

Charity registration number 1132403

Company registration number 06927124 (England and Wales)

THE MUDLARKS COMMUNITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE MUDLARKS COMMUNITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	David Bullen Alison Voyle Stuart Ross Stephen Wilson
Secretary	David Bullen
Managing Director	Victoria Hobson
Charity number	1132403
Company number	06927124
Registered office	40 Wellington Street Hertford Hertfordshire SG14 3AW
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE

THE MUDLARCS COMMUNITY

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THE MUDLARKS COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual 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 note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, 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) (effective 1 January 2019)".

Objectives and activities

The charitable company's objects are to relieve the needs of adults with learning difficulties and mental health concerns in the Hertfordshire area. The objects are delivered through the provision of a community garden facility providing education, training, therapy and social development; 2 community gardening teams; a café in the heart of the town providing training and employment for adults with learning disabilities; a woodland centre at Panshanger.

Aims of the charity

The aims of Mudlarks are:

- 1 To promote health and wellbeing through offering social and therapeutic horticulture, training and work opportunities to young people and adults with learning disabilities and mental health concerns, enabling people of all abilities to learn and work together.
- 2 To provide facilities in Hertfordshire including, but not limited to, horticultural sites and a working café for the use by vulnerable young people and adults who have need of such facilities with the object of building confidence and increasing self-worth, reducing isolation and loneliness.
- 3 To develop the social and work related skills of people with learning disabilities and mental health concerns through the provision of therapy, training, meaningful work experience and employment opportunities to help integrate people into their community.
- 4 To provide opportunities for volunteers and those seeking work experience at, but not limited to, a café and a horticultural environment.
- 5 To raise awareness of learning disabilities and mental health concerns, and help integrate people with learning disabilities into their community through our community-based projects, as well as providing opportunities for local organisations, schools and colleges to access and utilise our facilities.
- 6 To raise the awareness of the need to protect and conserve our environment.

Objectives for the year

To continue our horticulture provision at 5 days a week, and fill all vacancies in order to be able to provide places for more learning disabled gardeners.

To increase training spaces and customer base at our new cafe in Hertford.

To increase cafe trading in order to fund further learning disabled staff training places and mentor support.

To raise sufficient funds to remain sustainable after the Covid-19 pandemic.

To increase the woodland centre provision.

To provide facilities and support for extremely vulnerable people during and after the pandemic.

To continue to plant and maintain the public gardens in Hertford, through our Larking About team's work, for the pleasure and benefit of the whole community.

To support the elderly in our community through the work of the Special Branch team of gardeners.

THE MUDLARKS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Strategies for achieving objectives

The charity addresses its aims by:

- Being aware of the needs of our community and responding directly to these needs.
- Providing training and horticultural therapy in a community allotment for adults with learning disabilities or mental health concerns.
- Providing training and employment in the café.
- Involving volunteers on and off site.
- Offering work experience to students and volunteers through our gardening service and café.
- Involving local organisations in projects.
- Providing opportunities for schools and colleges to access our provision.

Public benefit statement

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have regard to the Charity Commission's general guidance on public benefit. Mudlarks is a thriving community allotment and café, based on principles of equal opportunities and environmental awareness. We are open to people of all abilities, encourage the participation of volunteers, and provide opportunities for a marginalised group of people with learning disabilities, mental health issues, and physical disabilities.

Introduction to activities

Our horticultural activities have continued to develop and the café is delivering training and work experience to an increasing number of people.

Our target for the year was to benefit a larger group of people in our community. We have achieved this through:

- filling all our allotment site vacancies with learning disabled people;
- involving our gardening teams in public open spaces through our Larking About work;
- providing a service for the elderly who can no longer manage and maintain their own gardens through our Special Branch team;
- increasing the café income, thus providing more training places for new learning disabled staff.

Significant activities

As a result of careful planning and staff management, both the allotment site and the café remained open throughout the year, providing much needed care and support for extremely vulnerable people.

The café adapted their menus in order to provide take aways to customers, which enabled our learning disabled staff to continue working and having meaningful day activities.

We kept our gazebos at the allotments site to create safe working areas with small teams working together.

Respite for families was provided through the allotment site remaining open.

The Rumble Awards was held online for many of the café staff and gardeners, celebrating their achievements at this time.

