

REGISTERED COMPANY NUMBER: 02141420 (England and Wales)
REGISTERED CHARITY NUMBER: 1111482

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
HEELEY CITY FARM LIMITED**

Hollis and Co Limited
Chartered Accountants
Statutory Auditor
35 Wilkinson Street
Sheffield
South Yorkshire
S10 2GB

HEELEY CITY FARM LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

| | Page |
|---|-------------|
| Report of the Trustees | 1 to 4 |
| Report of the Independent Auditors | 5 to 8 |
| Statement of Financial Activities | 9 |
| Balance Sheet | 10 |
| Cash Flow Statement | 11 |
| Notes to the Cash Flow Statement | 12 |
| Notes to the Financial Statements | 13 to 22 |
| Detailed Statement of Financial Activities | 23 to 24 |

HEELEY CITY FARM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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.

Significant activities

2023 has been a year of consolidation and stabilisation. The core management of the organisation, operating procedures and governance have all seen steady improvement. We have become a "Real Living Wage" employer. All our contracts have been successfully managed and new contracts won.

While these significant changes have been ongoing behind the scenes, continued access to a community based farm in the centre of a city has been maintained.

Further details are made available on our website.

Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

FINANCIAL REVIEW

Financial position

The company remained solvent with net assets as well as significant property assets.

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.

HEELEY CITY FARM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

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).

A wholesale review of our mainsite has delivered a long term vision and masterplan for development. Maintenance and repairs have significantly improved the public areas and fundraising has been started to pay for more significant capital improvements.

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.

Going concern

Although a net deficit was made for the year ended 31 December 2022 the financial position is stable with a very healthy portfolio of earned and grant income. The directors believe that Heeley City Farm Limited is still a going concern as it has maintained net current assets and a positive bank balance, internal reorganisations have increased control over costs, and positive forecasts have been made.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Heeley City Farm Limited is a charitable company limited by guarantee, incorporated on 19th June 1987, and is 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 each.

Recruitment and appointment of new trustees

All directors of the company are also trustees of the charity. There are no other trustees.

One third of the trustees retire at the Annual General Meeting but are eligible for reappointment.

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.

Organisational structure

The charity is organised so that its Board of Directors meet monthly to manage its affairs. The Senior Leadership Team (SLT) who manage the charity day to day have now become a permanent CEO replacement and this represents a significant reduction in core overhead. A further review will take place in October 2024.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02141420 (England and Wales)

HEELEY CITY FARM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity number

1111482

Registered office

46 Richards Road
SHEFFIELD
S2 3DT

Trustees

D J Clarson - Chair
G S Farrow (resigned 1/6/23)
C C Lee (resigned 28/2/23)
B H Lee-Potter (resigned 28/2/23)
B T George (appointed 28/2/23)
Ms A V Thirwell-Hicks (appointed 28/2/23)
Ms K A Jennings (appointed 28/2/23) (resigned 31/3/24)
Ms H J Marmion (appointed 28/2/23)
Ms C A Spray (appointed 28/2/23)
T J Woolliscroft (appointed 28/2/23)
R Meijer (appointed 28/2/23)
MMs T A Luft (appointed 22/4/24)
Ms H C Reed (appointed 22/4/24)
Dr J E F Frost (appointed 22/4/24)
Ms F Rockett-Hill (appointed 22/4/24)

Auditors

Hollis and Co Limited
Chartered Accountants
Statutory Auditor
35 Wilkinson Street
Sheffield
South Yorkshire
S10 2GB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Heeley City Farm Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

HEELEY CITY FARM LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7 October 2024 and signed on its behalf by:

D J Clarson - Trustee

REPORT OF THE INDEPENDENT AUDITORS 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 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEELEY CITY FARM LIMITED

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEELEY CITY FARM LIMITED

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We obtained an understanding of laws and regulations that could reasonably be expected to have a material effect on the financial statements through discussion with management and those charged with governance, including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. We remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override by reviewing the appropriateness of a sample of journal entries and other adjustments; assessing whether the judgements made in making key accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that we come across throughout the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company. Our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HEELEY CITY FARM LIMITED

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 auditors' 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.

