

Charity registration number 1146082

Company registration number 07841161 (England and Wales)

LAUNCESTON FOODBANK LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

LAUNCESTON FOODBANK LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Helen Davies Tian Bersey	(Appointed 12 July 2021)
Charity number	1146082	
Company number	07841161	
Principal address	13D Newport Industrial Estate Launceston Cornwall PL15 8EX	
Independent examiner	Andrew Baker Victoria House St Catherines Hill Launceston Cornwall PL15 7EJ	

LAUNCESTON FOODBANK LTD

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LAUNCESTON FOODBANK LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees present their annual report and financial statements for the year ended 31 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's object is to relieve poverty. The policies adopted in furtherance of this object are to supply non-perishable food to people in need of emergency supplies in the Launceston and surrounding areas of Cornwall and there has been no change in these during the year.

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

Achievements and performance

Full details of the activities and achievements during the year are contained in the separate annual report.

Financial review

The trustees are grateful for financial support received from many sources, as summarised in the attached accounts. The financial position at the end of the year is satisfactory, with the fundraising shop (when not shut due to the Covid-19 pandemic) providing adequate funds for the main activity at present. Meanwhile the trustees have been very grateful for grant income to sustain the charity's finances while the shop has had to be closed.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee.

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

Helen Davies

Richard F Hopper

(Resigned 12 July 2021)

Malcolm Jones

(Resigned 12 July 2021)

Tian Bersey

(Appointed 12 July 2021)

The trustees are appointed by a management committee comprised of volunteers from the local community.

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

The trustees delegate most day-to-day matters to part-time paid employees and volunteers, and meet bi-monthly with the wider management committee to agree policy matters and oversee the running of the charity.

Launceston Foodbank is affiliated to the Trussell Trust but is independent in its own right.

LAUNCESTON FOODBANK LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 OCTOBER 2021*

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

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Tian Bersey

Trustee

Date:

LAUNCESTON FOODBANK LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LAUNCESTON FOODBANK LTD

I report to the trustees on my examination of the financial statements of Launceston Foodbank Ltd (the charity) for the year ended 31 October 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Andrew Baker

Chartered Accountant

Victoria House
St Catherines Hill
Launceston
Cornwall
PL15 7EJ

Dated:

LAUNCESTON FOODBANK LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	52,180	2,500	54,680	74,705	545	75,250
Charitable activities	4	1,921	-	1,921	1,942	-	1,942
Other trading activities	5	42,453	-	42,453	39,318	-	39,318
Investments	6	4	-	4	15	-	15
Total income		96,558	2,500	99,058	115,980	545	116,525
Expenditure on:							
Charitable activities	7	97,097	2,790	99,887	98,338	580	98,918
Net (expenditure)/income for the year/							
Net movement in funds		(539)	(290)	(829)	17,642	(35)	17,607
Fund balances at 1 November 2020		60,418	369	60,787	42,776	404	43,180
Fund balances at 31 October 2021		59,879	79	59,958	60,418	369	60,787

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

All income and expenditure derive from continuing activities.

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

LAUNCESTON FOODBANK LTD

BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		6,300		8,113
Current assets					
Debtors	13	2,182		1,549	
Cash at bank and in hand		52,887		52,188	
		<u>55,069</u>		<u>53,737</u>	
Creditors: amounts falling due within one year	14	<u>(1,411)</u>		<u>(1,063)</u>	
Net current assets			53,658		52,674
Total assets less current liabilities			<u>59,958</u>		<u>60,787</u>
Income funds					
Restricted funds	15		79		369
Unrestricted funds			59,879		60,418
			<u>59,958</u>		<u>60,787</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2021.

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

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

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

The financial statements were approved by the Trustees on

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Tian Bersey
Trustee

Company registration number 07841161

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Charity information

Launceston Foodbank Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is .

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

1.4 Incoming resources

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

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

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income from donated goods is not recognised until the point of sale of the goods because it is impracticable to measure the value prior to that point.

1.5 Resources expended

Expenditure is charged in the accounts at the time when an obligation to make payment is incurred.

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Overhead costs are allocated where possible to the activity to which they relate. Other general overhead costs are allocated equally between activities.

1.6 Tangible fixed assets

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

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

Fixtures, fittings & equipment	25% per annum on net value
Motor vehicles	20% per annum on net value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	27,775	2,500	30,275	27,221	545	27,766
Grant income	24,405	-	24,405	47,484	-	47,484
	<u>52,180</u>	<u>2,500</u>	<u>54,680</u>	<u>74,705</u>	<u>545</u>	<u>75,250</u>

The trustees and management committee are grateful for many grants and donations received, including the following of £1,000 or more: Cornwall Council £12,098, Tesco via The Trussell Trust £2,878 (2020: £4,053), Dairy Crest £1,000, P Warren £1,000 and R Mitchell £1,000. We also received £8,929 furlough grant from HM Revenue & Customs.

