

COMPANY REGISTRATION NUMBER: 06986325
CHARITY REGISTRATION NUMBER: 1136676

Black Country Foodbank Limited
Company Limited by Guarantee
Financial Statements
31 March 2022

BSN ASSOCIATES LIMITED

Chartered accountants & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Black Country Foodbank Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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Black Country Foodbank Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name Black Country Foodbank Limited

Charity registration number 1136676

Company registration number 06986325

Principal office and registered office 3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

The trustees

Mr C Maltby
Ms J Corns
Mr J M Russell
Ms P La Rue
Mr L Massey

Auditor

BSN Associates Limited
Chartered accountants & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Black Country Foodbank Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Structure, governance and management

The organisation is a charitable company limited by guarantee (registered in England and Wales). The organisation was incorporated on 10 August 2009 and became a registered charity under the Charities Act on 30 June 2010. The charity commenced its activities from 1 July 2010 and this is its eleventh year in operation.

The charity is governed by its memorandum and articles of association as amended by special resolution on 22 March 2010.

The Board of Trustees, who are also directors of the charity for the purposes of the Companies Act, have overall responsibility for the direction, management and control of the charity.

The board shall comprise of no fewer than two members, there is no maximum number of members. At the period end there were five members, all of whom are unpaid.

The board have the power to appoint a member at any time to fill a casual vacancy or as an addition to the existing members. Members would be appointed according to their relevant skills, competencies and experience which is judged by the existing board of members. Every year one third of the members holding office must retire, these members will be the ones who have held office for the longest. The board may then fill the vacated office by electing an individual to office and in default the retiring member shall if offering himself for re-election, be deemed to have been re-elected unless the board resolve not to fill the vacated office. A member can retire at any point by resigning his office in writing.

All new members are fully inducted in the charities operations by existing members.

The liabilities of the members is limited to their guarantee. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Trustees are kept up to date with the charities activities by regular meetings with senior staff who deal with the day to day running of the charity.

Aims and purpose

Black Country Foodbank exists to help vulnerable individuals and families in crisis through the provision of emergency food supplies while a longer-term solution is developed. The services we provide have an enormous impact on the people who use them, giving them important breathing space at a time of great need.

Our three core values are:

To Love - Responding to the needs of those in crisis;

To Connect - Engaging organisations throughout the Black Country in our mission;

To Invest - Working with volunteers and staff

Our area of operation covers the Black Country region, with twenty five distribution centres (branches) across Dudley, Walsall and Sandwell boroughs. All the distribution centres are supported from a central warehouse based in Brierley Hill in the Dudley Borough.

Black Country Foodbank Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Objectives and activities

Black Country Foodbank is committed to delivering a responsive service, involving the distribution of food, toiletries, and household items to those who, following a needs assessment, have been referred to us by a diverse range of frontline agencies (voucher holders) due to being deemed to be in crisis.

While the voucher-holding agency puts interventions in place to help the families and individuals in the longer term, we will not only feed but also look to 'signpost' the service user to other sources of care and support on a personal, case-by-case basis.

The organisation's roots are in the Christian faith however we are entirely committed to helping anybody who needs our support; young, old, single people and families from all backgrounds, religious beliefs (if any), and ethnic origin, without prejudice. We aim to treat everyone fairly and with dignity. Our policies are robust in ensuring that there is no room for any form of discrimination, be that with those we help, the broad spectrum of those we accept donations from and those we recruit as staff and/ or volunteers.

The Trustees have confidence that the organisations operating model provides reassurance to donors, prospective donors, agencies and the wider community that no abuse of the system is possible. Voucher holding agencies adhere to a robust system of needs assessment to ensure only those in genuine need are supported and are engaged with regularly and supported as necessary.

