company number

2141420

Registered charity number

1111482

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
TRUSTEES' ANNUAL REPORT

Statement of trustees' responsibilities

The trustees (who are also directors of Heeley City Farm Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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;
- 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 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

The Annual Report was approved by the trustees on 15/10/21 and signed on their behalf by



.....
Carl Clive Lee - Vice Chair

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEELEY CITY FARM LIMITED

Opinion

We have audited the financial statements of Heeley City Farm Limited (the charitable company) for the year ended 31st December 2020 which comprise the Statement of Financial Activities and Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 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 charitable company's affairs as at 31st December 2020, and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's 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 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 Trustees Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEELEY CITY FARM LIMITED

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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements, the trustees are responsible for assessing the 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 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

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.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEELEY CITY FARM LIMITED

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates we identified that the principal risks of non-compliance with laws and regulations related to employment law and health and safety and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements being the Companies Act 2006, Charities Act 2011, Charity SORP and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of overriding internal controls, and determined that the principal risks related to the incorrect classification and recognition of income and posting inappropriate journal entries. Audit procedures performed included the following:

- Discussion with management regarding their knowledge or suspicion of instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing correspondence from funders for significant receipts;
- Identifying and testing journal entries, in particular those for large amounts, unusual descriptions and those for year end adjustments;
- Reviewing the minutes of Trustee meetings;
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Performing walkthrough tests of income and expenses to ensure that appropriate controls are in place.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.


HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEELEY CITY FARM LIMITED

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. (ie gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.


Kevan Tingle FCA
Senior Statutory Auditor
for and on behalf of Tingle Ashmore Ltd
Chartered Accountants and Statutory Auditors
Enterprise House
Broadfield Court
Sheffield
S8 0XF

Date 15/10/21.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

		Unrestricted funds	Restricted funds	Total funds 2020	Total funds 2019
	Notes	£	£	£	£
Income from:					
Donations and legacies		52,370	-	52,370	31,645
Charitable activities					
Grant and contract funds receivable	1	-	498,257	498,257	257,360
Training provision		254,008	-	254,008	281,970
Café, garden centre, festival and community food growing income		84,472	-	84,472	194,127
South Yorkshire Energy Centre		-	-	-	11,977
Health		29,755	-	29,755	124,431
Core funding		15,000	-	15,000	7,500
Other trading activities					
Disclosure and Barring Service checks		6,121	-	6,121	13,747
Rent receivable		2,400	-	2,400	3,500
Lottery		2,208	-	2,208	2,030
Emergency covid grants		96,170	40,117	136,287	-
Total income		542,504	538,374	1,080,878	928,287
Expenditure on:					
Raising funds		4,757	-	4,757	10,012
Charitable activities					
Grants payable		400	61,937	62,337	54,290
Grant repayable		-	-	-	8,067
Café, garden centre, festival and community food growing costs		98,515	7,256	105,771	145,108
Salaries and travel	2	131,151	380,822	511,973	518,496
Premises and equipment	3	79,840	51,839	131,679	117,125
Support costs	4	66,766	15,202	81,968	62,888
Governance costs	5	9,191	-	9,191	4,950
Total expenditure		390,620	517,056	907,676	920,936
Net income for the year		151,884	21,318	173,202	7,351
Transfers between funds	6	22,672	(22,672)	-	-
Net movement in funds	7	174,556	(1,354)	173,202	7,351
Funds brought forward at 1st January 2020		(16,116)	452,159	436,043	428,692
Funds carried forward at 31st December 2020		£158,440	£450,805	£609,245	£436,043

The SOFA includes all gains and losses recognised in the year
All income and expenditure derives from continuing activities.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
BALANCE SHEET

	Notes	2020	2019
		£	£
Fixed assets			
Tangible assets	9	562,031	530,526
Investment	10	100	100
		<u>562,131</u>	<u>530,626</u>
Current assets			
Stock		6,125	5,976
Debtors	11	66,502	93,884
Cash at bank and on hand		282,829	6,592
		<u>355,456</u>	<u>106,452</u>
Creditors - amounts falling due within one year	12	<u>163,561</u>	<u>201,035</u>
Net current assets/(liabilities)		<u>191,895</u>	<u>(94,583)</u>
Total assets less current liabilities		754,026	436,043
Creditors - amounts falling due after more than one year	13	<u>(144,781)</u>	<u>-</u>
Net assets		<u>£609,245</u>	<u>£436,043</u>
Funds			
Unrestricted funds			
General funds	15	28,313	(129,087)
Designated funds	15	130,127	112,971
		<u>158,440</u>	<u>(16,116)</u>
Restricted funds	15	<u>450,805</u>	<u>452,159</u>
Total funds	16	<u>£609,245</u>	<u>£436,043</u>

