



31ST DECEMBER 2021

HEELEY CITY FARM LIMITED
40 YEARS OF COMMUNITY POWER SINCE 1981

TRUSTEES' ANNUAL REPORT



The Trustees present their **Annual Report** and the **Audited Financial Statements** of the charity for the year ended **31st December 2021**, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Memorandum and Articles of Association - Heeley City Farm's Charitable Objects:

1. To promote the **benefit of the inhabitants of Heeley and the neighbourhood**
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

A SHORT HISTORY OF HEELEY CITY FARM

Achievements and performance against our objectives during 2021

We have been excited and proud this year to celebrate 40 years of the farm since being set up in July 1981.

As part of our birthday year plans, we took part in the Big Give Green Challenge in April, raising over £5,000 in just one week in donations from our supporters

2021 had started with a new national lockdown from midnight on Tuesday 5th January due to another wave of the Covid-19 coronavirus pandemic. Staff who were able to worked from home and others were required to shield as they came into the clinically-vulnerable group.

Hope came in the form of the national roll-out of the Covid vaccination programme, and we were pleased to be able to share positive messages and increase the take-up of the vaccine. We worked closely with local health and wellbeing teams & community partners to play our part in tackling vaccine hesitancy, especially within specific groups where anti-vax misinformation was creating doubt / fear.

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 2021 has been a year of further change with many different operational challenges for all of us.

For example, team meetings were either held online using Zoom or Microsoft Teams, or outdoors with staff at least 2 metres apart, and with face masks required for all interactions.

Against the backdrop of covid restrictions we were able to benefit from a package of support from **Power to Change (Powering Up!)** which provided consultancy and coaching support following an organisational diagnostic in January 2021. Part of the business support was provided by one of our trade bodies - **Locality** - who reviewed our **Business Plan** and helped us draft a **Position Statement** and **Press Release** as part of the farm's 40th anniversary plans. We took part in workshops for **Building Resilience**, delivered by Locality to help neighbourhood organisations get back on track after covid.

As a member of Locality we also promoted their national campaigns for community businesses like ours to gain recognition for the value that we provide & for the way we as a sector stepped up to respond to the coronavirus pandemic: #RightNow and #NeverMoreNeeded.

We were grateful to be offered a large stall in the Peace Gardens for the **Sheffield Harvest Fayre** in September 2021 - over the weekend of 18th and 19th we had a very busy time selling some of our fresh produce and honey, plants, plus providing farm-related fun activities for children including a farm quiz, 'milking' our virtual cow, making scarecrows and lavender bags. Upwards of x thousand people attended this large event in the city centre and we received many generous donations.

We also held a mini **Beer Festival** at the farm in October in pouring rain but over 250 people came out over 2 days to listen to live acoustic music (under shelter from our gazebos) and sample vegan local beers & vegan food. Thank you to the staff and volunteers who put in so much extra work to make these community events happen.

These are the **4 key outcome areas** and impact that the farm delivered to 2,000+ individuals in 2021:

- **Community Development** - enabling community action and building community cohesion - addressing disadvantage and poverty.
- **Environmental Sustainability** - championing Climate Action - our main focus 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
- **Health and Wellbeing** - improving mental and physical health outcomes and quality of life for people in our neighbourhoods.

ACTIVITIES UNDERTAKEN FOR PUBLIC BENEFIT

Children and young people from disadvantaged backgrounds

0-5 years (Early Years): We worked with the Valley Park Family Centre in South Sheffield and have set up 2 regular groups each week at the farm from Summer 2021: Breastfeeding Peer Support and a Toddler Stay and Play session

Secondary Provision in 2021

In February 2021 priorities were set to ensure that all children and students could return safely to face-to-face education in schools. However, even after these new measures were introduced, life for young people across the UK was far from 'normal' with twice-weekly rapid testing, social distancing, continued concern for wellbeing and people being asked to refrain from interacting with others outside of their support bubbles. Heeley City Farm's young people were not immune to the wide-ranging effects of the pandemic; all have seen their educational, family and social lives disrupted and some have seen their mental health disproportionately affected.

Evidence has since shown that children and young people have suffered greatly as a result of the pandemic and the measures taken to control it. 'The surge in demand for mental health care in children has been unprecedented, with sharper increases than for adults'.

*Nuffield.

It is notable that many referrals to our provision throughout 2021 were for young people suffering the effects of isolation, anxiety, and mental health problems brought about or magnified by a global pandemic. Life for young people, already struggling to engage in learning and positive activities, became even more difficult, with the overall effect being that it's now harder than ever for individuals to engage and build those all-important emotional and social connections with trusted peers and adults.