Achievement, performance and volunteers

In the financial year 2021/22:

- 27,682 people accessed direct provision from our Distribution centres and central warehouse including 10,501 children, compared to 26,627 (inc 9,296 children) in 2020/21. This represented an increase in demand of 4%.
- 258 tonnes of food were distributed to people across the Black Country through 25 Distribution Centres, 1 central warehouse and 53 Partner Projects.
- Across the central warehouse (and the 25 Distribution Centres) a total of 267 tonnes was received in donations from supporters, including donations from individuals, faith groups, local schools and corporate companies. Due to this incredible generosity the team at BCFB worked hard to make sure that the donations were shared with 53 other food aid charities across the Black Country providing 126,156 meals through hot meals, hampers and children's lunches.
- Approximately 30 individual volunteers helped at the central warehouse within the year, this number doesn't include the additional army of volunteers (approx. 300) involved in running each of our 25 Distribution Centres
- We continued to support the delivery of initiatives designed to tackle child hunger over all the school holidays.
- Collaborated with complimentary support agencies including Dudley CVS, Dudley Council, Citizens Advice, Welfare Rights and Homeless services to improve support
- Began an initiative to create simple recipe cards to complement the food in food parcels
- Continued the response to the Covid-19 pandemic, remaining agile and ready to respond as differing levels of restrictions were implemented

Black Country Foodbank Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Achievements and performance

Public benefit

Under the Charities Act 2011, charities are required to demonstrate that their aims are for the public benefit. The two key principles which must be met in this context are, first, that there must be an identifiable benefit or benefits; and secondly, that the benefit must be to the public, or a section of the public. Charity trustees must ensure that they carry out their charity's aims for the public benefit, must have regard to the Charity Commission's guidance, and must report on public benefit in in their Annual Report.

The charities board of trustees regularly monitors and reviews the success of the organisation in meeting its key objectives of relieving financial hardship, sickness and needs of people. The Trustees confirm, in the light of the guidance, that these aims fully meet the public benefit test and that all the activities of the charity, described in the Report of the Trustees, are undertaken in pursuit of these aims.

Financial review

The charities total incoming resources for the year were £1,121,710 (2021: £1,216,797) which were generated primarily from donations received from the public and various organisations and grants. The total resources expended of the charity were £988,892 (2021: £785,725) and represent the costs incurred to enable the charity to carry out its operations. The charity made a surplus for the year of £132,818 (2021: £431,072).

Reserves and going concern

The trustees consider that 25% of the charities annual operating expenses (excluding donated goods) is a reasonable level of unrestricted funds to retain, to allow the charity to have sufficient funds going forward to meets it obligations.

	2022	2021
	£	£
Unrestricted Funds	610,154	478,882
Restricted Funds	96,792	95,246
Total Funds	706,946	574,128
% of unrestricted funds to annual operating expenditure	394	371

The trustees are pleased to report that the charities reserves policy has been met and that the charity intends to use its reserves to further its objectives.

Black Country Foodbank Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Financial review *(continued)*

Risk management and internal control

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise to provide reasonable assurance that:

- the charity is operating efficiently and effectively
- proper records are maintained and financial information, used within the charity or for publication, is reliable
- the charity complies with relevant laws and regulations.

They do this by reviewing the up to date financial information of the charity including a review of its financial procedures and identifying and managing risks that the charity is exposed to.

Plans for future periods

While the foodbank's core purpose of providing nutritionally-balanced food parcels in a time of crisis will remain unchanged, the on-going requirement to identify and respond to fast-changing need remains a key priority.

Throughout much of this reporting period the Covid-19 pandemic has continued, with full restrictions only being lifted in Spring 2022. The organisations response to the pandemic demonstrated our resilience, strength and commitment to being there for those that need us in the Black Country. Staff teams and volunteers continued to go above and beyond to make sure that food could be donated, processed and distributed as effectively as possible. As well as staff and volunteers, the support shown in the community for the organisation has continued to humble us, with food and financial donations continuing throughout the toughest times.

The response to Covid-19 is wrapping up, but the organisations strength, depth and local profile has proven itself to be invaluable to those who rely most on us, including local authorities and of course users of the service.

Through 22/23 we will be continuing to deliver our core purpose through our army of volunteers, of providing food for those in crisis across the Black Country. This should be expected to mean the continued creation of new distribution centres, development of 'wrap-around' services to support service user's wider needs, and on-going review of the most effective models of operation. With dark clouds looming within the economy we will be under-taking a review of our whole operation to make sure we're delivering our vision in the most effective way.