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

These financial statements were approved and authorised for issue by the Board on 15/10/21 and signed on their behalf by

 Carl Clive Lee - Vice Chair

Company number - 2141420

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
STATEMENT OF CASH FLOWS

	2020	2019	
	£	£	
Cash flows from operating activities:			
Net cash flow from operating activities	<u>226,659</u>	<u>16,216</u>	
Cash flow from investing activities			
Purchase of fixed assets	55,622	-	
Receipt from sale of tangible fixed asset	<u>-</u>	<u>350</u>	
	<u>55,622</u>	<u>350</u>	
Cash flows from financing activities:			
Receipt from issue of new long term loan	158,900	-	
Repayments of borrowing	(4,526)	(500)	
Interest paid	<u>(2,184)</u>	<u>-</u>	
Net cash flow from financing activities	<u>152,190</u>	<u>(500)</u>	
Change in cash and cash equivalents in the year	323,227	16,066	
Cash and cash equivalents at the beginning of the year	<u>(40,398)</u>	<u>(56,464)</u>	
Cash and cash equivalents at the end of the year	<u>£282,829</u>	<u>£(40,398)</u>	
Analysis of cash and cash equivalents			
Cash in hand	5,711	6,592	
Bank current accounts	<u>277,118</u>	<u>(46,990)</u>	
	<u>£282,829</u>	<u>£(40,398)</u>	
Reconciliation of net income to net cash flow from operating activities			
Net income for the year	173,202	7,351	
Adjustments for:			
Depreciation charges	24,117	30,465	
Key Fund loan interest and fee	2,184	(325)	
Increase in stock	(149)	(145)	
Decrease/(Increase) in debtors	27,382	(36,669)	
(Decrease)/Increase in creditors	<u>(77)</u>	<u>15,539</u>	
Net cash flow from operating activities	<u>£226,659</u>	<u>£16,216</u>	
Analysis of changes in net debt	At start of year	Cash flows	At end of year
	£	£	£
Cash	6,592	(881)	5,711
Cash equivalents	<u>(46,990)</u>	<u>324,108</u>	<u>277,118</u>
Total liabilities	(40,398)	323,227	282,829
Key Fund loan and loan falling due within one year	(27,500)	(9,593)	(37,093)
Key Fund loan falling due after more than one year	<u>-</u>	<u>(144,781)</u>	<u>(144,781)</u>
Total net debt	£(67,898)	£168,853	£100,955

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
PRINCIPAL ACCOUNTING POLICIES

General information and basis of preparation

Heeley City Farm is a company limited by guarantee registered in England and Wales. 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. The address of the registered office is given in the charity information on page 8 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. These 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 application in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Preparation of the accounts on a going concern basis

The trustees assess the income and expenditure budgets and cash flows prepared by the key personnel. The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income

Donations and legacies

Donations, gifts and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Charitable activities

Grants and contract funds receivable

Funds in respect of revenue items are written off to the income and expenditure account in the period to which they relate. Funds in respect of specific projects are credited to a restricted fund, against which relevant expenditure is charged.

Funds are not recognised as receivable until all conditions for receipt have been met. Where donor imposed restrictions apply to the timing of the related expenditure, as a pre-condition for its use, the funds are treated as deferred income until those restrictions are met.

Funds relating to fixed assets are credited to a restricted fund on the income and expenditure account from which amounts are released to revenue over the shorter of the depreciation period of the relevant assets or the term of the project.

Training provision and energy income are accounted for in the period in which the service is provided. All income is stated net of value added tax where appropriate.

Café, garden centre, festival and community food growing income is credited to the period in which the income is receivable.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
PRINCIPAL ACCOUNTING POLICIES

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis exclusive of value added tax. Amounts expended on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. Governance costs are incurred in meeting the constitutional and statutory requirements of the charity.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Only individual items costing above £2,500 will be capitalised, those costing less will be written off as expenditure.

Depreciation is calculated to write down the cost of the fixed assets over their expected useful lives.

The rates and bases used are as follows:-

South Yorkshire Energy Centre	2%	per annum straight line basis.
Other permanent buildings		Over the remaining life of the lease
Equipment, fixtures and fittings	15%	per annum reducing balance basis.
Motor vehicles	25%	per annum reducing balance basis.