At a time when more young people than ever were at greater risk of becoming isolated and disconnected, Heeley City Farm endeavoured to ensure that we support young people to engage, offering personalised responses and a flexible approach. Our commitment to supporting young people by offering regular, meaningful, encounters via voluntary and referred placements, including provision on weekdays, weekends and throughout the school holidays, has allowed young people to participate in a wide range of activities including farm work, gardening, crafts, woodwork, games and cooking sessions. Whilst we continued to work with caution, and factor in the associated risks, we began to work with larger groups and host trips out and new ventures.

We offered 30 Secondary School AP places during term time.

We offered 8 places to private learners and non-mainstream education centres.

In 2021, 17 young people achieved E3 - L1 qualifications

Primary Provision 2021

2021 saw the expansion of our Primary Alternative Provision service; we began to offer spaces for up to 12 children between the age of 7 and 11. We created a customised alternative environment in which learners could build their identities and gain a greater understanding of the world around them and this environment is adaptable to suit the needs of individual learners.

Our early interventions offer children struggling to engage with or excluded from mainstream primary education, tailored, individual support to overcome their barriers to learning.

We have seen learners make impressive progress in their home and school life; gradually reintegrating into their classrooms, acquiring transferable skills and being better able to engage with others.

Whilst based with us learners are given freedom to explore, make mistakes and express themselves. Kindness towards ourselves, others and our animals is promoted via the curriculum.

We have two dedicated, experienced and highly qualified part time staff members now working with our Primary Learners.

Weekend work and Volunteering 2021 - We have seen a significant increase in the amount of young people struggling with poor mental health since the onset of the pandemic and many struggling to form and maintain friendships. Many are struggling to engage in school and are seeking out alternative activities to ease their way back into mainstream education.

Young people attend HCF at the weekends and during the holidays to learn new skills, become involved in volunteering in the community and participate in a variety of real work experiences. They are encouraged to make positive decisions regarding their lives through youth work, encouraging conversations and praising good choices.

We introduced new activities based on healthy diet, healthy eating and personal and social development & embedded messages about sustainable living. Within the local areas we have seen significant cuts in funding for youth clubs and services, increasing the likelihood of young people becoming involved in crime or antisocial behaviour. We have continued to build positive relationships and engaged them in activities in which they have contributed positively to their community and developed a sense of achievement and inclusion.

We offer 20 places at weekends for young people all year round.

Further education

We have worked in partnership with Sheffield College since Sept 2019 and offer regular weekly sessions - we offered 70 individual places to learners during 2021 (less than usual due to Covid).

Animal care: We are one of 19 **Rare Breeds Survival Trust Conservation Farm Parks** in the country is this still the case?), and we celebrated **City Farms Day on 25th March 2021** organised by one of our trade bodies: Social farms and gardens.

Quotes from the young volunteers



Heeley City FARM stories

Hi, my name is James and I am a volunteer at Heeley City Farm. I am writing today to tell you how outstanding the farm is for the young people. I have been volunteering at Heeley City Farm for about two years. Along the way I have learnt so much about what animals can and cannot eat, how to care for animals and a lot more.

The animals on the farm are really loyal to me. But it is not just me they are loyal to they are also loyal to all the staff, public, kids and the people with learning disabilities. The animals are really lovable and love big cuddles off all the people who visit. People that visit the farm say the animals are really therapeutic and help them when they are going through hard times.

We ask for your donations because Heeley City Farm is a charitable business and has no direct funding.

Yours faithful

James
Volunteer at Heeley City Farm



Heeley City FARM stories

Hi my names bailey, I started the farm nearly a year ago. Heeley City Farm has helped me in so many different ways and I'm so thankful to be apart of this amazing organisation.

When I started the farm I was still in school and finding every day school life difficult that's when school decided to let me do off site learning every Wednesday at the farm when I first started I was super shy and struggled really badly with my mental health, during the time of me being at the farm I've gone from knowing nothing about animals to having a wide range of knowledge!

Before I left school I had no idea what I wanted to do after and that's when the farm especially Rachel helped me make my decision I decided to go to college and study animal care which I'm so so happy I did!

After I left school I asked the farm if I could volunteer and they said yes! So I now volunteer every single Sunday and it's honestly my favourite day of the week! I've met some of my life long friends through this amazing place!

The animals are just fabulous so so many people say how therapeutic the animals are and I agree just the same if I ever have a bad day I know I can come down to the farm and see some of my most favourite animals ever!

The staff, volunteers and so so much more are so so amazing here and will literally go out of there way every single day to make sure we get the most experienced! I'm so lucky to work with such an amazing team!

So please please please donate #onedonationtwicetheimpact

Thankyou so much for reading!

Donate to Heeley City Farm between
12pm on 27th Nov and 12pm on 4th Dec
via www.thebiggive.org.uk
<https://secure.thebiggive.org.uk/projects/view/31002>
and get your donation doubled
by the Big Give

<https://tinyurl.com/ycyz7pxs>

to donate



Scan me
to donate

One donation,
twice the impact!
theBigGive.org.uk

Heely city farm

Hello I am logan parker all Sunday I volunteered at heely city farm to help animals I like the pigs gots . The farm help me with my talking, I struggle to talk with new people and the farm is helping me to imppyrove my sociability skills and my confidence around new people. Without he farm I do not believe I would be in the place that I am in [today](#) and would not be the person I am. I made friends and I feel good to get to come to farm to help animals and make a difference in my community.

