

Charity Registration No. 1125905

Company Registration No. 06130395 (England and Wales)

COMMUNITY INITIATIVES SOUTH WEST LIMITED

T/A FARESHARE SOUTH WEST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
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**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	J Ingleby T Hogg C Ackland E Togneri P Hazelden A Street (Chair)
Secretary	A John
Charity number	1125905
Company number	06130395
Principal address	Unit 4 Little Ann Street St Judes Bristol BS2 9EB
Registered office	Unit 4 Little Ann Street St Judes Bristol BS2 9EB
Auditor	TC Group St Matthew's House Quays Office Park Conference Avenue Portishead Bristol BS20 7LZ
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS
Solicitors	Osborne Clarke LLP 2 Temple Back East Temple Quay Bristol BS1 6EG

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the Financial Statements and comply with the Charity's Memorandum and Articles of Association dated 30 June 2008, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The Charity's objects under its Memorandum are:

- a. To promote the voluntary sector for the benefit of the public by:
 - i. the distribution of food to charities and voluntary organisations;
 - ii. encouraging members of the public to undertake voluntary work; and
 - iii. providing education and training to the voluntary sector.
- b. To advance in life and help young people between the ages of 18 and 25 by the provision of work-based training which develops their ability, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

The Charity's main activity, which is enabled by its volunteering programme, is the redistribution of surplus food arising from the food industry to its network of members (called Community Food Members – CFMs) across the South-West of England, who in turn use the food to deliver social impact. CFMs are either charities, a not-for-profit organisation, a community group or a social enterprise.

There has been no change in these during the year.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

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The main activities undertaken in relation to the objects

The Charity, as part of the UK FareShare Network co-ordinated by FareShare (Charity 1100051), works with more than 800 companies across the food supply chain to minimise the amount of fit-for-purpose fresh, frozen and/or long-life food going to landfill or other treatment/disposal route (such as anaerobic digestion) as waste, and instead diverts this to local Community Food Member (CFMs), thereby helping to reduce food waste and poverty. Around 50 of these food partners are local to the South-West of England (the region in which the Charity operates), complementing the supply of surplus food from national food partners.

The Charity's network of CFMs work with some of the most vulnerable and disadvantaged people in the community, who may be:

- managing on low or no income;
- living with poor access to affordable nutritious food;
- struggling with life-limiting conditions or barriers to work, housing, and support;
- socially isolated; and/or
- lacking in knowledge, skills, or equipment to ensure food is nutritious, safe, and prepared properly.

Supplying these organisations with a regular and affordable range of high-quality, in-date food, allows them in turn to sustainably support a large number and wide range of people and groups across the region. This is achieved through a regulated membership scheme that:

- a. ensures safe and compliant distribution of surplus food and its effective traceability; and
- b. makes a financial contribution towards the Charity's costs via the CFM membership fee.

Currently, the Charity operates from two warehouses in Bristol (Little Ann Street and Vale Lane), a third warehouse in Plymouth and via a charity partner, Exeter Food Action.

During the Covid-19 pandemic, the Charity secured additional operational capacity at a temporary emergency warehouse in Ashton Gate, Bristol. This is still in use for storage and seasonal operations.

Each of the Charity's depots is managed by a staff team led by a Warehouse Manager and supported by Warehouse Supervisors, and vitally, a group of volunteers who carry out a range of duties, including warehouse activities, administration and van driving. The central Operations team provides additional support including health and safety, communications and compliance.

The Charity's volunteering programme is focused on providing work placement and training opportunities to members of the public and community sector organisations, including young people, those with or recovering from life-controlling addictions, ex-offenders, refugees and asylum seekers, people with learning difficulties or mental health problems, long term unemployed, retired people, and students.

The Charity works closely with its CFMs to support and enhance their work and provide opportunities for the people they serve to gain new skills and contribute to the community through volunteering and work placements.

To support and sustain the growth of its work, the Charity engages in a range of fundraising activities, including applying for grants, securing corporate and individual donations and organising community events.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives in planning future activities.

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Achievements and performance

2021 saw the Charity maintain the pace and momentum gathered during the Covid-19 pandemic. When lockdown ended, life returned to something resembling normal for many of us, but for thousands of families across the UK, the situation remained bleak.

This ongoing demand for emergency food has held our operations at a much higher level than pre-pandemic. Even now, the need has yet to diminish. Despite this sustained uplift, we were able to regroup and move forward with plans for expansion. We opened two new warehouses, invested in our team and launched our Employability programme for young people.

Impact

- We delivered food for 3.16 million meals.
- We supported 48,500 vulnerable people across the region.
- We distributed 1,329 tonnes of food across the South-West, saving more than 531 tonnes of carbon dioxide.
- Our volunteers donated approximately 57,000 hours of their time.
- We delivered food to 404 frontline charities, schools and community groups.

Food

The Charity exists to fight hunger and tackle food waste. We turn an environmental problem into a social solution. Across the FareShare network, FareShare (Charity no. 1100051) rescues 53,000 tonnes of food every year.

This year, we invested in a Food & Logistics manager to access more food from local suppliers across the region, provide our community members with more diverse and greater volumes of food and transform the Charity into a more sustainable organisation by reducing our reliance on central food sourcing at FareShare (Charity no. 1100051).

