

# **Bradford Metropolitan Food Bank**

Charity number 1120018

## **Annual Report and Financial Statements**

**for the year ended 31 December 2022**



West Yorkshire Community Accounting Service

# **Bradford Metropolitan Food Bank**

## **Annual Report and Financial Statements for the year ended 31 December 2022**

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**Prepared by West Yorkshire Community Accountancy Service CIO**

# **Bradford Metropolitan Food Bank**

## **Trustees' report for the year ended 31 December 2022**

### **Reference and administrative details of the charity, its trustees and advisors**

The trustees during the financial year and up to and including the date the report was approved were:

<b>Name</b>	<b>Position</b>	<b>Dates</b>
Graham Walker	Chair	From 6 June 2022
Lashman Singh	Chair	To 6 June 2022
John Henkel	Treasurer	
Helen Lynskey	Secretary	
Frances Atkins		
Steven Barnbrook		
Kenneth Leach		
Julie Woodhurst		
Rob Edwards		

**Charity number** 1120018 Registered in England and Wales

<b>Registered and principal address</b>	<b>Bankers</b>
Girlington Community Centre Girlington Road Bradford BD8 9NN	Co-operative Bank plc 1 Balloon Street Manchester M60 1GP

### **Independent examiner**

Rhys North ACA

### **West Yorkshire Community Accountancy Service CIO**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

### **Structure, governance and management**

The charity is a Charitable Incorporated Organisation (CIO) foundation and is governed by a constitution, as amended 6 June 2022.

### **Method of recruitment and appointment of trustees**

The trustees of the charity are appointed by a resolution passed at a properly convened meeting of the charity trustees.

### **Objectives and activities**

#### **The charity's objects**

To provide relief from financial hardship and social and/or economic disadvantage among people living or working in the Metropolitan District of Bradford by providing such persons with goods and/or services which they could not otherwise afford through lack of means.

# **Bradford Metropolitan Food Bank**

## **Trustees' report (continued) for the year ended 31 December 2022**

### **Objectives and activities continued**

#### **The charity's main activities**

The Bradford Metropolitan Food Bank (BMFB) supports people across Bradford District who are experiencing food poverty through the provision of emergency food. BMFB supplements donated food with purchased food, funded through grants, donations and fund raising.

Volunteers pack c11 food items into heavy duty plastics bags for collection by registered third parties, who then distribute food to end users. Each food bag (which may be vegetarian, halal or meat/fish based) will provide a balanced, healthy diet for three days. Each bag contains information about the food content and, at times, further information about other assistance available to people in poverty.

#### **Public benefit statement**

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and, in particular, the relief of poverty through the collection and distribution of emergency food parcels to those requiring such assistance.

#### **Achievements and performance**

The Food Bank has continued to respond flexibly to the ever-changing demands created by the cost of living crisis.

The demand for food has continued to increase significantly as price inflation continued to rise, particularly for some foods and fuel.

Around 21,300 food bags were distributed during the 2022 calendar year, an increase of over 12% compared to the previous calendar year, and a continuation of the pattern of increasing demand which we have witnessed over many successive years.

BMFB was able to meet this increased demand as a result of the incredible generosity of individuals, businesses and organisations as well as strong support from Bradford Council, individual councillors, as well as local churches, companies and other organisations, including Shipley Town Council. Gift Aid is claimed retrospectively on eligible donations.

The requirement to buy food was reduced as a result of support from Bradford Council for centralised procurement.

BMFB is also grateful for support from the Bradford Food Network and other food banks in the wider region, with whom we have a cooperative relationship.

Significantly, however, other sources of grant funding became less available as the year progressed. The Food Bank had anticipated this and managed finances accordingly.

However, we are under no illusion that the task we face in being able to continue to provide a rising level of food will become even more difficult with time. We also recognise that we are not an isolated player and that food poverty itself is simply one manifestation of wider financial pressures that people across the district are coming under. To this end, we continue to liaise closely with other organisations, particularly Bradford Council, other food banks and broader partners to ensure as best we can that nobody is left unsupported.

One additional strain put upon us in 2022 was a devastating flood caused by burst pipes from the old plumbing just before Christmas, which damaged food stocks and also floor coverings. Not all the damage was covered by our insurance. The building we use is old and has many structural challenges, so a part of our forward strategy will be to look at ways to minimise premises risk.