We continued to provide an activity centre for 1 school at our woodland centre in Panshanger Park.

Ongoing Lloyds funding for the café mentor supported the café participants both on site and remotely when necessary during Covid-19.

We created social groups who met for walks and trips to the allotments.

Our community art gallery moved into the café window while there was no seating for customers inside.

The allotment gardeners created a wonderful fairy garden at the castle for the public to enjoy as they walked in the grounds.

The Hoddleson Round Table raised money for us while breaking the Guinness World Record for riding a pedalo along the length of the Thames.

THE MUDLARKS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Significant activities (continued)

We organised Hertford in Bloom for the Hertford community, and the judging was carried out by one of our gardeners.

We ran the summer scheme for local school and college students over their long summer holiday.

Our gardeners helped to plant up a covid memorial garden at Hertfordshire County Council.

The café won the best community group in the online Love Hertford Awards for our work in supporting everyone throughout the pandemic.

We created a dye garden at the allotments with the aim of growing dye plants which can be used by our gardeners to dye fabrics.

We were the charity for the Standon Calling festival which was back for the first time since the Covid pandemic.

We bought electric lawn mowers and trimmers for the allotment gardening teams. These are lighter to lift into the vehicles, and by charging the batteries with our solar panels, are much more environmentally friendly than the petrol mowers.

We took a coach of gardeners and volunteers to the London Harvest Show at Lambourne End. This was a fabulous event, and our gardeners won several prizes and took part in a range of activities from caving to rock climbing and the tug of war. Our prizes included best vegetable sculpture, best miniature flower arrangement, and best display of seasonal produce.

The Larking About team's castle grounds planting and maintenance continued so that people out on their daily walk could enjoy the gardens.

Special Branch adapted and continued working with the elderly in the community, accessing gardens through side gates and providing company for isolated elderly people.

We held a rounders match at Hartham between the café and allotment teams, followed by a BBQ for everyone involved.

We created a new courtyard garden for a school in Welwyn, and a pond for Morgans school in Hertford.

We made a lovely open cooking area at the allotment site to cook up some of our harvest.

All of our gardeners had the opportunity to go to the forest school for a day, sawing logs and cooking over the fire.

We won a Highly Commended Award from Greater Anglia for our planters at Hertford East station.

Our open allotment was in September just for our gardeners and their families. It was a huge success and very well attended by everyone.

We started a theatre group with Herts Inclusive Theatre, meeting at the Sele Farm Community Centre each Wednesday evening.

The allotment teams made a range of crafts for sale at Christmas time, including clay gnomes and candle holders, along with our usual fabulous reindeer.

We had a stall at the Hertford Castle Christmas market to sell our crafts.

We created and sold over 50 Christmas wreath boxes to the community, using foraged pine cones, teasels and other natural products. We had a very short wreath workshop outdoors at the allotments for people who wanted instructions and made 3 videos for people to watch.

The gardening teams delivered Christmas trees over a 2 week period into the community, and we sold trees and crafts at the Simon Balle school frost fair.

In February 2022 we held our first music night in the café, our first in person fundraising event since Christmas 2019.

Our café staff took part in the filming of a promotional video for Hertfordshire to encourage customers back into local shops and restaurants after the Covid pandemic.

THE MUDLARKS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Use of volunteers

Volunteers have assisted in the allotments, café, woodland centre and as trustees. Local tradesmen, Rotary Club, Scouts, photographers all assisted in fundraising, supporting the café and allotments.

Achievements and performance

Charitable achievements

The number of gardeners continues to increase with increased site staffing. We are now fully open on site 5 days per week.

Many elderly people and housing associations have been helped through Special Branch, providing comfort and company during and following the pandemic.

Larking About continues to provide work experience at the Town Council gardens, creating beautiful outdoor spaces for the community to enjoy.

Due to increased cafe sales and the Lloyds mentor role, we have been able to increase the places in the café and have now employ more people with learning disabilities.

We have provided volunteer placements in both the cafe and the allotments for unfunded adults with mental health concerns.

The Rumble Awards were received online by café staff and gardeners.

We received numerous Awards from the Federation of City Farms and Community Gardens for our community garden displays.

We also received Awards from Love Hertford for our community and volunteer work throughout the pandemic.

Fundraising achievements

We received a substantial number of grants, particularly Covid grants, details of which can be found further in this document.