In the calendar year 2021, we rescued nearly 200 tonnes of food from local suppliers – totalling around 15% of all food redistributed by the Charity.

Infrastructure

As the effects of the pandemic started to subside and people returned to work, the need for food remained acute. Faced with a choice between scaling back operations to pre-pandemic levels or continuing to support those organisations and individuals still in need, we made significant changes to our infrastructure. This included:

- A brand new warehouse on the outskirts of Plymouth. As part of our emergency food provision during the pandemic, the Charity built long-lasting relationships with dozens of organisations and individuals across Devon and Cornwall, making a permanent warehouse the obvious next step. Donated by a local philanthropist, the warehouse opened its doors in November 2021. The warehouse is home to a small team of staff and volunteers and has grown quickly – adding a further two vans to its fleet and four paid staff. Right now, our Plymouth team now delivers food to 43 charities across Devon and Cornwall with plans for rapid expansion.
- A new partnership with Exeter Food Action – one of the city's best-established and most trusted charities. Working together, we can bolster local infrastructure and improve food supply across the region. Our simple van swap model sees our volunteer drivers take a fully-stocked van from Bristol to Exeter, swap vehicles and drive an empty van back to Bristol - ready to re-load for the following day. Meanwhile, a local volunteer will take the full van on to upwards of 30 different charities and community groups in and around Exeter.
- A second Bristol warehouse in South Bristol's Vale Lane to provide additional capacity for operations and employability training. In financial year 2022/23, our Vale Lane project moves into Phase 2 which will see the warehouse double in size to accommodate our new Employability scheme – a structured, 12-week programme of work to support young people into work.
- Continued use of our emergency warehouse at Ashton Gate. Thanks to Bristol Sport for their ongoing support; this warehouse is essential for us to provide food support at scale to holiday projects for children across the region and to deliver our FoodStock winter operations.

Workforce

Two Volunteer Coordinators were appointed to recruit and support individual volunteers and coordinate corporate groups at both Bristol warehouses. A benchmarking exercise was launched to attract new talent and ensure our skilled and dedicated team were accurately remunerated. The Charity's operations in Devon and Cornwall became a region in their own right to accommodate the growing need across the two counties. The Charity now comprises two regions – West of England and Devon and Cornwall – led centrally by the Director of Operations.

Employability & Training

The Charity launched its Employability Pilot in June 2021 to provide young people not in employment, education or training (NEET) with meaningful work experience, skills and confidence. Funded by the Government's KickStart programme, seven young people between the ages of 18 – 24yrs were recruited as warehouse operators at both the Ashton Gate and Vale Lane warehouses. This precedes the launch of a structured 12-week programme which aims to support 24 young people to work alongside staff and volunteers as part of the busy warehouse team.

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Fundraising & Communications

In the year under review, we built on the funds and awareness raised during the pandemic, worked hard to let our supporters know the impact of their donations and developed partnerships with local organisations.

In April 2021, the Charity took part in the Big Give Green Match Fund – an online match funding campaign to raise funds to access more surplus food in the South-West. We raised £8,761 that was matched by funds from the Big Give and one of our generous donors.

In December 2021, the Charity launched FoodStock 2021 which aimed to raise funds to build up reserves of food and scale up operations to meet the increased need for food over the winter months. The campaign started with the Big Give Christmas Challenge - a second, match-funded appeal which raised £20,594. Donations to FoodStock continued to arrive even after the Big Give had ended, raising £30,580 overall. As well as financial gifts, the campaign inspired support from across Bristol's corporate community. Thanks go to Plimsoll Productions, Enterprise RAC, Computer Geeks, ALD Automotive, Touts, Ecosurety Limited, John Lewis Cribbs Causeway, Arthur David Food, and A-Gas.

Alongside our appeals, we received support from organisations across the South-West, including:

- Field & Flower and their customers raised £19,415 thanks to campaigns run over Black Friday and in the run up to Christmas.
- The Rathbones Group Bristol office championed a three-year partnership of funds, volunteering and ideas that helped get our new Employability programme off the ground.
- Womble Bond Dickinson established WBD's year of support for the Charity. So far, they've raised £2,494 with even bigger plans for financial year 2022/23.
- Colliers International organised a Bristol Bridges Walk – one day, 45 bridges, 45km - and raised £6,852.
- Throughout the year (and notably during FoodStock 2021) Hargreaves Lansdown offered support in the form of corporate volunteers and funding.
- Hydrock helped pack and deliver more than 4,000 food parcels as part of FoodStock 2021.

We received support from dozens of individual fundraisers who supported us by undertaking challenges and organising events.

Trusts & Foundations

Thanks go to the following Trusts and Foundations who gave grants of more than £5,000 this year.

- Groundworks and Tesco Community Grants (who have supported us across the whole of our South West region this year)
- St John's Foundation
- John James Bristol Foundation
- The National Benevolent Charity
- The Eurofins Foundation
- Trefoil Trust
- Quartet Community Foundation
- abrdn Charitable Foundation
- Albert Hunt Trust
- J&M Britton Charitable Trust
- Nisbet Trust
- Neighbourly and Sainsbury's Helping Everyone Eat Better Community Grants

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2021-22 Fundraising in figures:

Total Fundraised income in 2021-22: £588,628

- Trusts & Grants 52%
- Individual donors 22%
- Corporates 15%
- Community/Events 3%
- Gift Aid 5%
- Appeals 3%

The Charity is registered with the Fundraising Regulator and paid the associated voluntary levy. During the year, the Charity did not receive any complaints about its fundraising activity.

