

Financial Statements and Directors' Report

For the year ended 31 March 2021



REGISTERED COMPANY NUMBER 06855753

REGISTERED CHARITY NUMBER 1136448

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Contents

Directors' Report	Pages 3-15
Independent examiner's report	Page 16
Statement of Financial Activities	Page 167
Statement of Financial Position	Page 18
Notes to the Financial Statements	Pages 19-24

Directors' Report

The Directors of Stepney City Farm (hereinafter referred to as the Farm or the Charity or the Company) present their Report and independently examined Financial Statements for the year ended 31 March 2021. The Report and Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities and the provisions of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS102 (effective 1 January 2015).

Reference and Administrative Details

Company Name	Stepney City Farm
Registered Company	Number 06855753
Registered Charity Number	1136448
Registered Office	Stepney City Farm, Stepney Way, London, E1 3DG

Directors and Trustees

The Directors of Stepney City Farm are also its Trustees for the purposes of charity law and are referred to throughout this Report as the Directors.

The Directors who held office during the year, unless otherwise indicated, were as follows:

Josephine Pertwee	Chair (stepped down September 2021)
Alice Thornton	Chair (stepped up September 2021)
Victoria Flower	(Resigned April 2020)
Edward Gaze	Co-Treasurer (Appointed November 2020)
Neil Lambert	(Appointed September 2020)
Victoria Park	
Charles Paxton	Treasurer (Resigned January 2021)
Thuy Ho Preuveneers	
Dr Catrina Prince	(Appointed November 2020)
Annabel Shipway	Co-Treasurer (Appointed November 2020)
Richard Thomas	
Dr Elizabeth Venables	

Company Secretary

Clare Hawkins

Bankers

The Co-operative Bank, 80 Cornhill, London EC3V 3NJ
Triodos Bank, Brunel House, 11 The Promenade, Clifton BS8 3NN
Shawbrook Bank Ltd, Lutea House, Warley Hill Business park, The Drive, Great Warley, Brentwood, Essex CM13 3BE

Independent Examiner

Catherine Sullivan, 5 Marneys Close, Epsom KT18 7HR

Objectives and Activities

The objects of the charity, as set out in its Articles of Association, are:

To promote, for the benefit of the inhabitants of Stepney and the surrounding area, the provision of facilities for recreation or other leisure time occupation, of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social and economic circumstance or for the public at large in the interests of social welfare and with the object of improving the conditions of lives of the said inhabitants. To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disability, financial hardship or social circumstances with the object of improving the conditions of the lives of the said inhabitants. To advance the education of the public at large, in agriculture, horticulture, crafts, country life, protection and improvement of the natural environment through best environmental practices, especially by encouraging reduction, re-use and recycling, and related subjects.

Principal Activity

The principal activity of the organisation in the year under review was to develop and run a city farm for the educational and social benefit of the residents of Stepney and surrounding areas in the London Borough of Tower Hamlets. We achieved this by using our resources to provide learning, recreational and volunteering opportunities for all ages.

Public Benefit

The objects of the charity are for public benefit, specifically around the provision of educational and social opportunities related to food, farming and caring for the wider environment. We do not charge for the majority of our services to the community and in cases where we do charge we offer concessionary rates for those less able to pay. We ensure that our services and facilities are all wheelchair accessible and do not restrict benefits to those with particular personal characteristics.

The charity creates and maintains a life-long learning environment where local people and others further afield can gain knowledge, skills, confidence and learning opportunities through farm activities. In planning the Farm Business Plan and the activities taking place, the Directors pay due regard to the Charity Commission's guidance on public benefit.

Remuneration Policy

All staff salaries including key staff are reviewed annually as part of an appraisal process conducted by their line manager. The CEO's appraisal is conducted by the Chair of Trustees. Salary increases are built into funding bids for those posts which are funded by grants. The Board of Trustees recently reviewed all salaries for parity across the staff pay levels.

Other charities and related parties There were no relationships between the charity and related parties that required disclosure. The Farm was a member of the following organisations as this was considered beneficial to achieving our objectives:

Capital Growth; East London Business Alliance; Social Farms & Gardens; London Food Link; London Community Resource Network; London Youth; London Environmental Educators Forum; The National Farmers' Union; Sustain; Volunteering England; National Council of Voluntary Organisations; The British Goat Society; The Permaculture LAND Network; The Stifford Centre (lead for consortium funding from the Tower Hamlets Community Fund); Volunteer Centre Tower Hamlets; Tower Hamlets Council for Voluntary Services.

Achievements and Performance

Chief Executive's Summary

2020-21 was a year like no other. When the Covid19 pandemic hit the UK in March 2020, Stepney City Farm was required to close to the public as an 'animal attraction' under lockdown legislation, and the majority of our activities ceased.

Our ability to deliver all of our usual charitable programming was compromised, with volunteering groups and all educational activities suspended for much of the year. However, as time went on and restrictions shifted, we were able to adapt our activities to meet the need in our local community, delivering a Martin Lewis funded project to supply Farm produce free of charge to vulnerable local people; increasing our online engagement with food growing tutorials and virtual tours; securing additional funding for staff to manage safe entry to the site when tier measures allowed; and working with Care4Calais to provide aid distributions at the Farm for refugees sheltering in local hotels.