We adapted the events where possible, holding a virtual London marathon, wreath boxes with a video tutorial, and deliveries of Christmas trees.

Investment performance

The Trustees have placed some reserve funds into an interest bearing account at the Triodos bank.

Financial review

During the year the charitable company's income increased from £760,669 in 2021 to £770,648 in 2022, an increase of £9,979. Expenditure increased from £645,272 in 2021 to £680,418 in 2022, an increase of £35,146. Overall Mudlarks recorded a surplus of £90,230 which included a surplus on unrestricted funds of £75,082 and on restricted funds of £15,148.

At the year-end Mudlarks had unrestricted funds to carry forward of £444,087 (2021: £369,005) and restricted funds of £78,366 (2021: £63,218).

We have diversified our charitable incomes with a third coming through the café, a third from local government and the rest from events, donations and fundraising.

THE MUDLARCS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Reserves policy

The Trustees have agreed a policy whereby funds not committed or invested in tangible fixed assets held by the company should be maintained at a level sufficient to pay rent and staff costs for 6 months. This policy allows for a reduction of income or lack of fundraising success during any particular year whilst allowing the charity to continue its activities at the current level for some months.

As at the year end the target level of reserves were calculated to be £260,000. The actual reserves are in line with this amount. The excess will be used as working capital and contingency funds in the event of needing to replace equipment.

Principal sources of income and how expenditure meets objects

Our principal sources of income are from grants and contracts with Hertfordshire County Council, direct funding, schools, café sales, fundraising, contracts and donations.

Investment policy

All monies are reinvested into the charity.

Risk Review

The Trustees have considered the risks to which the charity is exposed and have established systems for mitigating those risks.

The external risk is funding. The charity's reserves policy has been developed to address any sudden withdrawal of funding and there is a policy to secure funds from a wide range of sources.

Internal risks are minimised by implementing procedures for authorisation for all transactions and projects to ensure continued quality of service for all operational aspects of the charity.

COVID-19

The Trustees considered the impact this had on the affairs of the charitable company, revising operational and financial plans for the year ahead.

The charity will provide continued support to its beneficiaries during and beyond the pandemic. The trustees agreed a sensible spending plan for the year, alongside an updated income strategy which was be monitored regularly, with the flexibility necessary to manage the charity through this period. The trustees remain confident that the charity will be able to deliver significantly against our aims and objects within the resources that will be available.

Plans for future periods

To create new locations in order to help with the waiting list of gardener places.

Widen the Special Branch client base.

Establish the new, larger café in Hertford.

Utilise the cafe for evenings and weekend events.

Increasing the number of café assistants and build links with local businesses.

Open the Woodland Centre 5 days a week to all people, as well as the schools, providing a facility for young adults with more challenging behaviour.

Find land for 2 large polytunnels in order to be able to create placements for more able autistic gardeners, grow vegetables for the cafe throughout the year and thus reduce café food costs.

THE MUDLARKS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

The Mudlarks Community is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

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:

David Bullen

Alison Voyle

Stuart Ross

Stephen Wilson

(Appointed 26 July 2021)

Recruitment and appointment of Trustees

Individuals who have either volunteered or shown commitment to Mudlarks over many years are invited to join the Board of Trustees to meet a required skill set on the Board.

The Trustees of the charity live or work in the local area. They are selected due to the skills and level of expertise they can bring to the organisation to help improve its efficiency and effectiveness and are all volunteers.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Induction and training of trustees

New trustees attend a Trustee Roles and Responsibilities course run by the CVS.

Administrator supplies literature to guide Trustees.

Attending training courses with other staff and volunteers including basic first aid, manual handling, Makaton, autism awareness. Trustees use the same e learning platform as staff to complete appropriate modules such as equal opportunity and diversity training and Safeguarding adults from abuse.

Organisational structure

Mudlarks has a clearly defined structure allowing users and the local community to participate through the Board of Trustees. This governing body has responsibility for policy and overall management.

The day-to-day running, fundraising and development of the organisation are the responsibilities of the Mudlarks CEO.

Relationship with wider network

We are members of the Social Farms and Gardens network, Thrive, and Herts Social Therapeutic Horticulture Group.

We have a close relationship with the Adult Health and Social Care team in East Herts, the 0-25 SEND team, and all the local schools and colleges.