Financial review

The year under review was one of following a strategy to invest the surplus that arose during the Pandemic year by improving core infrastructure. This has enabled expansion of the Charity's geographical footprint and ensured increased resilience, that will allow the Charity to maintain future operations at an enhanced scale. These investments will allow the Charity to support more CFMs in new geographical areas and diversify its activities into new areas such as the training of young people through Employability initiatives.

For the year to 31 March 2022, the Charity made a deficit of £304,167 (2021, surplus of £1,061,879). The deficit consisted of an Unrestricted surplus of £58,231 and a Restricted deficit of £362,398. Net assets of the Charity at 31 March 2022 were £1,155,391 (2021, £1,459,558).

The Charity's reserves at 31 March 2022 were split between Restricted reserves at £22,375 (2021, £384,773) and Unrestricted reserves at £1,133,016 (2021, £1,074,785). The reduction in Restricted Reserves was expected as the Charity invested the exceptional surplus that arose in the previous year in infrastructure to support its future growth.

The Charity's income in the year to 31 March 2022 was £1,199,677 (2021, £2,106,070). Income received from trusts, foundations, corporate and individual supporters ('fundraised income') totalled £705,690 (2021, £1,701,612) in the year under review, whilst income from membership fees ('Charitable Activities') accounted for £293,847 (2021, £402,152).

It was known in advance that, following the cessation of Pandemic lockdowns in the year to 31 March 2022, the Charity would not have such an exceptionally high profile compared to the preceding year. This meant that fundraised income would drop back from the historical high levels of the year to 31 March 2021 and this proved to be the case.

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Less expected was a slower return to pre-pandemic activity levels from many CFMs. Income from Charitable Activities is generated through a membership scheme, whereby CFMs pay an annual fee to access a weekly supply of surplus food to support their work. The membership fee income in the year under review was affected by many CFMs not being able to re-join as active members following pausing their activities during the Pandemic. Many of these CFMs have now restarted services but there was a lag, especially in the first half of the year under review. A four month delay in the opening of the new Plymouth warehouse being one of the major contributing factors. The Trustees also took the decision to not impose a membership price rise during the year which meant that CFM fees have remained unchanged for the last five years. The Charity is appreciative of how many CFMs have struggled to restart their activities and has wanted to support them wherever possible.

Restricted donations reflect grants from donors that have placed specific restrictions on their use. During the year to 31 March 2022, this income fell back to £114,242 (2021, £777,967). The Charity received new sources of income from smaller bespoke initiatives in the year such as the Plymouth City Council Housing Support Fund that supported the first deliveries of food from our Plymouth warehouse. The year under review did, however, see the culmination of multi-year existing grants from Asda, Walmart, the Big Lottery and WRAP that had enabled investment in the Charity's infrastructure. The Charity is now looking at replacing these large national income sources with more local partnership arrangements as exemplified by our work with the St John's Foundation. Restricted funds are spent as soon as possible in line with the donor's wishes. Should this not prove practical, we seek the donor's preference regarding any alternative use of funds, retention for future projects or the return of such funds.

Unrestricted donations reduced to £591,448 (2021, £923,645) in the year to 31 March 2022. A significant proportion of this total, £217,445 came from other charities and trusts (2021, £403,341). Unlike the previous year, the Charity did not need to rely on support from FareShare (Charity No. 1100051) and this largely explains the difference in support from other charities and trusts. Donations from individuals stayed at a similar level in the year under review at £157,872 (2021, £188,603) reflecting continued public awareness of the Charity's surplus food distribution service to the most vulnerable in society during the year immediately following an unprecedented global pandemic. The Charity has also employed a new fundraiser to focus on engaging with new and regular individual donors.

The Charity was also the recipient of donated assets, services and facilities during the year that totalled £117,062 (2021, £116,371) at market values. Aside from the continued use of the Ashton Gate Bristol warehouse kindly donated to the Charity, there were further generous gifts of equipment to support the opening of the Charity's third Bristol warehouse at Vale Lane.

Funds are also earmarked for the expansion of activities at Vale Lane to offer an Employability vocational training base for young adults, and the potential creation of a hub warehouse in Cornwall that will allow the Plymouth warehouse to reach more CFMs in the west of Cornwall.

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More generally, the continued donations have also allowed the Charity to improve operational infrastructure. New permanent staff have been appointed to critical operational roles at the Charity's existing and new warehouses. Investment has also been made in expanding the Fundraising team so that the Charity can become more self-sustaining by working with local supporters. Additionally, the Charity has also appointed a Food Resourcing Manager to reduce reliance on national surplus food arrangements. This has proved enormously helpful in obtaining surplus food from producers and manufacturers within the local region at a time when national supplies were starting to come under pressure owing to national haulier shortages.

The Charity is also conscious of the rising costs that have affected energy and fuel supplies and has planned accordingly by obtaining long-term fixed price energy contracts at all its properties and working with fuel wholesalers who can provide discounts on fuel for the Charity's van fleet.