The Farm has proven well placed to not simply weather the ongoing crisis, but to flourish as an important hub for the physical and mental health of our local community: providing greenspace and respite; fresh local produce; plants and gardening supplies for home-growing; local shopping; and outdoor leisure.

The team have also achieved an impressive amount on site despite the lack of volunteering and groups over the year. The area of land reinstated by Crossrail in 2019 now has a well-established crop field and a large poly tunnel. The poultry have been relocated to the reinstated site, and infrastructure has been installed including a new duck pond with a dry stone wall, and a new chicken coop and aviary. A large new animal field is enabling the rotation of livestock and the resting of pasture, and our large new GLA funded wild life pond has been completed.

Some long term benefits have resulted from managing the challenges of the pandemic, including the development of our online shop and a contactless donation system; the collection of invaluable data and visitor feedback made possible by having funded Front of House staff over autumn 2020; the subsequent creation of two financially sustainable Saturday Front of House staffing posts; the renovation of our break room facilities prompted by Covid-secure protocols; and a new local cafe customer base created by home-working. The Farm is in a strong position to move forward and continue to adapt to the new normal, and we look forward to the year ahead.

- Clare Hawkins, Chief Executive

Finance and emergency fundraising:

Overall, in 2020-21 the Farm's balance of income shifted from 45% earned income and 55% grants and donations, to 15% earned income and 85% grants and donations.

When the site closed, all of our usual earned income streams were instantly put at risk, including studio, café, and farmer's market rental income; corporate volunteering income; onsite donations; produce sales; and venue hire. Emergency cost reduction measures were actioned, including a hold on recruitment. Funders were approached regarding the reallocation of grant income, and permission was given for Youth funding to be derestricted, allowing corresponding posts to be Furloughed.

Our focus turned immediately to fundraising. In the first few weeks of lockdown, a Crowdfunder generated around £14K, and City Bridge Trust awarded us £11,625 in addition to our regular grant. Following an intervention by our local councillor, we were also grateful to be awarded the government's £25,000 retail and leisure support grant. Our onsite tenants unfortunately were not eligible for statutory emergency allowances, due to their premises not being individually assessed for business rates. In light of this, we

granted the studios and café a complete rent break for 3 months, followed by a 50% rental discount for a further 3 months. To support this, an application was submitted to the Creative Land Trust, and £3,000 was awarded to the Farm to partially subsidise the studio rents. A successful application to the Martin Lewis fund also brought in £5,000 to deliver our produce free of charge to vulnerable local people, helping us to adapt our activities to contribute to the pandemic aid effort whilst also offsetting some of the initial loss to produce sales.

One of the most significant losses to earned income was our Corporate Volunteering programme, which in 2019-20 generated £68K. An application was submitted to the Power to Change Emergency Fund in summer 2020, launched for community businesses suffering from a loss of earned income. The Farm was very fortunate to be awarded £23,412 to cover the projected reduction to our unrestricted reserves over 6 months.

When The London Community Response Fund was launched to tackle the gaps in funding provision created by the crisis, the Farm was awarded £2,538 in Wave 2 from the Tower Hill Trust to cover the start-up costs of a contactless donation system; and then £21,689 in Wave 3 from City Bridge Trust for two new Front of House posts to allow us to re-open to the public with safety measures in place. The ability to solicit donations face to face as well as the implementation of the contactless donation machines saw a significant upturn in donations; however, in November we were forced to close again, and after a brief reopening in December, we remained closed for the last quarter of the financial year.

At this point, new Trustee Ed Gaze was able to secure a donation of £30,000 toward core costs from Lloyd's of London through an employee nomination scheme. This secured our budget for the financial year, and ultimately enabled us to end the year at double our normal reserves target. The higher level of reserves achieved is considered necessary for the year ahead, as corporate income shows no sign of recovery, and we face the inevitable economic downturn ahead still with much capital work to be completed on our expanded site. The 2021-22 budget is currently balanced, but to the detriment of some of the more ambitious site development which we had hoped to undertake, including building a glasshouse to replace two of our poly tunnels, and the expansion of our irrigation system to the reinstated site.

Promoting animal welfare and ethical farming practices

The Farm continued to promote ethical and sustainable animal farming practices, and to educate urban residents on the origins of meat and other food produce through high welfare animal husbandry and the sale of meat.

The Farm Yard Manager oversaw animal care and upheld high standards, including carrying out daily animal health checks; routine health care procedures; maintaining an inventory of medicines and equipment; training and managing a range of volunteers; and managing the educational and wellbeing aspects of working with the animals. In 2020-21, this role was generously part-funded by the Worshipful Company of Wax Chandlers for a third consecutive year.

This post has always underpinned the Farm's capacity to deliver our ambitious range of programming to address the advancement of wellbeing, physical and mental health, and inclusion for our wider communities. However, in 2020, as the Covid19 pandemic took hold, the Farm Yard Manager became essential to business continuity during lockdown.