We remain reliant on our wonderful volunteers, without whom we wouldn't be able to function. As with the previous year, we have also used paid support from Youthtrain to coordinate volunteers, schedule third party collections and, crucially, buy food in the best available volume for the best available price. This has produced valuable savings as well as avoiding shortages of key foods.

Board meetings continue to remain virtual in the main, but individual board members devote significant time working on different aspects of management of the organisation and maintenance of external relationships.

# **Bradford Metropolitan Food Bank**

## **Trustees' report (continued) for the year ended 31 December 2022**

### **Objectives and activities**

#### **Achievements and performance continued**

We continue to adopt a robust approach to managing our finances and assessing risk, operating with the knowledge that things will become even tougher over the coming years. In 2022 £20,000 was transferred to our current account from our deposit savings account to ensure we were able to source food.

We continue to increase our reach on social media platforms, an increasingly important part of our communications and relationship management approach, although we recognise that we need to rebuild some of the real-world partnerships that we were able to nurture pre-pandemic, especially with organisations who provided regular donations of food.

We are under no illusion as to the extent of the difficulties that the future holds for the people we seek to help, but we believe that our management of our assets and the support of so many amazing people means that we can continue to try to make a real difference to the lives of so many people in the Bradford District.

#### **Financial review**

The net income for the year was £34,468, all concerning unrestricted funds.

#### **Reserves policy**

The charity's free reserves, excluding fixed assets, at the year end were £114,458.

We are a small charity with irregular patterns of income. We receive some income from small regular donations. These are reasonably predictable and, at the current level of c£4,000 per month, represent approximately 70% of our annual income. We also receive some one-off donations. This is less reliable. Finally, we bid for grants to deliver specific projects or to provide basic funding.

We have a contract with a provider who supplies a day-to-day management resource, and have the usual overheads such as insurance and utilities. As such, we are able to make a relatively stable and predictable forecast of expenditure in normal circumstances. We have a Finance item at all Board meetings, at which our Treasurer reports on income and expenditure and makes recommendations of any corrective actions required.

Despite being a small organisation, the service which we deliver is one with a wide reach, which helps those most at need at a critical time in their lives, and which resonates with many in positions of influence. It is therefore important that our Reserves Policy is based upon being able to maintain that service delivery even through a period when income is reduced, or demand is increased. It is our view, based on a risk analysis and historic income and expenditure figures, that a minimum reserve balance should reflect:

- Two months expenditure on the Food Bank support contract, to allow time to make alternative arrangements and to give the required notice
- One month's expenditure on other 'variable' cost items, such as food purchase and the Food Bank support contract (which can be terminated with one month's notice)
- 12 months expenditure on 'fixed cost' items, such as insurance, utilities, external examination, and business rates (should we only be afforded mandatory business rate relief)
- A small amount (c 5%) for contingency, to cover expenditure such as repairs or incidental expenditure on items such as bags or string.

This provision allows the Food Bank to maintain its medium-term viability (which requires a physical storage facility) by adjusting food purchase (and hence provision) to match income (from donations or grants) in the light of prevailing circumstances. It should be noted that the Food Bank also distributes substantial amounts of donated food.

This approach excludes any Food Bank's limited fixed assets, as well as committed elements of Unrestricted Funds and any Designated Funds identified and approved by the Committee.

For the 2023 financial year, this sum required by the reserves policy amounts to £18,941.

The Treasurer will review the Reserves Policy and balances on an annual basis and make recommendations to the Board as necessary.

# **Bradford Metropolitan Food Bank**

## **Trustees' report (continued) for the year ended 31 December 2022**

### **Reserves policy continued**

The trustees recognise that the current level of reserves exceed the target reserves level. With this in mind a deficit budget of £35,300 has been agreed for 2023. The trustees also recognise that in future years additional cost pressures are likely to affect the charity as Council support for food is likely to reduce and the charity may have to consider relocating to new premises. Given this position the trustees plan to review their reserves position to determine what actions are needed both in terms of re-assessing their reserves policy and taking any necessary actions to manage their reserves against the target level.

Approved by the board of trustees on 5/6/2023

John Henkel (Trustee)

# **Bradford Metropolitan Food Bank**

## **Independent examiner's report to the trustees of Bradford Metropolitan Food Bank**

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 December 2022, which are set out on pages 7 to 12.