The Charity continues to pursue its strategy of owning key assets such as its van fleet rather than leasing or hiring such equipment. In the year to 31 March 2022 the Net Book Value of all Fixed Assets on the Balance Sheet was £441,186 (2021, £158,787). This reflects the acquisition of five brand new VW Crafter vans to replace old, life-expired vans that were also not able to operate in the new Clean Air Zones in two of the major cities in our region. A further noticeable investment was equipping the new Vale Lane warehouse with additional chiller and future freezer capacity, allied to a similar investment for the new Plymouth warehouse. New racking capacity and a new forklift for one of the warehouses has also been purchased in the year under review.

Reserves Policy

The Charity has a risk-based Reserves Policy to help protect its operations from any short- or medium-term disruption which could cause significant issues with the storage and delivery of food to the most vulnerable groups in its region.

The Reserves Policy seeks to mitigate both specifically identified risks and the associated quantified financial exposure from those risks crystallising. The primary specific risks that the Charity has quantified its exposure against are a significant shortfall in its fundraising compared to expectations; the extended temporary closure of one or more warehouses; outbreaks of significant illness amongst a large number of operational staff; and the loss of food deliveries from key national food partners for an extended duration. Any combination of these specific events would cause a significant increase in average costs where the Charity had to purchase alternative resources to permit its key activities to continue.

The Trustees have maintained the Reserves Policy that was amended in the previous year as a response to the unprecedented global economic turbulence caused by the Covid 19 Pandemic. The increase in free reserves* set aside to provide security against a combination of the most extreme adverse risk scenarios is now calculated as 6 months of total expenditure (amended from the previous policy of 3 months of unrestricted reserves).

* 'free reserves' defined as unrestricted reserves less designated funds less tangible fixed assets (financed by unrestricted reserves)

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This revised basis reflects what the Trustees consider is a prudent assessment of the Charity's exposure to risks, including those specific to the pandemic. It equates to £572,000 (2021, comparative £522,096). At this monetary level and over the 6 month time duration, the Trustees feel that they would be able to continue the current activities of The Charity whilst also putting in place mitigation against a simultaneous drop in funding.

At the year end, the Charity had free reserves of £691,830 (2021 comparative figure of £915,998). The Charity's reserves position is now as follows:

	£
Unrestricted funds total	1,133,016
Less those held in designated funds	-
Less those held in tangible fixed assets funded by Unrestricted Funds	<u>(441,186)</u>
Unrestricted free reserves	691,830
Less 6 months' expenditure set aside	<u>(572,000)</u>
Excess Funds over reserves policy	119,830

The Trustees have actively overseen the changing reserves position during the year under review. With a combination of the Income from Charitable Activities not hitting expected levels in the year to 31 March 2022 and inflation running at double digits in 2022, the previous intention to create a Designated Reserve has been postponed. Capital investment programmes mentioned last year (Bristol hub warehouse and a potential Cornwall hub) are still being assessed and could be funded, but combined with global economic uncertainty it has meant that a prudent decision has been taken to not lessen the available Free Reserves further.

The Trustees continue to be immensely grateful for the ongoing and increased support shown to the Charity by FareShare (Charity No. 1100051) and for the ever-more generous donations and support from a range of organisations, trusts and individuals in another very pressing year.

Investment Policy

Owing to the Charity's historical size and smaller reserves, it does not currently have an Investment Committee with a full Investment Policy. All decisions on investments are instead approved at full Trustee Board meetings. The Charity's aim is always to invest prudently with low-risk financial institutions that accord with the Charity's mission and objectives.

The Charity currently invests all its cash reserves in short-notice savings or business current accounts at its banking partners. These partners are chosen based on their financial resilience as well as their ethical corporate values and investment strategies being compatible with those of the Charity. Due diligence on the Charity's banking partners is ongoing.

At the current time Trustees do not intend to invest in asset classes such as investment property, equities or equity-backed funds. The Charity also currently does not make grant or funding offers to support other charitable organisations. This will be kept under review.

The Trustees are cognisant that the level of cash reserves in the Charity is at a reasonably high level compared to previous years but has fallen back from the exceptional balances a year earlier. They are also aware of a rising interest environment so a decision will be kept under review to potentially move funds to higher interest rate alternatives. As per last year, the Charity may seek to expand the range of low-risk investments in which the free reserves are invested. However, any such investment policy change will always accord with The Charity's mission and objectives.

Risks and Uncertainties facing the Charity

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to these major risks. A detailed risks register has been developed highlighting the potential risks to the organisation and the mitigating actions. The key areas of potential risk include:

- Financial - The Charity experienced a significant increase in operational costs in response to the demand for its services during the pandemic. It continues to invest in strengthening and diversifying its income streams, supplementing membership fee income with fundraising activity. The Charity has a reserves policy of retaining 6 months' worth of unrestricted funds to cover expenditure.
- Compliance - The redistribution of food is highly regulated, carried out in depots that carry significant health and safety risks. Investment in workspaces, training, systems, management capacity and procedures ensures the Charity's compliance remains robust and monitored.
- Management Structure - The Charity works to ensure that management capacity and capability is appropriate for its increasing size and complexity, developing strategies to recruit into key roles and retain key staff.
- Workforce - The Charity continues to rely heavily on a large number of volunteers and the viability of the paid and unpaid workforce is critical to the Charity's success. Its volunteer programme helps ensure that there is a healthy and sustainable pipeline of volunteers for operational roles to match the growing work of The Charity. Retention and wellbeing of staff and volunteers is key and mitigates risks of losing staff and volunteers.