Activities for adults with LDD (Learning Difficulties and Disabilities)

The Farm is a major provider of day services in South Sheffield for teams of people who attend on regular days every week and build their sense of teamwork and camaraderie through the Farm. The work and contribution of these teams makes the viability of the farm possible. Because of this the Farm becomes a meaningful and tangible way in which people can contribute to their local community.

Further work on disabled access in the vegetable garden has been carried out to paths as well as new disabled access raised beds.



However, 2021 was an especially difficult time for many of our clients. By way of illustration, we took part in a short Channel 4 film for news about Covid and learning disabilities - the presenter also had learning Disabilities. The film noted 'On World Health Day new figures from the Office of National Statistics show that people with learning disabilities have a greater risk of loneliness during lockdowns.' The effect of Covid was demonstrated by one of our clients saying on camera "I couldn't come to the farm anymore, the support I usually had stopped, I felt like there was an invisible forcefield like a prison - I was taking it out on other people even though it wasn't their fault."

The farm helped others deal with the effects of lockdown, one comment was "I couldn't take it anymore, I got upset and anxious, it takes away everything you love, you have to shut yourself away, seeing the animals makes me feel better, I can talk to the goats and put my arm around them, I can tell them everything and they seem to listen.'

Hopefully these comments help show how the farm is an invaluable community asset.



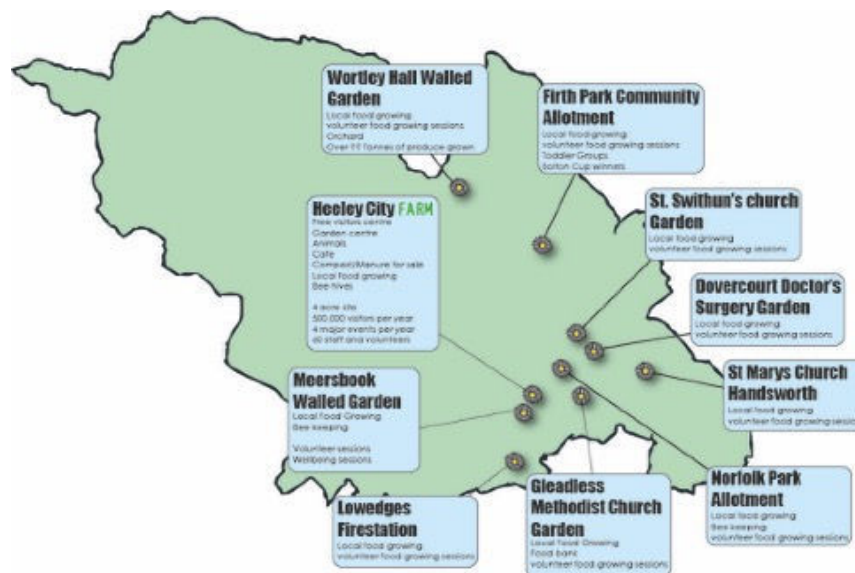
Urban Farming and Local Food-growing:



We are members of the ShefFood Network with partners including Food Works and REGATHER and a group from Heeley City Farm visited the REGATHER Farm for peer learning and developing collaborative projects.

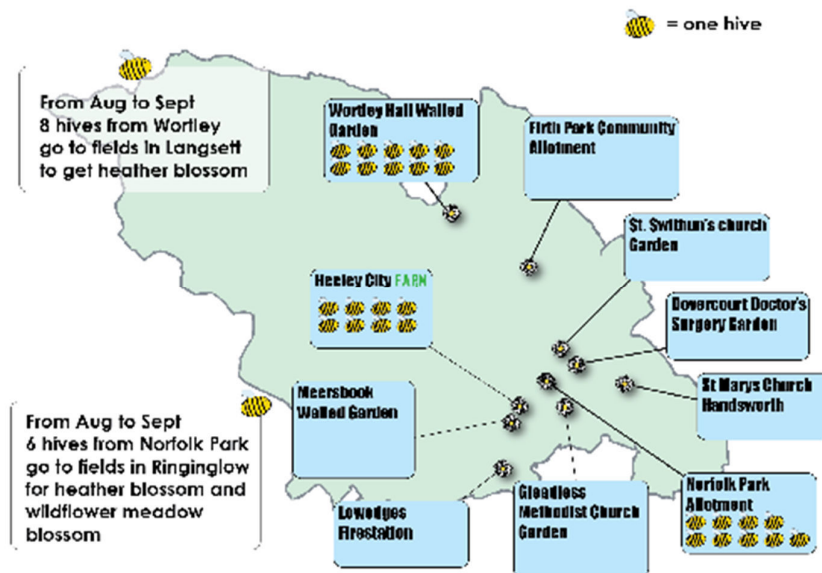
Delivering £650 of honey and veg from Heeley City Farm to Regather.