Key priorities for the coming year include (beyond our core activity of food provision):

- An externally-led root and branch review of the organisation to identify opportunities to increase effectiveness
- Internal policy reviews
- Resourcing reviews
- Expansion of recipe cards project

Trustees' responsibilities statement

The trustees, who are also directors for the purposes 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

Black Country Foodbank Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 21 December 2022 and signed on behalf of the board of trustees by:



Mr C Maltby
Trustee

Black Country Foodbank Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Black Country Foodbank Limited

Year ended 31 March 2022

Opinion

We have audited the financial statements of Black Country Foodbank Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Black Country Foodbank Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Black Country Foodbank Limited *(continued)*

Year ended 31 March 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Black Country Foodbank Limited

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Independent Auditor's Report to the Members of Black Country Foodbank Limited (*continued*)

Year ended 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud might be inherently more difficult than irregularities that result from error, which gives risk to a risk of material misstatement. We are of the opinion that the planned audit approach, the documentation and interrogation of the entity's controls means that the audit procedures carried out were capable of detecting irregularities, including fraud. We have also reviewed financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations. We have audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. We have also made enquiries of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Black Country Foodbank Limited

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Independent Auditor's Report to the Members of Black Country Foodbank Limited *(continued)*

Year ended 31 March 2022

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Justice FCA FCCA

Hannah Justice FCA FCCA (Senior Statutory Auditor)

For and on behalf of
BSN Associates Limited
Chartered accountants & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

21 December 2022

Black Country Foodbank Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	243,132	878,153	1,121,285	1,216,661
Investment income	6	425	—	425	136
Total income		<u>243,557</u>	<u>878,153</u>	<u>1,121,710</u>	<u>1,216,797</u>
Expenditure					
Expenditure on charitable activities	7,8	<u>109,440</u>	<u>879,452</u>	<u>988,892</u>	<u>785,725</u>
Total expenditure		<u>109,440</u>	<u>879,452</u>	<u>988,892</u>	<u>785,725</u>
Net income		<u>134,117</u>	<u>(1,299)</u>	<u>132,818</u>	<u>431,072</u>
Transfers between funds		(2,845)	2,845	—	—
Net movement in funds		<u>131,272</u>	<u>1,546</u>	<u>132,818</u>	<u>431,072</u>
Reconciliation of funds					
Total funds brought forward		<u>478,882</u>	<u>95,246</u>	<u>574,128</u>	<u>143,056</u>
Total funds carried forward		<u>610,154</u>	<u>96,792</u>	<u>706,946</u>	<u>574,128</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 24 form part of these financial statements.

Black Country Foodbank Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	14	29,331	41,739
Current assets			
Debtors	15	2,681	20,940
Cash at bank and in hand		678,840	513,716
		<u>681,521</u>	<u>534,656</u>
Creditors: amounts falling due within one year	16	<u>3,906</u>	<u>2,267</u>
Net current assets		<u>677,615</u>	<u>532,389</u>
Total assets less current liabilities		<u>706,946</u>	<u>574,128</u>
Net assets		<u>706,946</u>	<u>574,128</u>
Funds of the charity			
Restricted funds		96,792	95,246
Unrestricted funds		610,154	478,882
Total charity funds	18	<u>706,946</u>	<u>574,128</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 21 December 2022, and are signed on behalf of the board by:



Mr C Maltby
Trustee

The notes on pages 14 to 24 form part of these financial statements.

Black Country Foodbank Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	132,818	431,072
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	16,644	14,526
Other interest receivable and similar income	(425)	(136)
Interest payable and similar charges	267	453
Gains on disposal of tangible fixed assets	–	(3,450)
Accrued expenses/(income)	21,459	(20,490)
<i>Changes in:</i>		
Trade and other debtors	(1,561)	3,235
Cash generated from operations	169,202	425,210
Interest paid	(267)	(453)
Interest received	425	136
Net cash from operating activities	<u>169,360</u>	<u>424,893</u>
Cash flows from investing activities		
Purchase of tangible assets	(4,236)	(17,494)
Proceeds from sale of tangible assets	–	4,500
Net cash used in investing activities	<u>(4,236)</u>	<u>(12,994)</u>
Net increase in cash and cash equivalents	165,124	411,899
Cash and cash equivalents at beginning of year	513,716	101,817
Cash and cash equivalents at end of year	<u>678,840</u>	<u>513,716</u>

The notes on pages 14 to 24 form part of these financial statements.