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- Food supply - Access to a sustainable supply of surplus food is critical to the operations of the Charity. As part of the UK network run by FareShare (Charity No. 1100051), the Charity can secure substantial volumes of the food needed to maintain and grow its services. It is also investing in local food sourcing with the number of local food partners and the volume of food sourced locally continuing to grow. The Charity has increased its stockholding and constantly explores new sources or types of food that could add to the existing supply.
- The Covid-19 Pandemic - The pandemic represented, and continues to represent, a number of risks to the Charity. Health risks to staff and volunteers, and the impact on business continuity and service users resulting from contact involved in carrying out the work of the Charity was managed by:
 - Implementing new procedures to ensure social distancing, operation of 'bubbles' to limit contact between locations and additional cleaning services.
 - Provision of PPE to all staff and volunteers.
 - Employing temporary staff to ensure adequate cover to mitigate shortages caused by incidents of infection or self-isolating.
 - Encouraging staff to self-isolate where advisable and to follow NHS advice.
 - The pandemic did not limit the provision of the Charity's service, but some activity was displaced by new ways of working and by developing relationships with new partner organisations. Donations to the Charity continued throughout the year and while the Charity anticipates a short-term decline in this 'Covid-related' funding, it has clear strategies to secure continued funding from existing sources and from new funding streams.

Future plans

As the cost of living rises and more people are pushed below the breadline, the Charity knows that the demand for food will only increase and with it, our operations.

In Financial year 2022/23, the Charity will invest further in new roles across both regions. With added resource, we can access more surplus food from suppliers across the UK and in the South-West, and expand food redistribution to CFMs across both regions, with a particular emphasis on the new operation in Devon and Cornwall, which has plans for significant growth in 2022/23. The Charity will be scaling up capacity in our warehouses and recruiting new staff to launch and deliver our Employability programme, with support from SOFEA (FareShare Thames Valley).

We are growing our infrastructure – adding a new 7.5 tonne truck to our fleet. As part of central Government's Holiday Activities & Food (HAF) Programme, we'll work with local authorities across the South-West to ensure no child goes hungry over the school holidays. We are further developing our volunteering programme to support individual volunteers of all ages, abilities and from all walks of life. And, we are partnering with new corporate supporters to engage them in our work, encourage their involvement and raise essential funds. With ongoing support from our key partners and supporters, we'll continue to provide each of our community food members with good quality surplus food to reduce food waste and fight hunger across the South-West.

Structure, governance and management

Governing Document

The Charity's governing document is its Memorandum and Articles of Association. The Charity was originally incorporated as a company limited by guarantee on 27 February 2007 under the name Community Initiatives South West Community Interest Company. It subsequently changed its name to Community Initiatives South West Limited on 29 August 2008 and became registered as a charity with the Charity Commission on 16 September 2008.

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The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Ingleby

T Hogg

C Ackland

E Togneri

P Hazelden

A Street (Chair)

S Marriott

(Resigned 7 October 2021)

P Hardwick

(Resigned 13 April 2022)

Appointment of Trustees

As set out in the Articles of Association the Trustees may appoint a person who is willing to act as a Trustee. Any Trustee appointed by a resolution of the other Trustees must retire at the next annual general meeting. Under charity law, each Trustee of the Charity is also a Director of the charitable company. The Trustees constantly seek to recruit new Trustees to join the Board of the Charity who have a diversity of experience, expertise and backgrounds to support the senior management team and help the Charity thrive and who share a passion to achieve the Charity's objectives. The Trustees were delighted to be joined by three new Trustees during the year and are very grateful to those who have served on the Board and who retired during the year and after the year end.

Trustee Induction and Training

On appointment new Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes and the most recent business plan and recent financial performance of the Charity. The Board of Trustees holds regular Board meetings at which Trustees are updated on the range of compliance issues relevant to The Charity's operations (including health and safety) and holds annual strategy review meetings which are often attended by external speakers and facilitators.

Senior Management Team:

J Mines, Chief Executive Officer

(Resigned 10 May 2022)

L Bearn, Director of Operations and Interim CEO

(Interim CEO 10 May 2022 - 10 October 2022)

G Joyner, Chief Executive Officer

(appointed 10 October 2022)

D Suckling, Director of Finance

P Ruxton, Director of Fundraising and Communications

(resigned 30 June 2022)

S Jarvis, Head of Operations

S Salino, Head of Development

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FOR THE YEAR ENDED 31 MARCH 2022

Organisation

The Articles of Association allow for a minimum of 3 Trustees, and there is no maximum unless determined by ordinary resolution. The Trustees administer the Charity, and normally meet around eight times a year, but met much more frequently during the year under review to respond to the ongoing challenges presented by the pandemic's legacy. All strategic and key financial decisions (including the setting and review of staff remuneration) are reserved to and taken by the Board of Trustees. The Board of Trustees works in close cooperation with the Chief Executive Officer (who leads the senior management team and who attends and reports to each Board meeting) and with the other members of the senior management team who regularly present reports to the Board. The Trustees are supported by a finance sub-committee which meets at least ten times a year and currently includes 2 of the Trustees and the Chief Executive Officer.