With a strict "stay at home" order in place and a ban on any non-essential travel in March, the Farm was closed to the public, volunteers, and all usual programme beneficiaries. The Farm Yard Manager became the sole carer for the livestock on the Farm, including the pigs, donkeys, sheep, goats, rabbits, guinea pigs,

ferrets, and poultry. Considering the risk to operations should he contract the virus himself, the Farm Yard Manager moved onto the site for the duration of the first lockdown.

In Spring, the herd of Anglo Nubian goats had their second set of kids, while the Ryland and Soay sheep produced a record 12 pure and mix breed lambs, including one set of triplets. We also welcomed two new Manx Loaghtan sheep, Mara and her ram lamb Jasper, to the flock.

The Open Volunteer sessions, which normally provide one of our key entry routes for training and best practice in animal management, were unfortunately suspended for most of 2020-21. When allowed, sessions recommenced with a closed group of up to 6 of our previous regular participants per session, but overall participation for all activities on the Farm was severely impacted by Covid regulations across the year.

Following the animal welfare and best practice review undertaken by the Farm in 2019, we were delighted to officially welcome veterinary surgeon Dr Catrina Prince as a Trustee in November, bringing a wealth of experience in animal care and welfare policy to the Board.

Sadly many of the usual agricultural shows and events which the Farm normally attends were cancelled in 2020, however our Derbyshire Redcaps did manage to squeeze in an award for Best in Class at the Colchester Poultry Club Show just before lockdown, and our Buff Orpington ducks were crowned Supreme Show Champion in the British Waterfowl Association online show.

Food Growing

In 2020-21, we completed the fourth year extension of a programme to develop our food growing as a financially sustainable social enterprise, funded through the Power to Change Community Business Fund. We fell below the sales match funding target of £23.4K, but increased annual sales by £5.5K on the previous year (achieving £16.8K), with the development of the reinstated growing space.

Just before the Covid19 national lockdown began in March 2020, a new 25m poly tunnel had been completed on the expanded site, and an existing poly tunnel had been wired up to electricity to create heated propagation benches. A large crop field designed by the growing team based on permaculture principles, featuring a unique circular 'mandala' layout for the growing beds had also been prepared and planted up over the winter, meaning that much of the infrastructure was in place for a skeleton workforce to cope with maintaining the food growing during lockdown.

All of our restaurant orders were cancelled with lockdown, and the growing team had to quickly adapt. A new demand for fresh local produce was created by supermarket shortages and the reduction of travel, and a veg box scheme initiated by our Food Grower quickly gained popularity in our local community. An online shop was launched using our existing SquareCard payment software so that customers could click and collect, and at the height of lockdown, we were selling up to 60 veg boxes a week, as well as our range of 'grow your own' plants and herbs.

As regulations for closed venues and volunteering became more defined, a limited number of volunteers were allowed back on site to assist with essential tasks, and some of the Food Growing Trainees who had been recruited to complete a 6-month placement were able to return. When a few weeks into lockdown we were awarded the Martin Lewis grant, we were able to supply free produce for 15 families a week, on top of the general online produce sales.

With so many people confined at home without a garden or outside space, we considered it vital to maintain access for our allotment plot holders, who all live in the local area and can walk to the Farm. The allotments became not only a source of fresh produce for the plot holders, but also a place of respite during lockdown.

As restrictions briefly eased in summer 2020, we relaunched the Plant Shop on site, with a beautiful new pagoda permanently situated next to the café. Plant sales increased greatly, with people keen to grow their own food and take up gardening during the pandemic. One of our volunteers, a professional florist, also took an active role in coordinating an ornamental plant offer to raise funds for the Farm.

In late 2020, our poultry were relocated to the reinstated site and their old enclosures integrated into the growing space, with a former chicken shed converted into a mushroom growing facility. We plan to offer mushroom growing training for our volunteers, and expect the mushroom crops to be a good source of income when sold to restaurants or on site.

The Power to Change grant has now been fully received, and the ongoing annual sales target, which had been based on the expectation of the site expansion being completed in 2018, is £39.6K. It is not clear whether this will ever be achievable with only one full time Food Grower; 2021-22 will be the first full year with the reinstated space being utilised to capacity, and we will aim to break even with the cost of salaries and overheads. The programme continues to be fundamental to our charitable objectives; generating a surplus remains our ambition, but is not essential to the continuity of the food growing activities.

Organic Acceptability Ratings criteria continued to be adhered to across all growing activities on the Farm, with no artificial fertilisers or pesticides used in our growing practices.

Youth; Education; and Outreach

Across the year, we developed a strong online presence, with weekly Instagram 'Lives' to keep visitors up to date with the animals and food growing on the site. Time Out voted this as their top online lockdown event one week, and we experienced a surge in new followers. Alongside our free Instagram broadcasts, we offered paid online tours for corporate groups who were unable to attend in person but still wished to support the Farm, and free online sessions for school children and community groups. Our Open Volunteers Greencare group for vulnerable adults remained connected through zoom sessions and the sharing of crafts and home-growing, and in September, we took part in the online London Harvest Festival, coordinated by Social farms & Gardens. We also worked with Eastside Youth to run an online gardening project, sending out home-growing kits to young people by bike courier, followed up by online food growing tutorials.