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

4 Charitable activities

	Sundry sales of donated goods 2021 £	Sundry sales of donated goods 2020 £
Sales within charitable activities	<u>1,921</u>	<u>1,942</u>

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Charity shop sales	<u>42,453</u>	<u>39,318</u>

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>4</u>	<u>15</u>

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

7 Charitable activities

	Provision of non- perishable food etc. 2021 £	Charity fundraising shop 2021 £	Total 2021 £	Total 2020 £
Staff costs	22,219	37,545	59,764	58,653
Other direct costs	2,815	873	3,688	2,775
	<u>25,034</u>	<u>38,418</u>	<u>63,452</u>	<u>61,428</u>
Grant funding of activities (see note 8)	479	-	479	-
Share of support costs (see note 9)	19,041	16,302	35,343	36,637
Share of governance costs (see note 9)	306	307	613	853
	<u>44,860</u>	<u>55,027</u>	<u>99,887</u>	<u>98,918</u>
Analysis by fund				
Unrestricted funds	42,070	55,027	97,097	98,338
Restricted funds	2,790	-	2,790	580
	<u>44,860</u>	<u>55,027</u>	<u>99,887</u>	<u>98,918</u>
For the year ended 31 October 2020				
Unrestricted funds	39,751	58,587		98,338
Restricted funds	580	-		580
	<u>40,331</u>	<u>58,587</u>		<u>98,918</u>

The value of volunteer time donated to the charity, measured at full national minimum wage rates, was £9,275 (2020: £13,716) at the foodbank and £13,373 (2020: £15,234) at the charity fundraising shop.

8 Grants payable

	Provision of non- perishable food etc. 2021 £	2020 £
Grants to institutions:		
Grants to individuals	479	-
	<u>479</u>	<u>-</u>

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

8 Grants payable

(Continued)

9 Support costs

	Support costs	Governance costs	2021 Support costs	Governance costs	2020
	£	£	£	£	£
Staff costs	8,359	-	8,359	7,849	7,849
Depreciation	2,061	-	2,061	2,361	2,361
Premises expenses	19,725	-	19,725	21,405	21,405
Administrative expenses	5,198	-	5,198	4,074	4,074
Staff uniforms and volunteer expenses	-	-	-	948	948
Accountancy	-	600	600	-	800
Governance costs	-	13	13	-	53
	<u>35,343</u>	<u>613</u>	<u>35,956</u>	<u>36,637</u>	<u>37,490</u>
Analysed between Charitable activities	<u>35,343</u>	<u>613</u>	<u>35,956</u>	<u>36,637</u>	<u>37,490</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £13 expenses (2020- one was reimbursed a total of £13).

Mr Hopper received £300 professional fees for the year for the provision of payroll services and the preparation of the statutory annual Report and Accounts.

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Manager	1	1
Administrator	1	1
Shop	3	3
	<u>5</u>	<u>5</u>

Employment costs

	2021 £	2020 £
Wages and salaries	67,733	66,248
Other pension costs	390	254
	<u>68,123</u>	<u>66,502</u>

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

12 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 November 2020	16,830	5,263	22,093
Additions	248	-	248
Disposals	(1,013)	-	(1,013)
At 31 October 2021	<u>16,065</u>	<u>5,263</u>	<u>21,328</u>
Depreciation and impairment			
At 1 November 2020	12,928	1,052	13,980
Depreciation charged in the year	1,219	842	2,061
Eliminated in respect of disposals	(1,013)	-	(1,013)
At 31 October 2021	<u>13,134</u>	<u>1,894</u>	<u>15,028</u>
Carrying amount			
At 31 October 2021	<u>2,931</u>	<u>3,369</u>	<u>6,300</u>
At 31 October 2020	<u>3,902</u>	<u>4,211</u>	<u>8,113</u>

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	1,501	1,192
Prepayments and accrued income	681	357
	<u>2,182</u>	<u>1,549</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	413	416
Trade creditors	347	-
Other creditors	85	18
Accruals and deferred income	566	629
	<u>1,411</u>	<u>1,063</u>

15 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 November 2019 £	Incoming resources £	Resources expended £	Balance at 1 November 2020 £	Incoming resources £	Resources expended £	Balance at 31 October 2021 £
For office furniture	140	-	(35)	105	-	(26)	79
For fuelbank	264	-	-	264	-	(264)	-
For Christmas hampers etc.	-	545	(545)	-	2,500	(2,500)	-
	<u>404</u>	<u>545</u>	<u>(580)</u>	<u>369</u>	<u>2,500</u>	<u>(2,790)</u>	<u>79</u>

LAUNCESTON FOODBANK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

16 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 October 2021 are represented by:						
Tangible assets	6,221	79	6,300	8,008	105	8,113
Current assets/(liabilities)	53,658	-	53,658	52,410	264	52,674
	<u>59,879</u>	<u>79</u>	<u>59,958</u>	<u>60,418</u>	<u>369</u>	<u>60,787</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).