Relationship with related parties

Mudlarks managing staff attend annual reviews, and day care co-ordination meetings. The CEO gives regular talks to local groups e.g. WI, Rotary Clubs etc.

THE MUDLARCS COMMUNITY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of The Mudlarks Community 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 charitable company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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



Stuart Ross
Trustee

Dated: 6 September 2022

THE MUDLARKS COMMUNITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MUDLARKS COMMUNITY

I report on the financial statements of the charitable company for the year ended 31 March 2022, which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

The charitable company's trustees, who are also the directors of The Mudlarks Community for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102);have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Chartered Accountant
Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 9 September 2022

THE MUDLARCS COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Donations and legacies	3	140,615	-	140,615	232,005
Supporting adults with learning disabilities and mental health issues	4	558,564	69,290	627,854	527,611
Other fundraising activities	5	2,064	-	2,064	887
Investments	6	115	-	115	166
Total income		701,358	69,290	770,648	760,669
<u>Expenditure on:</u>					
Raising funds	7	4,954	-	4,954	6,482
Supporting adults with learning disabilities and mental health issues	8	616,923	58,541	675,464	638,790
Total expenditure		621,877	58,541	680,418	645,272
Net incoming resources before transfers		79,481	10,749	90,230	115,397
Gross transfers between funds		(4,399)	4,399	-	-
Net income for the year/ Net movement in funds		75,082	15,148	90,230	115,397
Fund balances at 1 April 2021		369,005	63,218	432,223	316,826
Fund balances at 31 March 2022		444,087	78,366	522,453	432,223

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.

THE MUDLARCS COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>				
Donations and legacies	3	232,005	-	232,005
Supporting adults with learning disabilities and mental health issues	4	444,976	82,635	527,611
Other fundraising activities	5	887	-	887
Investments	6	166	-	166
Total income		678,034	82,635	760,669
<u>Expenditure on:</u>				
Raising funds	7	6,482	-	6,482
Supporting adults with learning disabilities and mental health issues	8	561,981	76,809	638,790
Total expenditure		568,463	76,809	645,272
Net incoming resources before transfers		109,571	5,826	115,397
Gross transfers between funds		(11,594)	11,594	-
Net income for the year/ Net movement in funds		97,977	17,420	115,397
Fund balances at 1 April 2020		271,028	45,798	316,826
Fund balances at 31 March 2021		369,005	63,218	432,223

THE MUDLARCS COMMUNITY

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		4,646		11,044
Current assets					
Debtors	12	41,124		34,007	
Cash at bank and in hand		488,850		398,792	
		<u>529,974</u>		<u>432,799</u>	
Creditors: amounts falling due within one year	13	<u>(12,167)</u>		<u>(11,620)</u>	
Net current assets			517,807		421,179
Total assets less current liabilities			<u>522,453</u>		<u>432,223</u>
Income funds					
Restricted funds	15		78,366		63,218
Unrestricted funds			444,087		369,005
			<u>522,453</u>		<u>432,223</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

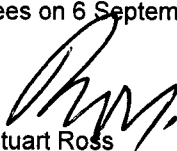
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 6 September 2022

David Bullen
Trustee



Stuart Ross
Trustee



Company Registration No. 06927124

THE MUDLARCS COMMUNITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	18		89,943		107,991
Investing activities					
Purchase of tangible fixed assets		-		(13,942)	
Interest received		115		166	
Net cash generated from/(used in) investing activities			115		(13,776)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			90,058		94,215
Cash and cash equivalents at beginning of year			398,792		304,577
Cash and cash equivalents at end of year			488,850		398,792

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Mudlarks Community is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Wellington Street, Hertford, Hertfordshire, SG14 3AW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, 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) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 charitable company 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.

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.

1.4 Income

Income is recognised when the charitable company 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 charitable company 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.

1.5 Expenditure

Liabilities and related expenditure are recognised when an obligation exists at the Balance Sheet date as a result of a past event, it is more likely than not that a transfer of economic benefits exists and the amount of the obligation can be measured or estimated reliably.

THE MUDLARCS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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:

Fixtures and fittings	over three years
Computers	over three years
Motor vehicles	over three years

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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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 charitable company 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 charitable company's balance sheet when the charitable company 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.

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.