The other permanent buildings are now covered by a new 30 year lease and these accounts incorporate this in the calculation of the depreciation provision.

Impairment of tangible assets

Impairment reviews of fixed assets are only carried out where there is an indication that the recoverable amount of a functional fixed asset is below its net book value. Where a review is required, the trustees will assess the net realisable value of the asset and if this is below net book value, the value in use will be considered. If the value in use is above net book value then net book value will be used. Value in use will be quantified in relation to future cash flows, where possible, or alternatively net replacement cost. The impairment loss is recognised as an expense in the period in which it arises.

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently at their market value at the balance sheet date. All gains and losses are taken to the Statement of Financial Activities as they arise.

Leased assets

All leases are considered to be 'operating leases' and the relevant annual rentals are charged wholly to the Statement of Financial Activities.

Irrecoverable value added tax

Irrecoverable value added tax is written off to the Statement of Financial Activities in the year in which it arises.

Stock

Horticultural produce and café stock are valued at the lower of cost and net realisable value. Cost is calculated using the first in first out (FIFO) basis.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
PRINCIPAL ACCOUNTING POLICIES

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered.

Creditors

Creditors are recognised when 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Pension

The charity makes employer contributions to stakeholder pension schemes in favour of certain members of staff. The pension charge in the Statement of Financial Activities is the amount of contributions payable by the charity.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Fund accounting

Funds held by the charity are either:-

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these have been set up to identify those unrestricted funds that are not free funds in that they represent the net book value of capital assets attributable to the charity's own reserves.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity.

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.

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

	2020	2019
	£	£
1 Grant and contract funds receivable		
Grant funds receivable		
Community, Health and Food		
Big Lottery - Reaching Communities, Local Food	120,396	84,918
Big Lottery - Reaching Communities, Youth	71,214	73,941
Voluntary Action Sheffield - Healthy Holidays	59,932	-
Sheffield City Council - PKW - Community Wellbeing	39,574	-
Sheffield City Council - PKW - Resilient Communities	31,250	-
Sheffield City Council - PKW - Dementia	9,857	-
Sheffield City Council - Safe Places Grant	17,083	22,500
Sheffield City Council - Healthy Holidays	6,750	6,840
Key Fund Capital Grant	48,100	-
Key Fund Working Capital Grant	20,000	-
Dementia: Dunhill Medical	19,825	18,795
National Lottery Heritage Grant	15,500	-
Sheffield City Council - Walking for Purpose	8,880	-
Citizens Advice - Big Energy Saving Network	7,500	14,000
Sheffield City Council - various local food grants	4,248	9,760
Sheffield Renewables	3,077	-
Sheffield City Council - Men's Mental Health	2,498	-
Greenhill & Lowedges TARA - A Better Life in Lowedges	2,473	-
Sheffield City Council - Let's Talk About Suicide	1,000	-
Reach South Sheffield - Violence Reduction Fund	1,000	-
Sheffield City Council Placements - Dementia	-	13,548
Sheffield City Council - various other grants	-	8,500
Small grant funds	-	1,958
Total grant funds receivable	<u>490,157</u>	<u>254,760</u>
Contract funds receivable		
Young People		
South Yorkshire Police - Youth	3,900	2,400
Sheffield City Council - Early Years Volunteering	4,200	-
RBST - Youth	-	200
Total contract funds receivable	<u>8,100</u>	<u>2,600</u>
Total grant and contract funds receivable	<u><u>£498,257</u></u>	<u><u>£257,360</u></u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

	Unrestricted funds	Restricted funds	Total funds 2020	Total funds 2019
	£	£	£	£
2 Salaries and travel				
Salaries and national insurance	126,628	363,205	489,833	499,317
Pension contributions	3,591	6,334	9,925	8,563
Transport and travel	932	11,283	12,215	10,616
	<u>£131,151</u>	<u>£380,822</u>	<u>£511,973</u>	<u>£518,496</u>
3 Premises and equipment				
Maintenance, security and cleaning	32,247	30,598	62,845	37,239
Rent, rates and insurance	33,287	2,945	36,232	28,498
Light, heat and power	8,445	40	8,485	20,923
Depreciation and loss on sale of assets	5,861	18,256	24,117	30,465
	<u>£79,840</u>	<u>£51,839</u>	<u>£131,679</u>	<u>£117,125</u>
4 Support costs				
Livestock purchases and upkeep	15,809	39	15,848	18,936
Staff and volunteers training	1,431	2,165	3,596	2,568
Beneficiaries, volunteers and childcare	1,788	335	2,123	3,759
Subscriptions	2,651	794	3,445	2,910
Advertising and publicity	1,215	-	1,215	938
Telephone and fax	7,776	80	7,856	4,685
Stationery, postage, software and office equipment	4,351	4,298	8,649	4,001
Legal and professional fees	5,823	7,311	13,134	8,243
Bad debts	10,948	-	10,948	2,473
Bank charges and interest	2,365	-	2,365	5,720
Key Fund loan interest and fee	3,782	-	3,782	(325)
Sundry expenses	174	180	354	1,418
Irrecoverable value added tax	8,653	-	8,653	7,562
	<u>£66,766</u>	<u>£15,202</u>	<u>£81,968</u>	<u>£62,888</u>
5 Governance costs				
Audit and Accountancy	<u>£9,191</u>	<u>£-</u>	<u>£9,191</u>	<u>£4,950</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