### **Responsibilities and basis of report**

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

Since the CIO's gross income exceeded £250,000 your examiner must be a fellow of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a fellow of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act;
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Rhys North ACA

19/6/2023

### **West Yorkshire Community Accountancy Service CIO**

Stringer House  
34 Lupton Street  
Leeds  
LS10 2QW

**Bradford Metropolitan Food Bank**  
**Statement of Financial Activities**  
**(including summary income and expenditure account)**  
**for the year ended 31 December 2022**

	Notes	2022 Total funds £	2021 Total funds £
<b>Income from:</b>			
Grants and donations	(2)	95,241	81,994
Donated food for distribution	(3)	307,863	227,074
Fundraising income		50	238
Rates refund		-	244
Bank Interest		66	-
Insurance claim		4,772	-
<b>Total income</b>		<b>407,992</b>	<b>309,550</b>
<b>Expenditure on:</b>			
Purchase of food for distribution	(3)	43,554	74,599
Donated food distributed		307,863	227,074
Materials and resources		410	3,192
Utilities and trade waste		1,552	1,984
Vehicle hire		-	79
Administration		137	327
Insurance		239	238
Independent examination		780	720
Food bank co-ordination fee		18,200	18,200
Depreciation		720	720
Bank Charges		69	22
<b>Total expenditure</b>		<b>373,524</b>	<b>327,155</b>
<b>Net income / (expenditure)</b>		<b>34,468</b>	<b>(17,605)</b>
<b>Fund balances brought forward</b>		<b>81,430</b>	<b>99,035</b>
<b>Fund balances carried forward</b>		<b>115,898</b>	<b>81,430</b>

All incoming resources and resources expended derive from continuing activities.



**Bradford Metropolitan Food Bank**  
**Balance sheet**  
**as at 31 December 2022**

		2022	2021
		Total	Total
		£	£
<b>Fixed assets</b>			
Tangible assets	(4)	1,440	2,160
<b>Total fixed assets</b>		<u>1,440</u>	<u>2,160</u>
<b>Current assets</b>			
Debtors and prepayments	(5)	25,038	4,830
Cash at bank and in hand	(6)	95,040	81,587
<b>Total current assets</b>		<u>120,078</u>	<u>86,417</u>
<b>Current liabilities:</b>			
<b>amounts falling due within one year</b>			
Creditors and accruals	(7)	5,620	7,147
<b>Total current liabilities</b>		<u>5,620</u>	<u>7,147</u>
<b>Net current assets / (liabilities)</b>		<u>114,458</u>	<u>79,270</u>
<b>Net assets</b>		<u>115,898</u>	<u>81,430</u>
<b>Funds</b>			
Unrestricted funds		115,898	81,430
<b>Total funds</b>		<u>115,898</u>	<u>81,430</u>

The financial statements were approved by the board of trustees on 5/6/2023

John Henkel (Trustee)

# **Bradford Metropolitan Food Bank**

## **Notes to the accounts**

### **for the year ended 31 December 2022**

#### **1 Accounting policies**

##### **Basis of accounting**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

##### **Going concern**

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

##### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

##### **Grants and donations**

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Donated assets, facilities or services are valued at their estimated value to the charity. This is the price that the charity estimates it would pay in the open market for equivalent items; or services and facilities of equivalent utility to the charity.

##### **Expenditure and liabilities**

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

##### **Taxation**

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

##### **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Warehouse equipment: over 4 years

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

# Bradford Metropolitan Food Bank

## Notes to the accounts continued

### for the year ended 31 December 2022

#### 2 Grants and donations

	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Bradford Metropolitan District Council	-		-	4,000
Donations	81,487		81,487	77,994
	<u>81,487</u>	<u>-</u>	<u>81,487</u>	<u>81,994</u>
	13754		13754	

#### 3 Donated food for redistribution

Most of the food distributed by the charity is donated in kind and its value is calculated on the assumption that, on average, each food bag prepared is worth £15.50 (2021 - £14.85). The estimated value of donated food has been calculated as follows:

	2022 £	2021 £
Number of food bags prepared	21,298	19,033
Estimated value at £15.50 per bag	330,119	282,640
Less food purchased for distribution	(43,554)	(74,599)
Estimated value of donated food stuffs	<u>307,863</u>	<u>227,074</u>

The charity also benefits from the free use of premises in which to sort and prepare food for distribution. No financial amount is included in the accounts for this donation, as it is not considered to be material.