Peter Hollis (Senior Statutory Auditor)
for and on behalf of Hollis and Co Limited
Chartered Accountants
Statutory Auditor
35 Wilkinson Street
Sheffield
South Yorkshire
S10 2GB

30 October 2024

HEELEY CITY FARM LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 40,525 | 251 | 40,776 | 34,513 |
| Charitable activities | | | | | |
| Grants | 4 | 4,500 | 346,282 | 350,782 | 486,010 |
| Farm activities | | 614,323 | 13,958 | 628,281 | 575,324 |
| Other trading activities | 3 | - | - | - | 2,215 |
| Total | | <u>659,348</u> | <u>360,491</u> | <u>1,019,839</u> | <u>1,098,062</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Farm activities | 5 | <u>631,425</u> | <u>345,479</u> | <u>976,904</u> | <u>1,331,756</u> |
| NET INCOME/(EXPENDITURE) | | 27,923 | 15,012 | 42,935 | (233,694) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 97,732 | 408,268 | 506,000 | 739,694 |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>125,655</u></u> | <u><u>423,280</u></u> | <u><u>548,935</u></u> | <u><u>506,000</u></u> |

The notes form part of these financial statements

HEELEY CITY FARM LIMITED**BALANCE SHEET
31 DECEMBER 2023**

| | Notes | 2023 £ | 2022 £ |
|--|-------|-----------|-----------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 576,177 | 611,695 |
| Investments | 12 | 100 | 100 |
| | | <hr/> | <hr/> |
| | | 576,277 | 611,795 |
| CURRENT ASSETS | | | |
| Stocks | 13 | 3,944 | 4,476 |
| Debtors | 14 | 124,803 | 55,476 |
| Cash at bank and in hand | | 89,291 | 50,748 |
| | | <hr/> | <hr/> |
| | | 218,038 | 110,700 |
| CREDITORS | | | |
| Amounts falling due within one year | 15 | (106,208) | (90,996) |
| | | <hr/> | <hr/> |
| NET CURRENT ASSETS | | 111,830 | 19,704 |
| | | <hr/> | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 688,107 | 631,499 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 16 | (139,172) | (125,499) |
| | | <hr/> | <hr/> |
| NET ASSETS | | 548,935 | 506,000 |
| | | <hr/> | <hr/> |
| FUNDS | 19 | | |
| Unrestricted funds | | 125,655 | 97,732 |
| Restricted funds | | 423,280 | 408,268 |
| | | <hr/> | <hr/> |
| TOTAL FUNDS | | 548,935 | 506,000 |
| | | <hr/> | <hr/> |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 7 October 2024 and were signed on its behalf by:

D J Clarson - Trustee

HEELEY CITY FARM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 24,872 | (187,746) |
| Net cash provided by/(used in) operating activities | | 24,872 | (187,746) |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | - | (8,197) |
| Sale of tangible fixed assets | | - | 399 |
| Net cash provided by/(used in) investing activities | | - | (7,798) |
| Cash flows from financing activities | | | |
| Loan repayments in year | | 13,671 | 15,959 |
| Net cash provided by financing activities | | 13,671 | 15,959 |
| Change in cash and cash equivalents in the reporting period | | 38,543 | (179,585) |
| Cash and cash equivalents at the beginning of the reporting period | | 50,748 | 230,333 |
| Cash and cash equivalents at the end of the reporting period | | 89,291 | 50,748 |

The notes form part of these financial statements

HEELEY CITY FARM LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|---|---------------|------------------|
| Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities) | 42,935 | (233,694) |
| Adjustments for: | | |
| Depreciation charges | 35,518 | 26,676 |
| Loss on disposal of fixed assets | - | 4,599 |
| Decrease in stocks | 532 | 1,802 |
| (Increase)/decrease in debtors | (69,327) | 50,479 |
| Increase/(decrease) in creditors | 15,214 | (37,608) |
| Net cash provided by/(used in) operations | <u>24,872</u> | <u>(187,746)</u> |

2. ANALYSIS OF CHANGES IN NET DEBT

| | At 1/1/23 £ | Cash flow £ | At 31/12/23 £ |
|---------------------------------|------------------|-----------------|------------------|
| Net cash | | | |
| Cash at bank and in hand | 50,748 | 38,543 | 89,291 |
| | <u>50,748</u> | <u>38,543</u> | <u>89,291</u> |
| Debt | | | |
| Debts falling due within 1 year | (10,594) | 1 | (10,593) |
| Debts falling due after 1 year | (125,499) | (13,673) | (139,172) |
| | <u>(136,093)</u> | <u>(13,672)</u> | <u>(149,765)</u> |
| Total | <u>(85,345)</u> | <u>24,871</u> | <u>(60,474)</u> |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|---------------------------|
| Long leasehold | - Over period of lease |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Only individual items costing above £2,500 will be capitalised, those costing less will be written off as expenditure.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first in first out (FIFO) basis.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Irrecoverable value added tax