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3B Swallowfield Courtyard, Wolverhampton Road, Oldbury, West Midlands, B69 2JG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income and expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The entity constitutes a public benefit entity as defined in FRS102.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant estimates or judgements that have been used in the preparation of the accounts.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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

Black Country Foodbank Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated cost of providing the equivalent food parcels. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- Investment income is recognised when receivable and is shown gross to include income tax recovered and recoverable. Investment income comprises interest on cash balances.
- Grants received specifically for the provision of services as part of the charitable activities are accounted for on the basis of amounts receivable for the year.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the provision of donated goods.
- Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leashold Property Improvements	-	10% straight line
Fixtures and Fittings	-	15% straight line
Motor Vehicles	-	25% straight line
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

4. Limited by guarantee

The company is limited by guarantee and the liability of the members is limited to £1, in case of winding up.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations received	237,507	10,540	248,047
Donations received of food, toiletries and household items for those in crisis	—	834,253	834,253
Grants			
Grants receivable	5,625	33,360	38,985
	<u>243,132</u>	<u>878,153</u>	<u>1,121,285</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations received	440,834	25,774	466,608
Donations received of food, toiletries and household items for those in crisis	—	644,209	644,209
Grants			
Grants receivable	27,550	78,294	105,844
	<u>468,384</u>	<u>748,277</u>	<u>1,216,661</u>

This year the trustees have estimated the value of the amount of food, toiletries and household items received from donors which they have distributed to those in crisis to be £834,253 (2021: £644,209) the value is based on an average cost per kilogram of parcels distributed.

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>425</u>	<u>425</u>	<u>136</u>	<u>136</u>

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Provision of food, toiletries and household items to those in crisis	1,207	854,011	855,218
Support costs	108,233	25,441	133,674
	<u>109,440</u>	<u>879,452</u>	<u>988,892</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Provision of food, toiletries and household items to those in crisis	145	656,355	656,500
Support costs	102,759	26,466	129,225
	<u>102,904</u>	<u>682,821</u>	<u>785,725</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Provision of food, toiletries and household items to those in crisis	855,218	127,529	982,747	784,174
Governance costs	—	6,145	6,145	1,551
	<u>855,218</u>	<u>133,674</u>	<u>988,892</u>	<u>785,725</u>

9. Analysis of support costs

	Provision of food, toiletries and household items to those in crisis £	Total 2022 £	Total 2021 £
Staff costs	64,933	64,933	65,335
Premises	8,200	8,200	8,700
Communications and IT	3,190	3,190	3,649
General office	2,838	2,838	3,349
Governance costs	6,145	6,145	1,551

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

Insurance	1,282	1,282	1,128
Repairs & maintenance	3,864	3,864	2,095
Motor & travel expenses	8,406	8,406	8,430
Profit on disposal of sale of assets	—	—	(3,450)
Other office costs	11,488	11,488	8,833
Management fees	—	—	2,925
Contracted assistance	4,842	4,842	6,851
Fundraising costs	1,842	1,842	5,303
Depreciation	16,644	16,644	14,526
	<u>133,674</u>	<u>133,674</u>	<u>129,225</u>

10. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	16,644	14,526
Profit/loss on disposal of fixed assets	<u>—</u>	<u>(3,450)</u>

11. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>1,680</u>	<u>920</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	63,869	52,909
Pension costs	1,064	599
	<u>64,933</u>	<u>53,508</u>

The average head count of employees during the year was 5 (2021: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>5</u>	<u>5</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

No expenses have been reimbursed by the charity to its trustees in either the current or prior year.

14. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2021	47,197	6,024	31,559	14,583	99,363
Additions	—	2,760	—	1,476	4,236
At 31 March 2022	47,197	8,784	31,559	16,059	103,599
Depreciation					
At 1 April 2021	33,652	4,141	11,915	7,916	57,624
Charge for the year	4,720	589	7,890	3,445	16,644
At 31 March 2022	38,372	4,730	19,805	11,361	74,268
Carrying amount					
At 31 March 2022	8,825	4,054	11,754	4,698	29,331
At 31 March 2021	13,545	1,883	19,644	6,667	41,739

15. Debtors

	2022	2021
	£	£
Prepayments and accrued income	2,681	20,940

16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	3,906	2,267

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,064 (2021: £963).