In June 2021, Heeley City Farm produced its evaluation of the Reaching Communities: Better Food and Eating in Sheffield and Barnsley review, this National Lottery funded programme ran from 2016-21 and encompassed most of the Farm's food-growing work - working with inner city communities at the sites shown in the illustration below. The programme demonstrated the impact it had on the lives of 165 volunteers, and has informed a deeper understanding of the way in which engagement with food growing can help people benefit and contribute to a wide range of social and environmental outcomes.



Bee-keeping

We now manage 50 hives at 6 apiaries across Sheffield (see illustration below) and were running out of space for our honey production and storage of bee-keeping equipment. We took on a 3-year lease at a nearby commercial/light industrial Unit and took up occupancy in March 2021. The kitting out and equipping of the space took some weeks, but we were up and running by the Summer and able to pilot some new collaborative projects with partners such as REGATHER. For example, using Heritage-variety apples grown at our Wortley Hall Walled Garden project, we were able to trial a pressing of farm-branded apple juice which sold out rapidly.



Our Research and Development officer also carried out an Evaluation Study into our most recent 5-year local food-growing projects in May and June 2021. The research involved qualitative methods & focussed interviews with 165 volunteers who had taken part in gardening sessions. We have shared our research findings with the green Prescribing Network and with key stakeholders

South Yorkshire Energy Centre - rebranded as Heeley Energy House

The University of Sheffield School of Architecture chose our Energy Centre building to be 1 of 18 **Live Projects** in October and November 2021. A team of students were given a brief to create a new forward-focussed vision for the exhibition space to improve the way the displays work, and make them fit for purpose & relevant for the climate change challenges of the 2020s

Health and Wellbeing

Thanks to funding from the National Community Lottery Fund Covid Fund we were able to employ a Research Development Officer in 2021 who undertook detailed community consultation with a variety of beneficiary groups, in order to prepare a **Covid Impact Report** which helped us better understand the impact of the pandemic on our customers. The learning and recommendations from the research project were shared with our commissioning teams & colleagues in the Health and Wellbeing sector and helped inform our strategy to continue to meet the changing needs of our local communities

Dementia and Carers Support

We responded as a local partnership to a small tender opportunity and were successful with a dementia support grant to cover the Low edges, Batemoor and Jordanthorpe areas of South Sheffield. Grants totalling £10,000 have been awarded to community partners running dementia support groups in local venues (churches etc)

We contributed impact data, Case Studies, and qualitative research to support the development of the long-term SCC Dementia Strategy which was approved by the Cabinet in July 2021. Other city-wide strategy work included feeding into the Adult Social Care review 2021-22, with intelligence gathered about the impact of covid on families and carers

Successful in tendering for the 5-year People Keeping Well Dementia Funding through SCC for both locality areas

We delivered over 70 Dementia Friendly sessions engaging over 200 people from ages 40 - 90yrs for people with a range of different dementias, including other health issues.

Collaborated with Age UK and the Young Onset Dementia Group with afternoon sessions on the farm resulting in positive experiences and further opportunities for people at the farm

We completed our two-year funded Dunhill Medical Trust Community Research 'Farming Comes to You' animal assisted therapy (AAT) project - published online in Jan 2022

Our FTD Supporters Group continued to grow and support people caring for relatives, loved ones, and friends including those people who have lost their loved ones.

Andrew and Lee were keynotes at The Alzheimer's Show again and reached people globally which resulted in further communication with listeners as far as Nigeria

We successfully produced and delivered another collaboration with the University of Sheffield for 3rd Medical School Placement

We are gradually building up some supportive dementia volunteers

Volunteering and Adult Community Learning:

Due to the coronavirus pandemic and the uncertainty of the virus the farm opened up its volunteer opportunities slowly, for the safety of the volunteers and staff. Despite this we supported 5 volunteers at the farm café, 2 at the garden centre as well as 18 Volunteers across the farm sites. Including 10 people who volunteer at the weekend.

The dementia project worked with 16 medical students and Approximately 36 community family careers supporting the farm, engaging in case studies, support groups, discussions and advice sessions.

In the last 10 years the farm has supported and worked with over 1,300 volunteers across all our sites.

We started a training programme for up to 40 adult learners this academic year, working towards a Level 1 Certificate in **Practical Conservation Skills** and another cohort studying **Practical Horticultural Skills**, also at Level 1

Awards and Recognition in 2021:

Britain in Bloom

Green Flag Community Awards 2021. 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 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.