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

| | 2023 | 2022 |
|-----------|---------------|---------------|
| | £ | £ |
| Donations | <u>40,776</u> | <u>34,513</u> |

3. OTHER TRADING ACTIVITIES

| | 2023 | 2022 |
|-----------------|----------|--------------|
| | £ | £ |
| Rent receivable | <u>-</u> | <u>2,215</u> |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

4. INCOME FROM CHARITABLE ACTIVITIES

| | | 2023 | 2022 |
|---|-----------------|----------------|------------------|
| | Activity | £ | £ |
| Grants | Grants | 350,782 | 486,010 |
| Training provision | Farm activities | 483,347 | 367,062 |
| Cafe, garden centre, festival and community food growing income | Farm activities | 144,934 | 208,262 |
| | | <u>979,063</u> | <u>1,061,334</u> |

Grants received, included in the above, are as follows:

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Sheffield City Council - PKW- Community Wellbeing | 12,360 | 54,830 |
| Sheffield City Council - PKW - Resilient Communities | - | 25,000 |
| Sheffield City Council -PKW - Dementia | 43,242 | 35,500 |
| Sheffield City Council - Healthy Holidays | - | 186,397 |
| Sheffield City Council - Safe Places Grant | 16,875 | 28,125 |
| Sheffield City Council - Various small grants | - | 9,408 |
| National Lottery Community Fund - reaching communities | 162,875 | 72,700 |
| CAF Resilience Fund | - | 33,716 |
| Kickstart | - | 2,823 |
| Sheffield City Council - Contribution to Hub | - | 16,920 |
| Youth Operations | - | 10,000 |
| Small grant funds | 64,644 | 10,591 |
| DWP- Youth Employment Hub | 50,786 | - |
| | <u>350,782</u> | <u>486,010</u> |

5. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Support costs (see note 6) | Totals |
|-----------------|----------------|----------------------------|----------------|
| | £ | £ | £ |
| Farm activities | <u>871,703</u> | <u>105,201</u> | <u>976,904</u> |

6. SUPPORT COSTS

| | Management | Finance | Governance costs | Totals |
|-----------------|---------------|---------------|------------------|----------------|
| | £ | £ | £ | £ |
| Farm activities | <u>34,179</u> | <u>23,119</u> | <u>47,903</u> | <u>105,201</u> |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2023 | 2022 |
|-------------------------------------|-------------------|-------------------|
| | £ | £ |
| Auditors' remuneration | 9,800 | 9,800 |
| Depreciation - owned assets | 35,518 | 26,675 |
| Deficit on disposal of fixed assets | - | 4,599 |
| | <u> </u> | <u> </u> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

9. STAFF COSTS

| | 2023 | 2022 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 613,857 | 695,946 |
| Social security costs | 37,054 | 43,729 |
| Other pension costs | 16,731 | 18,101 |
| | <u> </u> | <u> </u> |
| | <u>667,642</u> | <u>757,776</u> |

The average monthly number of employees during the year was as follows:

| | 2023 | 2022 |
|-------------------------------|-------------------|-------------------|
| Charitable activities | 34 | 48 |
| Management and administration | 4 | 4 |
| | <u> </u> | <u> </u> |
| | <u>38</u> | <u>52</u> |

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|-----------------------------------|-------------------------|-----------------------|-------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 34,513 | - | 34,513 |
| Charitable activities | | | |
| Grants | 37,707 | 448,303 | 486,010 |
| Farm activities | 575,324 | - | 575,324 |
| Other trading activities | 2,215 | - | 2,215 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total | <u>649,759</u> | <u>448,303</u> | <u>1,098,062</u> |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Farm activities | 726,205 | 605,551 | 1,331,756 |
| NET INCOME/(EXPENDITURE) | (76,446) | (157,248) | (233,694) |
| Transfers between funds | 20,629 | (20,629) | - |
| Net movement in funds | (55,817) | (177,877) | (233,694) |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 153,549 | 586,145 | 739,694 |
| TOTAL FUNDS CARRIED FORWARD | 97,732 | 408,268 | 506,000 |