#### 4 Tangible assets

	Warehouse equipment £	Total £
<b><u>Cost</u></b>		
At 1 January 2022	2,880	2,880
Additions	-	-
At 31 December 2022	<u>2,880</u>	<u>2,880</u>
<b><u>Depreciation</u></b>		
At 1 January 2022	720	720
Charge for year	720	720
At 31 December 2022	<u>1,440</u>	<u>1,440</u>
<b><u>Net book value</u></b>		
At 31 December 2022	<u>1,440</u>	<u>1,440</u>
At 31 December 2021	<u>2,160</u>	<u>2,160</u>

#### 5 Debtors and prepayments

	2022 £	2021 £
Debtors	-	4,600
Prepayments	238	230
Other debtors	24,800	-
	<u>25,038</u>	<u>4,830</u>

**Bradford Metropolitan Food Bank**  
**Notes to the accounts continued**  
**for the year ended 31 December 2022**

6 Cash at bank and in hand	2022	2021
	£	£
Cash at bank	95,040	81,587
	<u>95,040</u>	<u>81,587</u>

7 Creditors and accruals	2022	2021
	£	£
Creditors	4,840	6,427
Accruals	780	720
	<u>5,620</u>	<u>7,147</u>

**8 Related party transactions**

**Trustee expenses**

No trustee received any expenses during this year or the previous year.

**Trustee remuneration and benefits**

No trustee received any remuneration or benefit during this or the previous year.

Other transactions with trustees or related parties			2022	2021
			£	£
Name of related party	Relationship to charity	Description of transaction		
Youthtrain Limited	Julie Woodhurst is a trustee of the CIO and a director with significant influence of Youthtrain Limited	Provision of Food Bank co-ordination services	18,200	18,200
			<u>18,200</u>	<u>18,200</u>

**Bradford Metropolitan Food Bank**  
**Statement of Financial Activities including comparatives for all funds**  
**(including summary income and expenditure account)**  
**for the year ended 31 December 2022**

	2022	2021	2022	2021	2022	2021
	Unrestricted	Unrestricted	Restricted	Restricted	Total	Total
	funds	funds	funds	funds	funds	funds
	£	£	£	£	£	£
<b>Income</b>						
Grants and donations	95,241	77,994	-	4,000	95,241	81,994
Donated food for distribution	307,863	227,074	-	-	307,863	227,074
Fundraising income	50	238	-	-	50	238
Rates refund	-	244	-	-	-	244
Bank Interest	66	-	-	-	66	-
Insurance claim	4,772	-	-	-	4,772	-
<b>Total income</b>	<b>407,992</b>	<b>305,550</b>	<b>-</b>	<b>4,000</b>	<b>407,992</b>	<b>309,550</b>
<b>Expenditure</b>						
Purchase of food for distribution	43,554	64,599	-	10,000	43,554	74,599
Donated food distributed	307,863	227,074	-	-	307,863	227,074
Materials and resources	410	3,192	-	-	410	3,192
Utilities and trade waste	1,552	1,984	-	-	1,552	1,984
Vehicle hire	-	79	-	-	-	79
Administration	137	327	-	-	137	327
Insurance	239	238	-	-	239	238
Independent examination	780	720	-	-	780	720
Food bank co-ordination fee	18,200	18,200	-	-	18,200	18,200
Depreciation	720	720	-	-	720	720
Bank Charges	69	22	-	-	69	22
<b>Total expenditure</b>	<b>373,524</b>	<b>317,155</b>	<b>-</b>	<b>10,000</b>	<b>373,524</b>	<b>327,155</b>
<b>Net income / (expenditure)</b>	<b>34,468</b>	<b>(11,605)</b>	<b>-</b>	<b>(6,000)</b>	<b>34,468</b>	<b>(17,605)</b>
<b>Fund balances brought forward</b>	<b>81,430</b>	<b>93,035</b>	<b>-</b>	<b>6,000</b>	<b>81,430</b>	<b>99,035</b>
<b>Fund balances carried forward</b>	<b>115,898</b>	<b>81,430</b>	<b>-</b>	<b>-</b>	<b>115,898</b>	<b>81,430</b>