Thank you to all our generous funders and donors: Key Fund, Sheffield City Council (SCC), Garfield Weston Foundation, Police and Crime Commissioner, the National Community Lottery Fund, Charities Aid Foundation (CAF) - CAF Resilience Fund, National Community Lottery Fund - Reaching Communities, South Yorkshire

Community Foundation, Sheffield Town Trust, 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, University of Sheffield, Dunhill Medical Trust, Sheffield College, JustGiving, the Marjorie Coote Trust, Power to Change and the Social Investment Bank: Trading Income Support Scheme

FINANCIAL REVIEW

The statement of financial activities on page 14 shows an increase in income of almost £180k to £1,259k. This was mainly due to an increase of over £160k in restricted fund grants, mostly from Sheffield City Council. Unrestricted funds have returned to pre pandemic levels and a further £175k of emergency covid funds were received. Total expenditure increased by £221k to £1,129k. The most significant increases were in salary costs and contractors, the latter relating to the Healthy Holidays contract.

There was net income for the year of £130k compared to £173k in 2020. The surplus related to increased restricted fund balances, with close to break even on unrestricted funds.

The balance sheet on page 15 shows an increase in fixed assets due to the completion of the café building improvement. The total of current assets was similar, with the reduction in bank balances offset by additional debtors. There were increases in both net current assets and net assets at the year end. The general reserves are now in deficit by £53k, reversing the positive movement in 2020, as shown by note 15.

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 above, 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 lost or reduced suddenly. 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.

ASSET MANAGEMENT

We hold a lease for the main farm site with Sheffield City Council which expires on 10th August 2050, providing a level of security and stability. The long lease also

goes some way towards protecting our investments and buildings which the charity owns and manages.

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 daily 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).

We have a small fleet of 3 vans/minibuses including a 16-seater minibus which we acquired in 2021 - these are used for transporting volunteers, participants, learners and young people to activities on our project sites around the city

FUTURE DEVELOPMENT AND FUNDING 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. Our young people's learning provision is cross-subsidised by lottery funding.

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 5 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

LDD & Health & Safety Manager

Youth and Training Manager

Local Food Manager

Health and Wellbeing / Dementia Manager

A new key role of Green Prescribing Manager is being planned for 2022 to build SMT capacity

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 updated in 2021 to include the ongoing impact of the Covid-19 pandemic and changes in government policy around mitigating the spread of the virus. The lessons learned in 2020-1 from 'managing through Covid-19' will apply for any future public health crisis. As a farm, risks identified include outbreaks of E-coli and other communicable diseases. We have managed 2 outbreaks of Avian Flu in 2020-21 following guidance and legislation from DEFRA

Reference and administrative details

Directors and trustees

Carl Clive Lee - Chair

Barry Handyside Lee-Potter - Vice Chair

Rob King - appointed 24th November 2021
resigned 27th June 2022

Graham Farrow

David Clarson – appointed 21st December 2022

Secretary

Gloria Ward

Key management personnel

Chief Executive Stuart Gillis (from May 2022)

Sue Pearson (to May-2022)

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

Company number

2141420

Charity number

1111482

Statement of Trustees' Responsibilities

The trustees (who are also directors of Heeley City Farm 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make Judgements 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 charitable company 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 charitable company 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 charitable company 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 charitable company'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 20th January 2023 and signed on their behalf by

.....
Carl Clive Lee - Trustee

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
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 2021 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 2021, 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.

Material uncertainty related to going concern

We draw attention to note 18 in the financial statements, which indicates that the loss of the National Lottery Local Food grant has cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included reviewing the recovery plan of the client together with the cash flow forecasts..

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 2021
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, 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 2021
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 2021
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.

Dated : 20th January 2023

.....
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

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

		Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	Notes	£	£	£	£
Income from:					
Donations and legacies		25,022	-	25,022	52,370
Charitable activities					
Grant and contract funds receivable	1	-	659,622	659,622	498,257
Training provision		244,927	-	244,927	254,008
Café, garden centre, festival and community food growing income		143,316	-	143,316	84,472
Health		-	-	-	29,755
Core funding		-	-	-	15,000
Other trading activities					
Disclosure and Barring Service checks		1,573	-	1,573	6,121
Rent receivable		7,642	-	7,642	2,400
Lottery		2,240	-	2,240	2,208
Emergency covid grants		166,370	8,490	174,860	136,287
Total income		<u>591,090</u>	<u>668,112</u>	<u>1,259,202</u>	<u>1,080,878</u>
Expenditure on:					
Raising funds		4,110	-	4,110	4,757
Charitable activities					
Grants payable		-	40,718	40,718	62,337
Café, garden centre, events and community food growing costs		100,334	54,850	155,184	105,771
Salaries and travel	2	264,732	353,154	617,886	511,973
Premises and equipment	3	109,131	37,751	146,882	131,679
Support costs	4	116,245	42,992	159,237	81,968
Governance costs	5	4,736	-	4,736	9,191
Total expenditure		<u>599,288</u>	<u>529,465</u>	<u>1,128,753</u>	<u>907,676</u>
Net income for the year		(8,198)	138,647	130,449	173,202
Transfers between funds	6	<u>3,307</u>	<u>(3,307)</u>	<u>-</u>	<u>-</u>
Net movement in funds	7	(4,891)	135,340	130,449	173,202
Funds brought forward at 1st January 2021		<u>158,440</u>	<u>450,805</u>	<u>609,245</u>	<u>436,043</u>
Funds carried forward at 31st December 2021		<u>£153,549</u>	<u>£586,145</u>	<u>£739,694</u>	<u>£609,245</u>