11. TANGIBLE FIXED ASSETS

| | Long leasehold £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|------------------------|------------------------|----------------------------------|------------------------|-------------|
| COST | | | | |
| At 1 January 2023 | 1,147,748 | 196,796 | 11,094 | 1,355,638 |
| Disposals | - | (71,258) | - | (71,258) |
| At 31 December 2023 | 1,147,748 | 125,538 | 11,094 | 1,284,380 |
| DEPRECIATION | | | | |
| At 1 January 2023 | 570,992 | 166,750 | 6,201 | 743,943 |
| Charge for year | 19,300 | 14,325 | 1,893 | 35,518 |
| Eliminated on disposal | - | (71,258) | - | (71,258) |
| At 31 December 2023 | 590,292 | 109,817 | 8,094 | 708,203 |
| NET BOOK VALUE | | | | |
| At 31 December 2023 | 557,456 | 15,721 | 3,000 | 576,177 |
| At 31 December 2022 | 576,756 | 30,046 | 4,893 | 611,695 |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

12. FIXED ASSET INVESTMENTS

| | Unlisted investments £ |
|--|------------------------------|
| MARKET VALUE | |
| At 1 January 2023 and 31 December 2023 | 100 |
| NET BOOK VALUE | |
| At 31 December 2023 | 100 |
| At 31 December 2022 | 100 |

There were no investment assets outside the UK.

13. STOCKS

| | 2023 £ | 2022 £ |
|--------|-----------|-----------|
| Stocks | 3,944 | 4,476 |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|----------------|-----------|-----------|
| Trade debtors | 69,876 | 55,336 |
| Prepayments | 16,062 | 140 |
| Accrued income | 38,865 | - |
| | 124,803 | 55,476 |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Bank loans and overdrafts (see note 17) | 10,593 | 10,594 |
| Trade creditors | 31,184 | 15,573 |
| Social security and other taxes | 3,819 | 10,131 |
| Pension | 1,987 | 2,951 |
| VAT | 3,290 | 51 |
| Other loans | 1,000 | 24,000 |
| Accrued expenses | 54,335 | 27,696 |
| | 106,208 | 90,996 |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2023 | 2022 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 17) | 116,672 | 125,499 |
| Other loans (see note 17) | 22,500 | - |
| | <u>139,172</u> | <u>125,499</u> |

17. LOANS

An analysis of the maturity of loans is given below:

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | <u>10,593</u> | <u>10,594</u> |
| Amounts falling between one and two years: | | |
| Bank loans - 1-2 years | 10,593 | 10,593 |
| Other loans - 1-2 years | <u>1,000</u> | <u>-</u> |
| | <u>11,593</u> | <u>10,593</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | 31,780 | 31,780 |
| Other loans - 2-5 years | <u>3,000</u> | <u>-</u> |
| | <u>34,780</u> | <u>31,780</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments: | | |
| Bank loans more 5 yr by instal | 74,299 | 83,126 |
| Other loans more 5yrs instal | <u>18,500</u> | <u>-</u> |
| | <u>92,799</u> | <u>83,126</u> |

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds | Restricted funds | 2023 Total funds | 2022 Total funds |
|-----------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Fixed assets | 167,909 | 408,268 | 576,177 | 611,695 |
| Investments | 100 | - | 100 | 100 |
| Current assets | 203,026 | 15,012 | 218,038 | 110,700 |
| Current liabilities | (106,208) | - | (106,208) | (90,996) |
| Long term liabilities | <u>(139,172)</u> | <u>-</u> | <u>(139,172)</u> | <u>(125,499)</u> |
| | <u>125,655</u> | <u>423,280</u> | <u>548,935</u> | <u>506,000</u> |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

19. MOVEMENT IN FUNDS

| | At 1/1/23 £ | Net movement in funds £ | At 31/12/23 £ |
|----------------------------|----------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 97,732 | 27,923 | 125,655 |
| Restricted funds | | | |
| Community, Health and Food | 408,268 | 15,012 | 423,280 |
| TOTAL FUNDS | <u>506,000</u> | <u>42,935</u> | <u>548,935</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 659,348 | (631,425) | 27,923 |
| Restricted funds | | | |
| Community, Health and Food | 360,491 | (345,479) | 15,012 |
| TOTAL FUNDS | <u>1,019,839</u> | <u>(976,904)</u> | <u>42,935</u> |