Any benefit received by Trustees is purely incidental to the objects of the Charity's work and disclosed within the financial statements.

The Charity is party to a collaboration agreement with FareShare (Charity No. 1100051) which sets out, amongst other things, the principles which underpin the working relationship between the parties, the responsibilities of the parties and the terms upon which the Charity is permitted to use the FareShare name and brand.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Community Initiatives South West Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

TC Group were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

.....

A Street (Chair)

Trustee

Dated:

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
INDEPENDENT AUDITOR'S REPORT TO COMMUNITY INITIATIVES SOUTH WEST LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

Opinion

We have audited the financial statements of Community Initiatives South West Limited (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 31 March 2022 and of its incoming resources and application of resources, 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 Charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
INDEPENDENT AUDITOR'S REPORT TO COMMUNITY INITIATIVES SOUTH WEST LIMITED (CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
INDEPENDENT AUDITOR'S REPORT TO COMMUNITY INITIATIVES SOUTH WEST LIMITED (CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity'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.

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
INDEPENDENT AUDITOR'S REPORT TO COMMUNITY INITIATIVES SOUTH WEST LIMITED (CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 noncompliance. 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.

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
INDEPENDENT AUDITOR'S REPORT TO COMMUNITY INITIATIVES SOUTH WEST LIMITED (CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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.

Amanda Kruger FCCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Portishead

Date:.....

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	591,448	114,242	705,690	923,645	777,967	1,701,612
Charitable activities	4	293,847	-	293,847	402,152	-	402,152
Other trading activities	5	157,600	42,540	200,140	2,306	-	2,306
Total income		1,042,895	156,782	1,199,677	1,328,103	777,967	2,106,070
<u>Expenditure on:</u>							
Raising funds	6	109,655	-	109,655	68,347	-	68,347
Charitable activities	7	1,165,396	228,470	1,393,866	537,952	437,892	975,844
Other	13	-	323	323	-	-	-
Total resources expended		1,275,051	228,793	1,503,844	606,299	437,892	1,044,191
Net (outgoing)/ incoming resources before transfers		(232,156)	(72,011)	(304,167)	721,804	340,075	1,061,879
Gross transfers between funds		290,387	(290,387)	-	74,814	(74,814)	-
Net income/(expenditure) for the year/ Net movement in funds		58,231	(362,398)	(304,167)	796,618	265,261	1,061,879
Fund balances at 1 April 2021		1,074,785	384,773	1,459,558	278,167	119,512	397,679
Fund balances at 31 March 2022		1,133,016	22,375	1,155,391	1,074,785	384,773	1,459,558

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
BALANCE SHEET
AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	14	441,186	158,787
Current assets			
Debtors	15	222,411	145,382
Cash at bank and in hand		762,192	1,402,554
		984,603	1,547,936
Creditors: amounts falling due within one year	16	(270,398)	(247,165)
Net current assets		714,205	1,300,771
Total assets less current liabilities		1,155,391	1,459,558
Income funds			
Restricted funds - general	18	22,375	384,773
Unrestricted funds		1,133,016	1,074,785
		1,155,391	1,459,558

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

The financial statements were approved by the Trustees on

.....
A Street (Chair)
Trustee

Company Registration No. 06130395

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(288,304)		1,132,319
Investing activities					
Purchase of tangible fixed assets		(354,725)		(113,529)	
Proceeds on disposal of tangible fixed assets		2,667		-	
Net cash used in investing activities			(352,058)		(113,529)
Financing activities					
Repayment of bank loans		-		(11,778)	
Net cash used in financing activities			-		(11,778)
Net (decrease)/increase in cash and cash equivalents			(640,362)		1,007,012
Cash and cash equivalents at beginning of year			1,402,554		395,542
Cash and cash equivalents at end of year			762,192		1,402,554

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Community Initiatives South West Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit 4, Little Ann Street, St Judes, Bristol, BS2 9EB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association dated 30 June 2008, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the Restricted funds are set out in the notes to the financial statements.

For each Restricted fund where assets have been purchased the Trustees review the terms of the gift and ascertain whether the purchase asset has to be retained in Restricted funds until the end of its useful economic life or whether the gift allows for the assets to be transferred to Unrestricted funds.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants receivable are treated in different ways dependent upon their purposes and the terms of the grant.

Grants receivable for the specific purpose of purchasing fixed assets for the continued use of the charity are treated as Restricted funds. The Restricted fund is then reduced by amounts equivalent to the depreciation charges on the assets concerned and will continue to do so over the expected useful lives of the assets concerned.

Grants receivable for specific purposes are also treated as Restricted funds so that any unused funds can be separately identified.

Grants receivable to facilitate the general running of the charity for example where the Trustees can choose how the funds are expended, are treated as Unrestricted funds.

Membership income is recognised in the period to which it relates.