- 6 Transfers between funds
 These relate to the reallocation of overhead costs to restricted funds.

	2020	2019
	£	£

7	Net movement in funds This is stated after charging:		
	Depreciation and loss on disposal of fixed assets	24,117	30,465
	Auditor's remuneration - audit	1,850	1,850
	- accounts	5,225	3,100
	Salaries	534,105	543,032
	Employer's national insurance	33,946	30,756
	Pension contributions	11,211	8,790
	Redundancy costs	-	15,179
		<u> </u>	<u> </u>

	2020	2019
--	------	------

- 8 Staff and trustee details
 No employee had emoluments in excess of £60,000 in either year.
 No remuneration was paid nor expenses reimbursed to trustees during either year.
 The average number of employees by function was

Charitable activities	34	36
Management and administration	4	4
	<u> </u>	<u> </u>
	38	40
	<u> </u>	<u> </u>

The key management personnel of the charity comprise the trustees, the Chief Executive and the Finance Manager.

The total employee benefits of the key management personnel were £60,941 (2019: £63,617).

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

9 Tangible assets

	Permanent buildings	Equipment, fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
As at 1st January 2020	1,027,574	177,221	5,094	1,209,889
Additions in the year	28,307	27,315	-	55,622
As at 31st December 2020	<u>1,055,881</u>	<u>204,536</u>	<u>5,094</u>	<u>1,265,511</u>
Depreciation				
As at 1st January 2020	519,184	156,018	4,161	679,363
Provided during the year	16,598	7,285	234	24,117
As at 31st December 2020	<u>535,782</u>	<u>163,303</u>	<u>4,395</u>	<u>703,480</u>
Net book value				
As at 31st December 2020	<u>£520,099</u>	<u>£41,233</u>	<u>£699</u>	<u>£562,031</u>

All assets are used in direct furtherance of the charity's objects. The property at Alexandra Road and other assets of the charity are subject to charges given as security for the bank overdraft. There was no overdraft outstanding at the year end.

10 Investment

The charity has paid £100 to purchase 100 £1 shares in Seed Co-operative. This is a community owned business and the shares carry no right to dividend but could earn interest in the future.

	2020	2019
	£	£
11 Debtors		
Trade debtors	30,272	53,342
Grants in arrears	5,625	7,665
Other income in arrears	27,276	20,190
Other debtors and prepayments	3,329	12,687
	<u>£66,502</u>	<u>£93,884</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

	2020	2019
	£	£
12 Creditors - amounts falling due within one year		
Bank overdraft - secured	-	46,990
Key Fund loan	10,593	-
Trade creditors	57,221	56,154
Taxation and social security	7,320	11,450
Accruals	14,465	28,716
Other creditors	5,625	5,625
Loan	26,500	27,500
Deferred income	41,837	24,600
	<u>£163,561</u>	<u>£201,035</u>
Deferred income		
Balance at 1st January 2020	24,600	45,200
Amount released to income from charitable activities	(17,100)	(45,200)
Amount deferred in the year	<u>34,337</u>	<u>24,600</u>
Balance at 31st December 2020	<u>£41,837</u>	<u>£24,600</u>
Deferred income refers to amounts received in advance for services and covid grants provided for periods after the year end.		
13 Creditors - amounts falling due after more than one year		
Key fund loan	<u>£144,781</u>	<u>£-</u>
There is an amount due after more than 5 years of £102,409.		
14 Operating lease commitments		
The charity had operating leases at the year end with total future minimum lease payments as follows:		
Land and buildings		
The charity signed a new lease with effect from September 2020 at the same payments of £750 per annum for a term of 30 years.		
Office equipment and motor vehicle		
Amount falling due:		
Within 1 year	5,771	5,361
Within 2 to 5 years	<u>11,353</u>	<u>10,906</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