Unfortunately, even during periods of lockdown being relaxed, school groups were unable to return for in-person visits, and much of our on-site youth activity was cancelled or running at reduced capacity across the year. The GLA agreed to de-restrict part of our Young London Inspired grant for delivering youth programming for vulnerable young people, and our Youth Programme Manager went on Furlough for the first lockdown period.

In January, we were disappointed to learn that Tower Hamlets Children's Commissioning service had suffered Covid-related budget cuts from the Council's Resource Directorate, and that the Farm Education contract for schools, which Stepney City Farm has delivered for 8 years, would no longer be funded. The Commissioning Officers did advocate strongly for the Farm and for our programme, and provided us with an outstanding reference to assist with future fundraising. In May 2021, we were delighted to be awarded

support by the Garfield Weston Foundation to continue the Schools programme across 2021-22, and will in the course of this year seek out suitable future multi-year funding opportunities.

In March 2021, with the Farm eligible to reopen at the earliest stage of lockdown lifting on 12 April, we decided to invest in a new outdoor visitor, education and events space. The 'Garden Deck' is a covered decking area large enough to accommodate school groups of 30, and will give us more flexibility over the uncertain year ahead to take group bookings and run programming.

Cafe and Farm Shop

Following the departure of our previous café operators in December 2019, Betty Gilbert and Lucy Cuthbert had been appointed to take over the space just before lockdown, and had been ready to launch the Café as a new enterprise alongside Betty's successful catering company.

The opening of The Allotment Kitchen was delayed by lockdown, but at the end of May 2020, it opened as a takeaway service. Celebrity chef and local Farm supporter Ben Tish stepped in by working with Lucy and Betty to provide three weekends of special 'dine at home' meals, which his press office widely promoted. They sold out every week, and raised money to support the Farm as well as to launch the Café.

The new café quickly became popular with local residents working from home, and once customers were able to sit in outdoor venues again, the extensive café garden seating area proved a great asset.

The Allotment Kitchen has since gone from strength to strength, most recently becoming a popular option for the small wedding receptions allowed under lockdown rules.

Onsite Studios

Since 2013, the Farm has supported and promoted a range of rural arts and crafts through the provision of three affordable workshop spaces in a bespoke studio building. Across 2020-21, the workshops were occupied by a pottery run by Jess Jos Ceramics; a green wood working shop run by Barn the Spoon; and by landscape painter Georgie Mason, who incorporates natural materials from the Farm into her work.

Usually, resident artists provide courses and workshops for participants of all levels of experience and ability, and the rental of the spaces provides an essential unrestricted income stream for the charity. However, with classes being suspended for much of 2020-21, all of the artists had to quickly adapt their activities to survive, and the Farm agreed to an emergency rent break of 3 months, followed by a 50% discount for a further 3 months. We were able to partially support this through a generous grant from the Creative Land Trust to assist studio providers during the pandemic. All of the artists were ultimately able to sustain their businesses, and are now running additional sessions to catch up on postponed bookings.

Access and Visitor Experience

Thanks to generous public donations and the support of our funders, contingent on Covid laws the Farm remains free and accessible for all visitors to enjoy six days a week, as a community hub; a unique educational resource; and a leisure opportunity in the urban heart of Tower Hamlets.

The lack of labour over 2020 has somewhat delayed progress on preparing our extended area of reinstated land for public opening, and at present there is still a portion of the site closed to visitors. We have however managed to complete our large new GLA Greener Cities funded wildlife pond; this is already benefiting biodiversity on the site, and will provide a blue haven for the local community, and an important educational resource for local school groups. Once some fencing work is completed, we expect to open this area in summer 2021 and relocate our Saturday market to the north entrance. We expect to have the entire site open, including the poultry areas, by spring 2022.

The main section of site was closed for the first lockdown from March 2020, and was finally able to reopen in September, with staff funded through the London Community Response Fund to enforce a one way system, count and control the number of people on site, prevent contact with the animals, and enforce handwashing. An added advantage of this new staffing capacity was to facilitate the face-to-face solicitation of donations on site; to record accurate visitor numbers for the first time; and to collect statistical data and qualitative feedback from the public on site.

In September and October, the Farm was averaging 1,505 visitors per week. Unfortunately, in November we were forced to close again, and after a brief reopening in December, had to remain closed for the last quarter of the financial year.

Without ongoing funding for front of house staff in 2021-22, we have set up a 'self-service' welcome shop in a new summer house at the Farm entrance, for safety information, donations, NHS app check-ins, and sales of Farm produce. This has much improved visitor flow and reduced the number of queries dealt with by staff in the office during the week, but the data gathered during autumn 2020 did indicate that retaining front of house staff just on Saturdays would be both financially efficient and improve visitor experience. We have therefore retained two Saturday front of house posts which we consider sustainable on a permanent basis due to the corresponding increase in Saturday donations and sales – a long term innovation which would not have come about without lockdown.

During the most recent re-opening period in the new financial year, the Farm began averaging 1,200 visitors on Saturdays alone, attributable to the high demand for outdoor activities following a long winter lockdown. How this will level out across 2021-22 remains to be seen, but feedback collected onsite and through the monitoring of public reviews and online interaction indicates that the profile of the Farm is steadily rising, and that our visitor base is expanding.