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 charitable company'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 charitable company 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 charitable company'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.

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	56,432	64,819
Grants receivable for core activities	84,183	167,186
	<u>140,615</u>	<u>232,005</u>
Grants receivable for core activities		
Hertfordshire County Council - Covid Infection Control Grant	9,515	9,570
East Herts Council - Covid Grants	33,500	40,357
Lloyds Bank Foundation for England & Wales	33,334	33,333
Hertfordshire Community Foundation	5,000	30,000
Coronavirus Job Retention Scheme Grant	1,325	44,345
Other	1,509	9,581
	<u>84,183</u>	<u>167,186</u>

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Supporting adults with learning disabilities and mental health issues

	2022 £	2021 £
Commissioned services and schools income	292,147	279,801
Income from services undertaken by beneficiaries	266,417	163,875
Grants for charitable activities	69,290	82,635
Charitable rental income	-	1,300
	<u>627,854</u>	<u>527,611</u>
Analysis by fund		
Unrestricted funds	558,564	444,976
Restricted funds	69,290	82,635
	<u>627,854</u>	<u>527,611</u>
For the year ended 31 March 2021		
Unrestricted funds	444,976	
Restricted funds	82,635	
	<u>527,611</u>	
Grants for charitable activities		
Barbara Ward Childrens Foundation	-	10,000
National Lottery Community Fund	-	33,946
Clothworkers Federation	-	16,200
Graham Rowlandson Foundation	-	20,489
Childwick Trust	15,000	-
The Daniell Trust	4,000	-
Oliver Ford Foundation	10,000	-
The Pixel Fund	10,290	-
Simon Gibson Charitable Trust	5,000	-
Hertfordshire Community Foundation	25,000	-
Other	-	2,000
	<u>69,290</u>	<u>82,635</u>

THE MUDLARCS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Other fundraising activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Fundraising events	2,064	887

6 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	115	166

7 Raising funds

	Unrestricted funds	Total
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Staging fundraising events	2,904	4,856
Marketing	2,050	1,626
Fundraising and publicity	4,954	6,482

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Supporting adults with learning disabilities and mental health issues

	2022 £	2021 £
Staff costs	446,812	386,368
Depreciation	6,397	6,884
Other staff costs	3,725	2,264
Project costs	169,759	136,489
Premises costs	11,041	12,262
Insurance costs	5,453	3,611
Repairs and maintenance costs	6,242	71,282
Office costs	7,357	5,403
Computer costs	4,476	3,183
Motor expenses	10,959	8,284
Legal and professional costs	1,563	1,060
Bank charges and other finance costs	-	100
Governance costs	1,680	1,600
	<u>675,464</u>	<u>638,790</u>

Governance costs include fees to the Independent Examiners for examination services of £1,680 (2021: £1,600). In addition, fees of £570 (2021: £570) for accounting and payroll services were paid to the Independent Examiners.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	41	38
Administration	1	1
	<u>42</u>	<u>39</u>

Employment costs

	2022 £	2021 £
Wages and salaries	420,836	366,114
Social security costs	19,675	14,886
Other pension costs	6,301	5,368
	<u>446,812</u>	<u>386,368</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 April 2021	21,107	10,418	23,075	54,600
At 31 March 2022	<u>21,107</u>	<u>10,418</u>	<u>23,075</u>	<u>54,600</u>
Depreciation and impairment				
At 1 April 2021	13,412	8,819	21,325	43,556
Depreciation charged in the year	3,848	800	1,750	6,398
At 31 March 2022	<u>17,260</u>	<u>9,619</u>	<u>23,075</u>	<u>49,954</u>
Carrying amount				
At 31 March 2022	<u>3,847</u>	<u>799</u>	<u>-</u>	<u>4,646</u>
At 31 March 2021	<u>7,695</u>	<u>1,599</u>	<u>1,750</u>	<u>11,044</u>

THE MUDLARKS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	14,612	14,103
Other debtors	13,375	17,144
Prepayments and accrued income	13,137	2,760
	<u>41,124</u>	<u>34,007</u>

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	6,213	4,789
Other creditors	233	1,598
Accruals and deferred income	5,721	5,233
	<u>12,167</u>	<u>11,620</u>

14 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £5,368 (2021: £5,400).