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 2021
BALANCE SHEET

	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	9	635,171	562,031
Investment	10	100	100
		<u>635,271</u>	<u>562,131</u>
Current assets			
Stock		6,278	6,125
Debtors	11	105,955	66,502
Cash at bank and on hand		230,333	282,829
		<u>342,566</u>	<u>355,456</u>
Creditors - amounts falling due within one year	12	<u>102,934</u>	<u>163,561</u>
Net current assets		<u>239,632</u>	<u>191,895</u>
Total assets less current liabilities		874,903	754,026
Creditors - amounts falling due after more than one year	13	<u>(135,209)</u>	<u>(144,781)</u>
Net assets		<u><u>£739,694</u></u>	<u><u>£609,245</u></u>
Funds			
Unrestricted funds			
General funds	15	(52,826)	28,313
Designated funds	15	206,375	130,127
		<u>153,549</u>	<u>158,440</u>
Restricted funds	15	<u>586,145</u>	<u>450,805</u>
Total funds	16	<u><u>£739,694</u></u>	<u><u>£609,245</u></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 20th January 2023 and signed on their behalf by

..... Carl Clive Lee - Vice Chair

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
STATEMENT OF CASH FLOWS

	2021	2020	
	£	£	
Cash flows from operating activities:			
Net cash flow from operating activities	<u>65,780</u>	<u>226,659</u>	
Cash flow from investing activities			
Purchase of fixed assets	<u>(99,365)</u>	<u>(55,622)</u>	
	<u>(99,365)</u>	<u>(55,622)</u>	
Cash flows from financing activities:			
Receipt from issue of new long term loan	-	158,900	
Repayments of borrowing	<u>(18,911)</u>	<u>(6,710)</u>	
Net cash flow from financing activities	<u>(18,911)</u>	<u>152,190</u>	
Change in cash and cash equivalents in the year	(52,496)	323,227	
Cash and cash equivalents at the beginning of the year	<u>282,829</u>	<u>(40,398)</u>	
Cash and cash equivalents at the end of the year	<u><u>£230,333</u></u>	<u><u>£282,829</u></u>	
Analysis of cash and cash equivalents			
Cash in hand	3,597	5,711	
Bank current accounts	<u>226,736</u>	<u>277,118</u>	
	<u><u>£230,333</u></u>	<u><u>£282,829</u></u>	
Reconciliation of net income to net cash flow from operating activities			
Net income for the year	130,449	173,202	
Adjustments for:			
Depreciation charges	26,225	24,117	
Key Fund loan interest and fee	7,840	2,184	
Increase in stock	(153)	(149)	
(Increase)/Decrease in debtors	(39,453)	27,382	
Decrease in creditors	<u>(59,128)</u>	<u>(77)</u>	
Net cash flow from operating activities	<u><u>£65,780</u></u>	<u><u>£226,659</u></u>	
Analysis of changes in net debt	At start of year	Cash flows	At end of year
	£	£	£
Cash	5,711	(2,114)	3,597
Cash equivalents	<u>277,118</u>	<u>(50,382)</u>	<u>226,736</u>
Total liabilities	282,829	(52,496)	230,333
Key Fund and other loan falling due within one year	(37,093)	1,499	(35,594)
Key Fund and other loan falling due after more than one year	<u>(144,781)</u>	<u>9,572</u>	<u>(135,209)</u>
Total net debt	<u><u>£100,955</u></u>	<u><u>£(41,425)</u></u>	<u><u>£59,530</u></u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
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 Richards Road, Sheffield, S2 3DT.

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. Regular scrutiny of cashflow and income/expenditure projections are carried out by the Finance sub-committee. The trustees determine the ongoing viability of the charity and agree income increasing or cost cutting measures, as necessary. The National Lottery Local Food grant has ended and replacement local food funding has not been secured. The Heritage team have commenced a £250k project over 2 and a half years commencing in October 2022. This should secure the future of the charity for the next 12 months. On this basis, the trustees are of the view that the charity is a going concern.