Gifts in kind includes donated assets, services and facilities which are recognised at a reasonable estimate of their gross value to the Charity. An equivalent amount has been included as expenditure under the appropriate heading in the Statement of Financial Activities

1.5 Resources expended

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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity. These are included within Charitable Activities.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

**COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Raising funds are those costs within Charitable Activities expenditure which can be identified as uniquely attributable to the activities of raising funds from potential supporters of the Charity. Such costs include the full employment cost of those employees whose role is fundraising, and the licencing fees of subscriptions to online fundraising platforms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10 years straight line
Plant and equipment	5 -10 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds general	Total	Unrestricted funds	Restricted funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and grants	474,386	114,242	588,628	771,560	777,967	1,549,527
Legacies receivable	-	-	-	35,714	-	35,714
Donated goods and services	117,062	-	117,062	116,371	-	116,371
	<u>591,448</u>	<u>114,242</u>	<u>705,690</u>	<u>923,645</u>	<u>777,967</u>	<u>1,701,612</u>
Donations and grants						
Corporate organisations	98,261	25,038	123,299	179,616	414,046	593,662
Charities and trusts	217,445	30,000	247,445	403,341	141,650	544,991
Individuals	157,872	-	157,872	188,603	-	188,603
Public funding	-	59,204	59,204	-	222,271	222,271
Other	808	-	808	-	-	-
	<u>474,386</u>	<u>114,242</u>	<u>588,628</u>	<u>771,560</u>	<u>777,967</u>	<u>1,549,527</u>
Gifts in Kind - donated assets, services and facilities						
Professional services	5,000	-	5,000	5,000	-	5,000
Vans and van rental	-	-	-	25,503	-	25,503
Warehouse rental and rates	97,140	-	97,140	72,168	-	72,168
Other goods and equipment	14,922	-	14,922	13,700	-	13,700
	<u>117,062</u>	<u>-</u>	<u>117,062</u>	<u>116,371</u>	<u>-</u>	<u>116,371</u>

Income from Gifts in Kind in the prior year was Unrestricted.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022	2021
	£	£
Membership	293,847	402,152

5 Other trading activities

	Unrestricted funds	Restricted funds general	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Sale of items	-	-	-	1,250
Clinical placement tariff	-	-	-	1,056
Grants	7,065	42,540	49,605	-
Food outreach project income	150,535	-	150,535	-
Other trading activities	157,600	42,540	200,140	2,306

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Fundraising agents	7,442	7,388
Other fundraising costs	6,510	5,024
Staff costs	95,703	55,935
Fundraising and publicity	109,655	68,347
	109,655	68,347

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7. Charitable activities

	Main charitable activity 2022 £	Main charitable activity 2021 £
Depreciation and impairment	64,129	25,419
Staff costs	623,462	460,199
Premises expenses	204,558	123,800
Office costs	22,433	11,950
Communications	37,950	23,496
Bank charges	468	743
Motor expenses	124,474	89,240
Legal & professional fees	34,392	11,303
Other charitable expenditure	136,792	168,514
Marketing	-	19,118
Food purchases and supplies	35,956	16,747
	<u>1,284,614</u>	<u>950,529</u>
Support costs	97,327	13,750
Share of governance costs (see note 8)	11,925	11,565
	<u>1,393,866</u>	<u>975,844</u>
Analysis by fund		
Unrestricted funds	1,165,396	537,952
Restricted funds - general	228,470	437,892
	<u>1,393,866</u>	<u>975,844</u>

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Bank charges	5,206	-	5,206	-	-	-
Staff costs	82,003	-	82,003	-	-	-
Communications	388	-	388	-	-	-
Computer Expenses	9,730	-	9,730	13,750	-	13,750
Auditors remuneration	-	11,925	11,925	-	11,565	11,565
	<u>97,327</u>	<u>11,925</u>	<u>109,252</u>	<u>13,750</u>	<u>11,565</u>	<u>25,315</u>
Analysed between						
Charitable activities	<u>97,327</u>	<u>11,925</u>	<u>109,252</u>	<u>13,750</u>	<u>11,565</u>	<u>25,315</u>

Governance costs includes payments to the auditors of £10,350 (2021- £10,000) for audit fees.

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022	2021
	£	£
Audit of the annual accounts	10,350	10,000
Non-audit services		
All other non-audit services	<u>1,575</u>	<u>1,565</u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

2022	2021
Number	Number
28	19
=====	=====

Total benefits received by key management personnel during the year were £68,806 (2021: £62,407) including employer's NIC and employer's pension costs.

The number of employees whose annual remuneration was £60,000 or more were:

	2022	2021
	Number	Number
£60,000 - £69,999	1	1
	=====	=====

12 Taxation

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

13 Other

	Restricted funds	Total
	2022	2021
	general	
	£	£
Net loss on disposal of tangible fixed assets	323	-
	=====	=====
	323	-
	=====	=====

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2021	14,645	82,755	42,513	56,260	196,173
Additions	109,304	59,240	13,191	172,990	354,725
Disposals	-	-	-	(2,990)	(2,990)
At 31 March 2022	123,949	141,995	55,704	226,260	547,908
Depreciation and impairment					
At 1 April 2021	315	13,021	10,823	13,228	37,387
Depreciation charged in the year	3,133	13,401	15,702	37,099	69,335
At 31 March 2022	3,448	26,422	26,525	50,327	106,722
Carrying amount					
At 31 March 2022	120,501	115,573	29,179	175,933	441,186
At 31 March 2021	14,331	69,734	31,690	43,032	158,787

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	166,757	65,059
Other debtors	31,247	38,454
Prepayments and accrued income	24,407	41,869
	222,411	145,382

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	1,190	10,529
Trade creditors	60,464	96,324
Other creditors	4,994	4,336
Accruals and deferred income	203,750	135,976
	270,398	247,165