Comparatives for movement in funds

| | At 1/1/22 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/22 £ |
|----------------------------|----------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | (52,826) | (76,446) | 23,478 | (105,794) |
| Designated Fund | 206,375 | - | (2,849) | 203,526 |
| | <u>153,549</u> | <u>(76,446)</u> | <u>20,629</u> | <u>97,732</u> |
| Restricted funds | | | | |
| Capital projects | 428,897 | - | (20,629) | 408,268 |
| Community, Health and Food | 157,248 | (157,248) | - | - |
| | <u>586,145</u> | <u>(157,248)</u> | <u>(20,629)</u> | <u>408,268</u> |
| TOTAL FUNDS | <u>739,694</u> | <u>(233,694)</u> | <u>-</u> | <u>506,000</u> |

HEELEY CITY FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 649,759 | (726,205) | (76,446) |
| Restricted funds | | | |
| Community, Health and Food | 448,303 | (605,551) | (157,248) |
| TOTAL FUNDS | <u>1,098,062</u> | <u>(1,331,756)</u> | <u>(233,694)</u> |

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1/1/22 £ | Net movement in funds £ | Transfers between funds £ | At 31/12/23 £ |
|----------------------------|----------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | (52,826) | (48,523) | 23,478 | (77,871) |
| Designated Fund | 206,375 | - | (2,849) | 203,526 |
| | <u>153,549</u> | <u>(48,523)</u> | <u>20,629</u> | <u>125,655</u> |
| Restricted funds | | | | |
| Capital projects | 428,897 | - | (20,629) | 408,268 |
| Community, Health and Food | 157,248 | (142,236) | - | 15,012 |
| | <u>586,145</u> | <u>(142,236)</u> | <u>(20,629)</u> | <u>423,280</u> |
| TOTAL FUNDS | <u>739,694</u> | <u>(190,759)</u> | <u>-</u> | <u>548,935</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|----------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 1,309,107 | (1,357,630) | (48,523) |
| Restricted funds | | | |
| Community, Health and Food | 808,794 | (951,030) | (142,236) |
| TOTAL FUNDS | <u>2,117,901</u> | <u>(2,308,660)</u> | <u>(190,759)</u> |

HEELEY CITY FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

HEELEY CITY FARM LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Donations | 40,776 | 34,513 |
| Other trading activities | | |
| Rent receivable | - | 2,215 |
| Charitable activities | | |
| Grants | 350,782 | 486,010 |
| Training provision | 483,347 | 367,062 |
| Cafe, garden centre, festival and community food growing income | 144,934 | 208,262 |
| | <hr/> | <hr/> |
| | 979,063 | 1,061,334 |
| Total incoming resources | <hr/> | <hr/> |
| | 1,019,839 | 1,098,062 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 613,857 | 695,946 |
| National insurance | 37,054 | 43,729 |
| Pensions | 16,731 | 18,101 |
| Maintenance | 36,464 | 51,310 |
| Rent, rates and insurance | 18,396 | 40,037 |
| Light and heat | 23,475 | 12,282 |
| Travel costs | 656 | 2,040 |
| Cafe, garden centre, events & community food growing costs | 89,552 | 295,740 |
| Depreciation of tangible fixed assets | 35,518 | 26,676 |
| Loss on sale of tangible fixed assets | - | 4,599 |
| | <hr/> | <hr/> |
| | 871,703 | 1,190,460 |
| Support costs | | |
| Management | | |
| Livestock purchases and upkeep | 19,348 | 21,644 |
| Staff and volunteer training | 1,172 | 5,989 |
| Vehicle costs | 13,659 | 9,585 |
| | <hr/> | <hr/> |
| | 34,179 | 37,218 |
| Finance | | |
| Subscriptions | 7,621 | 3,906 |
| Advertising and publicity | 97 | 5,994 |
| Telephone | 6,350 | 7,514 |
| Stationery and software | 6,495 | 7,380 |
| Contractors and subcontractors | 2,556 | 11,374 |
| | <hr/> | <hr/> |
| | 23,119 | 36,168 |

This page does not form part of the statutory financial statements

HEELEY CITY FARM LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 £ | 2022 £ |
|---------------------------------|--------------------|-----------------------|
| Finance | | |
| Governance costs | | |
| Auditors' remuneration | 9,800 | 9,800 |
| Legal and professional fees | 12,063 | 32,774 |
| Bad debts | 1,732 | (1,407) |
| Bank charges and interest | 3,436 | 4,147 |
| Loan interest | 5,942 | 6,250 |
| Irrecoverable VAT | 14,930 | 16,346 |
| | <hr/> 47,903 | <hr/> 67,910 |
| Total resources expended | <hr/> 976,904 | <hr/> 1,331,756 |
| Net income/(expenditure) | <hr/> <hr/> 42,935 | <hr/> <hr/> (233,694) |