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 2021
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 2021
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 2021
NOTES TO THE FINANCIAL STATEMENTS

	2021	2020
	£	£
1 Grant and contract funds receivable		
Grant funds receivable		
Community, Health and Food		
Sheffield City Council - PKW - Community Wellbeing	77,025	39,574
Sheffield City Council - PKW - Resilient Communities	25,000	31,250
Sheffield City Council - PKW - Dementia	19,000	9,857
Sheffield City Council - Safe Places Grant	16,875	17,083
Sheffield City Council - Healthy Holidays	223,772	6,750
Sheffield City Council - Dementia for Partners	6,000	-
Sheffield City Council various small grants	3,956	7,746
Big Lottery - Reaching Communities, Local Food	24,255	120,396
Big Lottery - Reaching Communities, Youth	70,810	71,214
CAF Resilience Fund	71,148	-
Health Education England	58,604	-
Garfield Weston - Local Food Project	30,000	-
CAF Resilient Communities Funding	10,000	-
National Lottery - Wildlife Garden	9,950	
Citizens Advice - various grants	5,000	7,500
Sheffield Renewables	3,287	3,077
Marjorie Coote - old peoples charity fund	3,000	-
Small grant funds	1,940	1,000
Voluntary Action Sheffield - Healthy Holidays	-	59,932
Key Fund Capital Grant	-	48,100
Key Fund Working Capital Grant	-	20,000
Dementia: Dunhill Medical	-	19,825
National Lottery Heritage Grant	-	15,500
Sheffield City Council - Walking for Purpose	-	8,880
Greenhill & Lowedges TARA - A Better Life in Lowedges	-	2,473
Total grant funds receivable	<u>£659,622</u>	<u>£490,157</u>
Contract funds receivable		
Young People		
South Yorkshire Police - Youth	-	3,900
Sheffield City Council - Early Years Volunteering	-	4,200
Total contract funds receivable	<u>-</u>	<u>8,100</u>
Total grant and contract funds receivable	<u><u>£659,622</u></u>	<u><u>£498,257</u></u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
2 Salaries and travel				
Salaries and national insurance	255,883	340,836	596,719	489,833
Pension contributions	5,046	6,721	11,767	9,925
Transport and travel	3,803	5,597	9,400	12,215
	<u>£264,732</u>	<u>£353,154</u>	<u>£617,886</u>	<u>£511,973</u>
3 Premises and equipment				
Maintenance, security and cleaning	55,309	19,150	74,459	62,845
Rent, rates and insurance	37,670	-	37,670	36,232
Light, heat and power	8,528	-	8,528	8,485
Depreciation and loss on sale of assets	7,624	18,601	26,225	24,117
	<u>£109,131</u>	<u>£37,751</u>	<u>£146,882</u>	<u>£131,679</u>
4 Support costs				
Livestock purchases and upkeep	17,115	31	17,146	15,848
Staff and volunteers training	1,601	992	2,593	3,596
Beneficiaries, volunteers and childcare	572	169	741	2,123
Subscriptions	3,746	939	4,685	3,445
Advertising and publicity	4,717	1,195	5,912	1,215
Telephone and IT	13,590	27	13,617	7,856
Stationery, postage, software and office equipment	10,466	-	10,466	8,649
Contractors and subcontractors	12,581	36,141	48,722	9,304
Legal and professional fees	6,288	3,498	9,786	3,830
Bad debts	4,791	-	4,791	10,948
Bank charges and interest	2,068	-	2,068	2,365
Key Fund loan interest and fee	7,840	-	7,840	3,782
Sundry expenses	2,053	-	2,053	354
Irrecoverable value added tax	28,817	-	28,817	8,653
	<u>£116,245</u>	<u>£42,992</u>	<u>£159,237</u>	<u>£81,968</u>
5 Governance costs				
Audit and Accountancy	<u>£4,736</u>	<u>£-</u>	<u>£4,736</u>	<u>£9,191</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS

6 Transfers between funds

These relate to the reallocation of overhead costs to restricted funds.

	2021	2020
	£	£
7 Net movement in funds		
This is stated after charging:		
Depreciation and loss on disposal of fixed assets	26,225	24,117
Auditor's remuneration - audit	1,850	1,850
- accounts	3,100	5,225
Salaries	633,926	540,523
Employer's national insurance	39,774	33,946
Pension contributions	13,276	11,211
	<u> </u>	<u> </u>

	2021	2020
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	39	34
Management and administration	4	4
	<u> </u>	<u> </u>
	43	38
	<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 £63,368 (2020: £60,941).

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS

9 Tangible assets

	Permanent buildings	Equipment, fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
As at 1st January 2021	1,055,881	204,536	5,094	1,265,511
Additions in the year	99,365	-	-	99,365
As at 31st December 2021	1,155,246	204,536	5,094	1,364,876
Depreciation				
As at 1st January 2021	535,782	163,303	4,395	703,480
Provided during the year	19,858	6,192	175	26,225
As at 31st December 2021	555,640	169,495	4,570	729,705
Net book value				
As at 31st December 2021	£599,606	£35,041	£524	£635,171

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.