THE MUDLARCS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 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:

	Balance at 1 April 2020 £	Movement in funds			Transfers £	Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
Big Lottery Fund/Awards for All	2,000	-	(2,000)	-	-	-	-	-	-	-	-
Childwick Trust	-	-	-	-	-	-	15,000	(2,872)	-	-	12,128
Oliver Ford Foundation	-	-	-	-	-	-	10,000	(7,614)	-	-	2,386
The Daniell Trust	-	-	-	-	-	-	4,000	(7,077)	3,077	-	-
The Pixel Fund	-	-	-	-	-	-	10,290	-	-	-	10,290
Hertfordshire Community Foundation (GCE)	-	-	-	-	-	-	5,000	(80)	-	-	4,920
Hertfordshire Community Foundation (CODA)	-	-	-	-	-	-	20,000	-	-	-	20,000
Graham Rowlandson Foundation	9,002	20,489	(11,846)	-	-	17,645	-	(14,003)	-	-	3,642
Baily Thomas	14,796	-	(21,015)	6,219	-	-	-	-	-	-	-
ICAP	20,000	-	-	-	-	20,000	-	-	-	-	20,000
Simon Gibson Charitable Trust	-	-	-	-	-	-	5,000	-	-	-	5,000
Clothworkers Federation	-	16,200	(16,200)	-	-	-	-	-	-	-	-
Awards for All, National Lottery Community Fund	-	10,000	(1,302)	-	-	8,698	-	(8,698)	-	-	-
National Lottery Community Fund	-	23,946	(21,357)	4,286	-	6,875	-	(8,197)	1,322	-	-
Barbara Ward Children's Foundation	-	10,000	-	-	-	10,000	-	(10,000)	-	-	-
Brickenden Grange Golf Club	-	2,000	(3,089)	1,089	-	-	-	-	-	-	-
	45,798	82,635	(76,809)	11,594	-	63,218	69,290	(58,541)	4,399	-	78,366

THE MUDLARCS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Restricted funds

(Continued)

Big Lottery Fund/Awards for All was a grant for allotment site equipment.

Childwick Trust is funding towards the salary of a Café assistant manager.

Oliver Ford Foundation is funding for the Special Branch project manager's salary.

The Daniell Trust is funding towards salary costs of the Larking About project.

The Pixel Fund is funding for the Forest School Yurt Project.

Hertfordshire Community Foundation (GCE): Grow Cook Eat Grant funds growing food at the allotments for the café.

Hertfordshire Community Foundation (CODA): Community Opportunities & Day Activities Grant is towards the salary of the Café Mentor.

Graham Rowlandson Foundation is funding towards the Special Branch salaries.

Baily Thomas was funding for salary costs.

ICAP is funding for the polytunnel project.

Simon Gibson Charitable Trust is funding for the vegetable box scheme.

Clothworkers Federation was a grant towards the kitchen equipment in the new café.

Awards for All, National Lottery Community Fund was a grant for the salary of one of the allotment site support workers.

National Lottery Community Fund was a relief grant towards the running costs of the café while closed during Covid-19.

Barbara Ward Children's Foundation was a grant towards the salary of the Forest School leader and replacement of the compost toilet.

Brickenden Grange Golf Club was funding towards the purchase of gazebos.

THE MUDLARCS COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 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	4,646	-	4,646	11,044	-	11,044
Current assets/ (liabilities)	429,441	88,366	517,807	357,961	63,218	421,179
	<u>434,087</u>	<u>88,366</u>	<u>522,453</u>	<u>369,005</u>	<u>63,218</u>	<u>432,223</u>

17 Operating lease commitments

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

	2022 £	2021 £
Within one year	27,500	38,500
Between two and five years	55,000	82,500
	<u>82,500</u>	<u>121,000</u>

The operating leases represent leases for the café and office premises to third parties.

18 Cash generated from operations

	2022 £	2021 £
Surplus for the year	90,230	115,397
Adjustments for:		
Investment income recognised in statement of financial activities	(115)	(166)
Depreciation and impairment of tangible fixed assets	6,398	6,883
Movements in working capital:		
(Increase) in debtors	(7,117)	(13,202)
Increase/(decrease) in creditors	547	(923)
Cash generated from operations	<u>89,943</u>	<u>107,989</u>

19 Analysis of changes in net funds

The charitable company had no debt during the year.