17 Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers
	£	£	£	£
Gloucestershire Food Plan - Emergency and Recovery	30,000	-	(27,489)	(2,511)
St John's Foundation	22,500	30,000	(30,125)	-
Big Lottery fund	3,668	12,000	(16,025)	357
Asda Capital fund	96,331	-	(26,710)	(69,621)
Wrap	2,236	35,360	(33,239)	(4,357)
Walmart	169,600	-	(11,957)	(157,643)
Asda	60,438	-	(15,637)	(44,801)
Plymouth Council Housing Support	-	11,844	(33)	(11,811)
Sainsburys Culturally Appropriate Food	-	25,038	(25,038)	-
Kickstart grant	-	42,540	(42,540)	-
	<u>384,773</u>	<u>156,782</u>	<u>(228,793)</u>	<u>(290,387)</u>
				<u>22,375</u>

Grants receivable for the specific purpose of purchasing fixed assets are held in Restricted funds until the asset has been purchased. The Trustees then consider whether the terms of the gift require the Charity to hold the asset as restricted or whether it can be transferred to unrestricted for the continued use of the charity to be used as they see fit. For assets purchased using restricted funds in the current year the Trustees have assessed that all assets have then become unrestricted therefore transfers have been made to reduce these funds to nil.

Gloucestershire Food Plan - Emergency & Recovery

These funds were given to deliver a winter emergency programme during Covid and to also facilitate an expansion of the Charity's surplus food support across the Gloucestershire region.

St John's Foundation

These funds were given to deliver a holiday hunger programme as well as a winter emergency programme during the Covid 19 pandemic and to also facilitate an expansion of the Charity's surplus food support across the Bath & North East Somerset (BANES) region.

Big Lottery Fund

These funds have been given to cover the costs for 3 years of two roles essential to sustaining the growth of charitable activity in the areas of CFM account relationships and volunteer recruitment & development. The funding ended in July 2021.

Asda Capital Fund

These funds have been given over a 3-year period to provide essential operational infrastructure including the purchase of new vans, to fund an additional operational role and to invest in equipment and property.

18 Restricted funds

(Continued)

WRAP

These public funds have been given to ensure surplus food is not wasted and reaches people in need or those considered vulnerable. Specifically, it has provided funds in the year to allow expansion into the Exeter and Gloucester areas supported by partner organisations, and contributions towards transport costs of both sourcing and delivering surplus food to these areas.

Walmart

These funds were given over a 3-year period to upgrade the Charity's delivery capabilities which has resulted in the purchase of five new vans.

Asda

Commencing in April 2020, these funds enabled the initial launch of a substantial and scalable emergency food response delivered to key partners in Devon and Cornwall to provide essential food aid to the most vulnerable communities hit by the Covid 19 Pandemic. Further developments in the year under review have seen enhancements to the 'FareShare' service supporting East and South Devon with the funding supporting continued warehouse development, investment in existing management and staffing recruitment at our delivery partner - Exeter Food Action.

Plymouth Council Housing Support

These public funds were given over the winter of 2021-22 for the Charity to support families with children, other vulnerable households and individuals with food and essentials linked to food. Covering the Plymouth City Council area, it allowed the Charity to upgrade our newly-opened warehouse in Estover, Plymouth with capital improvements to support these food deliveries.

Sainsburys Culturally Appropriate Food

To support Black History Month, the grant enabled the Charity to buy foodstuffs in bulk that are not normally available as surplus in the required quantities. This facilitated the Charity being able to support CFMs in minority communities with greater quantities of the foodstuffs in highest demand during early 2022.

Kickstart Grant

The Charity has benefitted from the Government's KickStart initiative that subsidised the employment of young adults who had not been in mainstream employment or further education. The first young adults employed under the scheme commenced work with the Charity in the summer of 2021 and as at the reporting date, seven young adults have gained valuable work experience with the Charity. The funds have paid the wages of these young adults over the six months of employment, and have also enabled targeted vocational training to be provided.

Transfers between funds

The transfers are in respect of assets purchased, where the purchase of the assets has been completed and the Trustees consider the asset to now be used as they see fit and is therefore moved to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	441,186	-	441,186	158,787	-	158,787
Current assets/ (liabilities)	691,830	22,375	714,205	915,998	384,773	1,300,771
	<u>1,133,016</u>	<u>22,375</u>	<u>1,155,391</u>	<u>1,074,785</u>	<u>384,773</u>	<u>1,459,558</u>

20 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	38,500	15,795
Between two and five years	102,875	18,910
	<u>141,375</u>	<u>34,705</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

COMMUNITY INITIATIVES SOUTH WEST LIMITED
T/A FARESHARE SOUTH WEST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22	Cash generated from operations	2022 £	2021 £
	(Deficit)/surplus for the year	(304,167)	1,061,879
	Adjustments for:		
	Loss on disposal of tangible fixed assets	323	-
	Depreciation and impairment of tangible fixed assets	69,335	25,419
	Movements in working capital:		
	(Increase) in debtors	(77,028)	(53,778)
	Increase in creditors	23,233	98,799
	Cash (absorbed by)/generated from operations	(288,304)	1,132,319
23	Analysis of changes in net funds		
	The Charity had no debt during the year.		