"Wonderful little city farm. Great place for adults and kids alike. Staff are friendly and helpful, animals are well cared for and a lovely atmosphere all round. Plenty of opportunity for children to feed the animals with feed bought cheaply onsite, all done on trust. Gorgeous little cafe/restaurant onsite too. The whole place had my son enthralled for hours!"

"Stunning place to breathe green and enjoy what mother nature give to us and all of this in the middle of London. Food is great, nice flat white and amazing IPA organic beer, a must try."

"Fantastic place to hang out and learn about animals! The place is kept really clean by the staff and all covid guidelines are followed so felt super safe. Would highly suggest for a fun weekday or weekend activity!"

Structure, Governance and Management

Governing Document

Stepney City Farm was incorporated on 23 March 2009 as a Company Limited by Guarantee without a Share Capital. The Company was then registered as a charity on 10 June 2010. The Company was established under a Memorandum of Association that defined its objects and powers. It is governed by its Articles of Association, under which each Member is required to contribute an amount not exceeding £10 towards the liabilities of the Company in the event of it being wound up whilst they are Members, or within one year of their ceasing to be Members.

Directors

The Directors who held office during the year, unless otherwise indicated, are set out on page 3. As the Company is limited by guarantee and has no issued share capital, none of the Directors hold any beneficial interest in the charitable Company.

Recruitment and Appointment of Directors

Directors are usually recruited from residents or persons working within the London Borough of Tower Hamlets. They are expected to take a specific interest in an area of the Farm's activities and/ or to have relevant professional expertise.

In accordance with the Articles of Association of the Company, a third of the Directors, those who are the longest serving, are required to retire from office at every third Annual General Meeting (AGM) but, if eligible, may offer themselves for re-election.

Induction and Training of Directors

The charity has produced an induction pack for all new Directors, which will include the latest annual report and accounts, a summary of current policies, the memorandum and articles, operational plans and financial forecasts. They are given opportunities to meet other Directors and senior staff to provide insight into the management and operations of the charity. Training is mainly provided through briefing sessions at Board meetings as issues arise; for example, over updated legal and regulatory requirements. There are also opportunities offered for further training from external providers over the year.

Organisational Structure

The Directors operate through a Board comprising themselves and, with no voting rights, the Farm Director and external advisers. The Board is responsible for the overall governance of the charity and guiding its strategic direction. It meets every other month.

The Chief Executive has overall responsibility for Farm operations and delivering organisational strategy, and has the power to delegate spending authority to individual budget holders on the staff faculty, who report to the Chief Executive monthly. Induction processes are in place for all Farm workers including staff, volunteers in all volunteer streams and work experience students. There is a permanently contracted member of staff for every day of the week responsible for overseeing animal care, site operations, health and safety (morning and evening site check, first aid, hygiene) and security on their given day(s).

Risk Review

The Board has reviewed the principal areas of the organisation's operations and considered the major risks that may arise in each of these areas. In the opinion of the Directors, the charity has established resources and reviews that, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

Financial Review

Results for the year

The results of the year and financial position of the Company are shown in the accompanying Financial Statements.

The Statement of Financial Activities shows a net surplus for the year of £81,718 (net surplus of £27,070 in 2019/20). With the loss of much of our earned income over the Covid19 lockdown, this surplus has been achieved through additional fundraising.

Total unrestricted incoming resources were £202,898 (£189,291 in 2019/20) and total restricted incoming resources were £176,315 (£125,572 in 2019/20). This was raised from a combination of sales, corporate volunteering days, donations and grant funding. Total resources expended from unrestricted funds were £133,080 (£152,456 in 2019/20) and total resources expended from restricted funds were £164,415 (£135,337 in 2019/20).

Donations in Kind

The Farm has received some donations of goods and services: most notably in 2020/21, several tonnes of woodchip from various arborists; a regular supply of house plants and cut flowers for sale donated by Daniel Osborne Flowers; and stone boulders donated on the closure of a local adventure playground.

The donations in kind have not been valued in the accounts because the charity wouldn't have bought them if they hadn't been donated.

Grants and Donations

Thank you to A+E Educational Foundation, City Bridge Trust, the Fan Makers' Company, Greater London Authority (Young London Inspired and Greener Cities funds), Jack Petchey Foundation, Lloyd's of London, London Borough of Tower Hamlets (Farm Education Partnership and The Local Community Fund), Martin Lewis Charitable Fund, Tower Hill Trust, Ocean Regeneration Trust, Power to Change (Community Business Fund), and the Wax Chandlers' Company.

Thank you to the companies who were unable to attend our Corporate Volunteering programme this year to Covid, but supported the Farm by making donations, pre-paying for future volunteering days, or booking virtual tours and events:

Barclays; CMS Cameron McKenna Nabarro Olswang LLP; Credit Suisse International; Fitch Ratings; Google; Informa; JP Morgan; NBC Universal; Royal Bank of Scotland; UKFast.