	2021	2020
	£	£
11 Debtors		
Trade debtors	81,413	30,272
Grants in arrears	5,625	5,625
Other income in arrears	18,281	27,276
Other debtors and prepayments	636	3,329
	£105,955	£66,502

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS

	2021	2020
	£	£
12 Creditors - amounts falling due within one year		
Key Fund loan	10,594	10,593
Trade creditors	26,308	57,221
Taxation and social security	20,982	7,320
Accruals	14,425	14,465
Other creditors	5,625	5,625
Loan	25,000	26,500
Deferred income	-	41,837
	<u>£102,934</u>	<u>£163,561</u>
Deferred income		
Balance at 1st January 2021	41,837	24,600
Amount released to income from charitable activities	(41,837)	(17,100)
Amount deferred in the year	<u>-</u>	<u>34,337</u>
Balance at 31st December 2021	<u>£-</u>	<u>£41,837</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>£135,209</u>	<u>£144,781</u>
There is an amount due after more than 5 years of £92,832, (2020 - £103,425)		
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	4,349	5,771
Within 2 to 5 years	<u>8,864</u>	<u>11,353</u>

HEELEY CITY FARM LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
NOTES TO THE FINANCIAL STATEMENTS

15 Statement of funds

	Balance at 1st Jan 2021	Movement in resources		Transfers	Balance at 31st Dec 2021
	£	Incoming £	Outgoing £	£	£
Unrestricted funds:					
General funds	28,313	591,090	(591,664)	(80,565)	(52,826)
Designated funds	130,127	-	(7,624)	83,872	206,375
	<u>£158,440</u>	<u>£591,090</u>	<u>£(599,288)</u>	<u>£3,307</u>	<u>£153,549</u>
Restricted funds:					
Capital projects	432,004	-	(18,601)	15,494	428,897
Community, Health and Food	18,801	668,112	(510,864)	(18,801)	157,248
	<u>£450,805</u>	<u>£668,112</u>	<u>£(529,465)</u>	<u>£(3,307)</u>	<u>£586,145</u>
Total funds	<u>£609,245</u>	<u>£1,259,202</u>	<u>£(1,128,753)</u>	<u>£-</u>	<u>£739,694</u>

Prior year comparison

	Balance at 1st Jan 2020	Movement in resources		Transfers	Balance at 31st Dec 2020
	£	Incoming £	Outgoing £	£	£
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>

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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	-	206,375	428,896	635,271
Net current assets	(52,826)	-	292,458	239,632
Long term liabilities	-	-	(135,209)	(135,209)
Net assets	<u>£(52,826)</u>	<u>£206,375</u>	<u>£586,145</u>	<u>£739,694</u>

Prior year comparison

Fund balances at 31st December 2020 were represented by:-

	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>

17 Related party transactions

There are no related party transactions during the year (2020 : £Nil).

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18 Going concern

Since the completion of the 2021 accounting year, the National Lottery Local Food grant has ended and replacement funding, although sought, has not been secured. The Board were keen to retain this capacity by subsidising it from other revenue generating areas. In addition, the Heritage Team was also subsidised, which led to a National Lottery grant for £250,000 over 30 months commencing delivery in October 2022. The Farm also invested heavily in new software to improve reporting which, together with the challenging economic environment, resulted in a net cash outflow in excess of £178k, however the £60k overdraft facility remained untouched.

The Board have been kept informed of a new Recovery Plan focussing on delivering services to clients. The Plan was formally reported at an EGM in November 2022. It is designed to reduce salary costs significantly. Redundancies will start in February 2023 with most being implemented by March 2023. The cost saving will be £125k on annual salaries, with redundancies estimated to cost £76k. The cash forecast is for monthly bank balances to be between £40k and £50k, rising to £70k by September 2023.

19 Prior year comparatives

A detailed breakdown of the 2020 statement of financial activities between unrestricted and restricted funds is as follows:

	Unrestricted funds	Restricted funds	Total funds 2020
	£	£	£
Income from:			
Donations and legacies	52,370	-	52,370
Charitable activities	383,235	498,257	881,492
Other trading activities	10,729	-	10,729
Emergency covid grants	96,170	40,117	136,287
	<u>542,504</u>	<u>538,374</u>	<u>1,080,878</u>
Expenditure on:			
Charitable activities	385,863	517,056	902,919
Raising funds	4,757	-	4,757
Total expenditure	<u>390,620</u>	<u>517,056</u>	<u>907,676</u>
Net income for the year	151,884	21,318	173,202
Transfers between funds	<u>22,672</u>	<u>(22,672)</u>	<u>-</u>
Net movement in funds	<u>£174,556</u>	<u>£(1,354)</u>	<u>£173,202</u>