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

18. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	<u>478,882</u>	<u>243,557</u>	<u>(109,440)</u>	<u>(2,845)</u>	<u>610,154</u>

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
General funds	<u>113,266</u>	<u>468,520</u>	<u>(102,904)</u>	<u>—</u>	<u>478,882</u>

Restricted funds

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Restricted Funds	<u>95,246</u>	<u>878,153</u>	<u>(879,452)</u>	<u>2,845</u>	<u>96,792</u>

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted Funds	<u>29,790</u>	<u>748,277</u>	<u>(682,821)</u>	<u>—</u>	<u>95,246</u>

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

18. Analysis of charitable funds *(continued)*

Restricted funds can be analysed by fund as follows.

	Brought forward	Grants and donations received	Grants and donations spent	Depreciation on fixed assets	Transfer of funds	Carried forward
	£	£	£	£	£	£
Equipment	4,502	–	1,578	164	–	2,760
Food	58,962	869,133	854,265	–	198	74,028
Baby items	6,283	–	549	–	–	5,734
New van	5,310	–	–	6,765	1,455	–
Carrier bags	866	–	73	–	–	793
Walsall MBC	4,312	–	1,125	–	–	3,187
Sandwell Council	–	5,000	918	–	(195)	3,887
Computer	6,065	–	3,445	–	–	2,620
Core costs	1,019	–	1,367	–	348	–
Halo phones	3,584	–	1,402	–	–	2,182
Van Costs	3,525	4,020	7,372	–	1,239	1,412
Wages and salaries	818	–	429	–	(200)	189
	<u>95,246</u>	<u>873,153</u>	<u>872,523</u>	<u>6,929</u>	<u>2,845</u>	<u>96,792</u>

Equipment

Relates to grants and funds received towards IT equipment which are being utilised over the life of the asset.

Food

Further donations of £869,133 were received in the year towards the provision for food for those in crisis. Appropriate costs have been allocated against the fund with the fund balance being carried forward to next year when it will continue to be used.

Baby items

Relates to funds received to specifically fund baby items the remaining balance is to be carried forward to next year where it will continue to be used.

New Van

Grants and donations totalling £22,550 were received in prior years to enable the charity to purchase a new vehicle. The grant is being released over the life of the vehicle.

Carrier bags

Income was received in the prior year of £2,000 with appropriate costs being allocated to the fund which will be carried forward to be spent in future periods.

Computer

Grants and donations received are to allow the charity to update and maintain its IT systems. Appropriate costs have been allocated to the fund which will be carried forward and utilised as appropriate in future years.

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

18. Analysis of charitable funds *(continued)*

Walsall MBC

A grant was received in prior years from Walsall MBC to fund a new vehicle and its associated running costs. Appropriate costs have been allocated to the fund which will be carried forward to future periods.

Van Running Costs

Grants were received in the prior year totalling £4,020 from the Lottery and Heart of England. This money is to be spent on the running costs of the distribution vans. Appropriate costs have been allocated to the fund which will be carried forward to future periods.

Wages and Salaries and Volunteer Expenses

Grants were received in the year totalling £7,100 from the Lottery and Heart of England. This money is to be spent on volunteer expenses such as hi-vis jackets and volunteer badges and salary costs. Appropriate costs have been allocated to the fund which will be carried forward to be used in future periods.

Core Expenses

Grants were received in the prior year totalling £7,368 from the Lottery and Heart of England. This money is to be spent on core operational expenses such as premises rent. Appropriate costs have been allocated to the fund which will be carried forward to be used in future periods.

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	22,353	6,978	29,331
Current assets	591,707	89,814	681,521
Creditors less than 1 year	(3,906)	–	(3,906)
Net assets	610,154	96,792	706,946

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	24,851	16,888	41,739
Current assets	456,298	78,358	534,656
Creditors less than 1 year	(2,267)	–	(2,267)
Net assets	478,882	95,246	574,128

20. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	513,716	165,124	678,840

Black Country Foodbank Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

21. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	3,795	2,059
Later than 1 year and not later than 5 years	679	—
	<u>4,474</u>	<u>2,059</u>

22. Related parties

No transactions with related parties were undertaken during the current or prior period.