There were also many anonymous donations from individual visitors for which we are extremely grateful. Thank you to everyone who donated to our Crowd Fund in 2020; dropped a pound in the donations box; used the contactless donation machines; or contributed by text or online via Easy Fundraising, Just Giving or My Donate; attended yoga sessions; held a children's party or venue hire at the Farm; or bought Farm produce.

All at Stepney City Farm are very grateful for all donations and grants received and we thank our funders for their support.

Investments

The Farm does not currently hold any investments.

Reserves and Funds

Free reserves are the balance of resources under the Company's unrestricted Funds to spend at the Chief Executive's discretion, with the oversight of the Board of Trustees, in furtherance of the Company's charitable objects, once the stated value of fixed assets and any other amounts already committed have been deducted. The free reserves at 31 March 2021 were £198,456.

We began the year having reached our reserves target of 3 months operating costs. Although these reserves were considered adequate under normal circumstances, with the loss of the majority of our earned income during the Covid19 lockdowns, and taking into account the future development costs of the expanded site, it was considered prudent to increase reserves through additional fundraising. The current relatively high level of reserves is forecast to reduce across 2021-22 due to an ongoing Covid-related reduction in corporate volunteering income, and due to capital expenditure on the expanded site. £52,000 has been ring-fenced for development of the expanded site, and we expect to end 2021-22 at our usual reserves target.

A review of the adequacy of these reserves is made annually, normally at budget approval, and at any other times the Directors consider prudent.

Financial sustainability

The Directors consider the organisation to be sustainable for the following reasons:

All staff roles for 2020-21 either have funding in place, or can be reasonably expected to be fully funded via other income streams or funding applications;

The policy of including a contribution to overheads in each funding application has ensured that essential utilities and other premises costs are covered.

Plans for Future Periods

In 2021-22, we will continue to work toward the objectives of the 3 year business plan drafted in early 2020. Our vision is refined across three key areas:

- *The Farm as a beacon of rural and environmental education in Tower Hamlets, with a particular focus on food systems and encouraging sustainable living practices.*
- *The Farm as the heart of our diverse local community; an inclusive space offering 'something for everyone', connecting people through farming.*
- *The Farm as a centre of support for healthy living in Tower Hamlets; including the promotion of healthy eating, good physical health, and good mental health.*

The operational plans for the delivery of our vision continue to be revised in light of the subsequent impact of the Covid19 pandemic; however, with the immediate loss of income mitigated by fundraising in 2020-21, we will be able to prioritise the following key areas of activity:

- Development of infrastructure on the expanded site;

- Development of food growing into a financially self-sustaining social enterprise;
- Strategizing for the future of the Education programme and securing multi-year Education support for 2022-23 onward.

Given the ongoing evolution of the Covid situation and the uncertainty around the future of public gatherings, the ambition to secure support for a new Public Programmes Organiser will be postponed for review in 2022.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the incoming resources and application of resources, including income and expenditure, for that year. In preparing those Financial Statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue to operate.

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

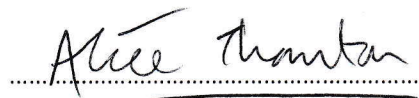
STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Audit Exemption

The Directors have decided to take advantage of the audit exemption provisions of the Companies Act 2006. Under the provisions of section 145 of the Charities Act 2011, Catherine Sullivan has been appointed as Independent Examiner. Her report is shown on page 14.

This Report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRS102) (effective 1 January 2015), and in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies.

Approved by the Directors on the following date and signed on their behalf by:

..... Date:

Alice Thornton, Chair

Independent examiner's report on the accounts

Report to the trustees of Stepney City Farm (Charity number: 1136448), on accounts for the year ended 31 March 2021.

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 March 2021, as set out on pages 17 to 24.

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

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

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

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

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

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

Signed: 

Date: 2/11/21

Catherine Sullivan FCA, DipCHa

Beresford Marney Limited, 5 Marneys Close, Epsom, Kt18 7HR

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Statement of Financial Activities
For the year ended 31 March 2021

	Note	Unrestricted Funds	Restricted Funds	Designated Funds	Total Funds 2021	Total Funds 2020
		£			£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary Income	2	147,068	176,315	0	323,383	179,913
Investment Income – bank interest		297	0	0	297	70
Total Incoming Resources from generated funds		147,365	176,315	0	323,680	179,983
Incoming resources from charitable activities						
	3	55,533	0		55,533	134,880
Total Incoming Resources		202,898	176,315	0	379,213	314,863
RESOURCES EXPENDED						
Charitable activities:						
	4	(131,509)	(154,650)	0	(286,159)	(278,375)
Fundraising Costs						
	5	(1,571)	(9,765)	0	(11,336)	(9,418)
Total resources expended		(133,080)	(164,415)	0	(297,495)	(287,793)
NET INCOME FOR THE YEAR		69,818	11,900	0	81,718	27,070
Transfer Funds		(26,436)	(25,564)	52,000	0	
RECONCILIATION OF FUNDS						
Total funds brought forward		103,074	38,681	0	141,755	114,685
TOTAL FUNDS CARRIED FORWARD		146,456	25,017	52,000	223,473	141,755