15 Statement of funds

	Balance at 1st Jan 2020	Movement in resources		Transfers	Balance at 31st Dec 2020
	£	£	£	£	£
Unrestricted funds:					
General funds	(129,087)	542,504	(384,759)	(345)	28,313
Designated funds	112,971	-	(5,861)	23,017	130,127
	<u>£(16,116)</u>	<u>£542,504</u>	<u>£(390,620)</u>	<u>£22,672</u>	<u>£158,440</u>
Restricted funds:					
Capital projects	417,655	-	(18,256)	32,605	432,004
Young People	-	8,100	(8,100)	-	-
Community, Health and Food	34,504	530,274	(490,700)	(55,277)	18,801
	<u>£452,159</u>	<u>£538,374</u>	<u>£(517,056)</u>	<u>£(22,672)</u>	<u>£450,805</u>
Total funds	<u>£436,043</u>	<u>£1,080,878</u>	<u>£(907,676)</u>	<u>£-</u>	<u>£609,245</u>

Prior year comparison

	Balance at 1st Jan 2019	Movement in resources		Transfers	Balance at 31st Dec 2019
	£	£	£	£	£
Unrestricted funds:					
General funds	(178,690)	670,927	(656,837)	35,513	(129,087)
Designated funds	116,966	-	(6,598)	2,603	112,971
	<u>£(61,724)</u>	<u>£670,927</u>	<u>£(663,435)</u>	<u>£38,116</u>	<u>£(16,116)</u>
Restricted funds:					
Capital projects	444,475	-	(23,867)	(2,953)	417,655
Young People	-	2,600	(2,600)	-	-
Community, Health and Food	45,941	254,760	(231,034)	(35,163)	34,504
	<u>£490,416</u>	<u>£257,360</u>	<u>£(257,501)</u>	<u>£(38,116)</u>	<u>£452,159</u>
Total funds	<u>£428,692</u>	<u>£928,287</u>	<u>£(920,936)</u>	<u>£-</u>	<u>£436,043</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

Capital projects relate to five building developments being:

- The rebuilding of the Training and Resource Centre;
- The purchase and refurbishment of the South Yorkshire Energy Centre;
- The construction of the Small Animals House;
- The toilet block improvements.
- Café extension and improvements.

Grant funded equipment during the year included wi-fi hardware and installation.

In addition, farm and computer equipment funded from grants are included in the fund.

The fund balances reduce by depreciation on the grant funded proportion of the fixed assets.

Other restricted funds arise from Government and other grants provided for specific projects to fund salaries and other direct charitable costs. These relate to the areas of youth work, promoting the growing and eating of healthy organic food, the improvement of the Farm for visitors, environmental education, dementia concerns and the provision of staff to tend and care for the animals.

The designated fund has been set up to identify unrestricted funds that are not free funds and represents the net book value of expenditure on capital assets from the charity's own reserves.

16 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed assets	-	130,127	432,004	562,131
Net current assets	28,313	-	163,582	191,895
Long term liabilities	-	-	(144,781)	(144,781)
Net assets	<u>£28,313</u>	<u>£130,127</u>	<u>£450,805</u>	<u>£609,245</u>

Prior year comparison

Fund balances at 31st December 2019 were represented by:-

	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed assets	-	112,971	417,655	530,626
Net current liabilities	(129,087)	-	34,504	(94,583)
Net assets	<u>£(129,087)</u>	<u>£112,971</u>	<u>£452,159</u>	<u>£436,043</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2020
NOTES TO THE FINANCIAL STATEMENTS

17 Related party transactions

There are no related party transactions during the year (2019 : £Nil).

18 Prior year comparatives

A detailed breakdown of the 2019 statement of financial activities between unrestricted and restricted funds is as follows:

	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£
Income from:			
Donations and legacies	31,645	-	31,645
Charitable activities	620,005	257,360	877,365
Other trading activities	19,277	-	19,277
	<u>670,927</u>	<u>257,360</u>	<u>928,287</u>
Expenditure on:			
Charitable activities	653,423	257,501	910,924
Raising funds	10,012	-	10,012
Total expenditure	<u>663,435</u>	<u>257,501</u>	<u>920,936</u>
Net income/(expenditure) for the year	7,492	(141)	7,351
Transfers between funds	38,116	(38,116)	-
Net movement in funds	<u>£45,608</u>	<u>£(38,257)</u>	<u>£7,351</u>