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Balance Sheet as at 31 March 2021	Note	2021	2021	Total Funds
		£	£	2020
FIXED ASSETS				£
Tangible assets	9		39,031	40,208
CURRENT ASSETS				
Debtors	10	28,620		14,311
Cash at bank and in hand		174,602		100,932
		203,222		115,243
CREDITORS: Amounts falling due within one year	11	(18,780)		(13,696)
NET CURRENT ASSETS			184,442	101,547
NET ASSETS	13		223,473	141,755
RESERVES	12			
Unrestricted funds:				
General reserve		107,425		62,866
Designated Fund Depn		39,031		
Designated Site Fund		52,000		
			198,456	40,208
				103,074
Restricted Funds			25,017	38,681
TOTAL FUNDS			223,473	141,755

The Directors are satisfied that the Company is entitled to exemption from the provisions of the Companies Act 2006 relating to the audit of the accounts for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006. However, in accordance with section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears on page 21.

The Directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Directors on the following date and signed on their behalf by:

Date:

28 October 2021

Signed:



Edward Gaze, Treasurer

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

2. INCOMING RESOURCES FROM GENERATED FUNDS – VOLUNTARY INCOME

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
London Borough of Tower Hamlets – Mainstream Grant		14,766	14,766	14,766
London Community		0	0	2,500
City Bridge Trust		80,814	80,814	46,500
GLA		40,166	40,166	27,177
Martin Lewis		5,000	5,000	0
Ocean Regeneration		0	0	5,000
Jack Petchey		750	750	750
William Kendall		15,000	15,000	0
TH Local Community		11,777	11,777	3,100
Wax Chandlers		0	0	10,000
Tower Hill Trust		2,538	2,538	1,980
Power To change		5,504	5,504	12,411
Totals	0	176,315	176,315	125,572
Donations from individuals	40,705	0	40,705	29,141
Donations from organisations	41,500	0	41,500	25,200
Covid 19 Grants/Furlough claims	64,863		64,863	0
	147,068	0	147,068	54,341
Total Voluntary Income	147,068	176,315	323,383	179,913

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES – OPERATION OF FARM

Total Funds	2021	2021	2021	2020
	Unrestricted	Restricted	Total Funds	£
Animal activities	1876		1,876	1,024
Corporate Volunteering	2950		2,950	70,136
Courses and Workshops	763		763	1,704
Misc	5381		5,381	4,836
Hire of space	26043		26,043	45,775
Sale of Farm Produce	18520		18,520	11,405
	55,533	0	55,533	134,880

4. RESOURCES EXPENDED – CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total Funds	Total Funds
	£	£	2021 £	2020 £
Animals	13,652		13,652	12,278
Furry Tales	0	0	0	7,404
Corporate	35		35	15,706
Gardening	184		184	2,382
Governance	750		750	750
Depreciation	10,330		10,330	8,395
Fundraising	1,571	9,765	11,336	9,418
Main	106,558	105,663	212,221	166,143
Farm education		9,874	9,874	21,341
Veolia/106		0	0	0
Power To Change		24,996	24,996	30,181
Volunteering		0	0	0
Environmental Education		14,117	14,117	13,795
	133,080	164,415	297,495	287,793

5. RESOURCES EXPENDED – FUNDRAISING COSTS

	2021 £	2020 £
Cost of employee time + Fundraise costs	11,336	9,418
	11,336	9,418

6. NET INCOMING RESOURCES

Net resources are stated after charging:

	2021 £	2020 £
Depreciation and disposal	10,330	8,395
Independent Examiner Fees	750	750
	11,080	9,145

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

7. DIRECTORS' REMUNERATION AND RELATED PARTY TRANSACTIONS

None of the Directors received any remuneration, other benefits or expenses for this or the previous year in any contract or transaction entered into by the Company during this or the previous year. No other person related to the Company had any personal interest

8. STAFF COSTS

	Unrestricted	Restricted	Total Funds	
			2021	2020
	£	£	£	£
Wages and Salaries	31,906	134,515	166,421	168,232
Social Security Costs	1,703	10,639	12,342	9,448
Employer Pension Costs	805	3,264	4,069	3,955
	34,414	148,418	182,832	181,635
Sub-contractor Fees	1,602	172	1,774	10,016
	36,016	148,590	184,606	191,651

No employee earned over £60,000 per annum in this or the previous year.

The total number of staff employed during the year was as follows:

	2021	2020
Directly engaged in activities	10	8
Support and management	2	2
Total	12	10

9. TANGIBLE FIXED ASSETS

	Restricted			Unrestricted			Total U/R	Total.	
	Buildings	Fixtures Fittings & Equipment	Total	Fixtures Fittings & Equipment	Motor Vehicles	Total	Total.	Total.	Totals
								2021	2020
				£	£	£			£
COST									
At 1 April 2020	80,418	15,704	96,122	21,168	6,445	27,613	123,735		123,735
Additions	0	0	0	9,153	0	9,153	9,153		0
Disposals			0	0		0	0		0
At 31 March 2021	80,418	15,704	96,122	30,321	6,445	36,766	132,888		123,735
DEPRECIATION			0				0		
At 1 April 2020	40,210	15,704	55,914	21,168	6,445	27,613	83,527		75,132
Charge for the year	8,042	0	8,042	2,288	0	2,288	10,330		8,395
At 31 March 2021	48,252	15,704	63,956	23,456	6,445	29,901	93,857		83,527
			0				0		
NET BOOK VALUE AT 31 MARCH 2021	32,166	0	32,166	6,865	0	6,865	39,031		40,208
NET BOOK VALUE AT 1 APRIL 2020	40,208	0	40,208	0	0	0	40,208		

The Restricted Building/F&F are considered to be Unrestricted Assets and are shown as restricted only in the event of disposal

10. DEBTORS

	2021	2020
	£	£
Trade Debtors	28,620	14,311
	28,620	14,311

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade Creditors	15,906	9,902
Taxes and Social Security	2,874	3,794
	18,780	13,696

12. TOTAL FUNDS

	Balance 1 Apr 20	Incoming Resources	Outgoing Resources	Trf to U/R	Assets	Desg'd Site Fund	Balance 31 Mar 2021
Environmental Education							
London Borough of Tower Hamlets	0	14,766	11,033	(3,733)		0	0
Farm Education/Youth							
General	888	0	0	(888)			0
GLA	16,069	26,407	9,374	(21,350)			11,752
Jack Petchey	2,874	750	500	(2,374)			750
Ocean Regeneration	3,084	0	3,084	0			0
Gardening							
GLA Greener Cities	0	13,759	13,759	0			0
Power2Change	0	5,504	24,996	19,492			0
Section 106	0						0
Tower Hamlets	3,803	0	0	(3,803)			0
Farm Manager							
William Kendall	0	15,000	15,000	0			0
Volunteering	0						0
TH Local Community	0	11,777	10,278	0			1,499
CEO Salary							
City Bridge	11,963	59,125	48,825	(11,625)			10,638
General							
Martin Lewis		5,000	3,717	(1,283)			0
Tower Hill Trust- Contactless		2,538	2,160				378
City Bridge- Gate Staff		21,689	21,689				0
Total	38,681	176,315	164,415	(25,564)	0	0	25,017
Designated Fund – Tangible Assets	40,208	0	0	(10,330)	9,153	0	39,031
Designated Fund – Site Fund						52,000	52,000
General Reserve	62,866	202,898	(133,080)	35,894	(9,153)	(52,000)	107,425
Total Unrestricted Funds	103,074	202,898	(133,080)	25,564	0		198,456
Total Funds	141,755	379,213	(297,495)	0	0		223,473

The Designated Fund for Depreciation provides a fund against which all depreciation of all tangible fixed assets is charged, thereby leaving the General Reserve unencumbered by any commitments.

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net Current Assets	Totals
	£	£	£
Restricted Funds	0	25,017	25,017
Unrestricted Funds			0
Designated Fund – Tangible Assets	39,031	0	39,031
Designated Fund – Site Fund	52,000		52,000
General Reserve	0	107,425	107,425
	91,031	107,425	198,456
Total Funds	91,031	132,442	223,473

14 Comparatives for the Statement of Financial Activities
For the year ended 31 March 2020

	Unrestricted	Restricted Funds	Total
INCOME AND ENDOWMENTS FROM			
Voluntary Income	54,341	125,572	179,913
Charitable activities:			
Farming/Educational Activities	134,880	0	134,880
Investment Income:			
Bank interest	70		70
TOTAL	189,291	125,572	314,863
EXPENDITURE ON			
Farming/Educational Activities	(152,456)	(135,337)	(287,793)
NET INCOME FOR THE YEAR	36,835	(9,765)	27,070
Transfer between funds	(15,284)	15,284	
RECONCILIATION OF FUNDS			
Total funds brought forward	81,523	33,162	114,685
TOTAL FUNDS CARRIED FORWARD	103,074	38,681	141,755

15 Allocation of support costs on Charitable Activities 2021

Costs	Salaries	Direct	Support	Governance	Total
Animals	90	13,561	73		13,724
Staff Grants	99,120	389	80,559	500	180,568
Farm education	9,374	500	7,619	47	17,540
Power To Change	24,380	616	19,815	123	44,934
Greener Cities	1,892	11,867	1,538	10	15,306
Environmental Education	13,824	293	11,235	70	25,422
Totals	148,680	27,226	120,839	750	297,495

Support costs have been allocated on the basis of direct labour costs paid per activity

Some staff costs are shown as part of the support figure. The total amount of staff expenditure is shown in note 8

STEPNEY CITY FARM
COMPANY LIMITED BY GUARANTEE 06855753
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

15 Allocation of support costs on Charitable Activities	2020				
Costs continued	Salaries	Direct	Support	Governance	Total
Animals	190	12,088	165		12,443
Furry Tales	6,442	363	5,582	34	12,421
Corporate	11,859	3,847	10,275	63	26,045
Staff Grants	57,277	0	49,628	306	107,211
Farm education	20,455	886	17,723	109	39,174
Power To Change	27,654	2,527	23,961	148	54,290
Volunteering	3,190	0	2,764	18	5,972
Environmental Education	13,150	645	11,394	70	25,259
Totals	140,217	20,356	121,491	750	282,814

Support costs have been allocated on the basis of direct labour costs paid per activity