

Charity number: 1158590

Deal Area Emergency Foodbank

Trustees' report and unaudited financial statements

for the year ended 31 March 2022

Deal Area Emergency Foodbank

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Reference and administrative details

Trustees

G Beechey (appointed 20 May 2021)
A Doggett (appointed 20 May 2021)
P Green (appointed 20 May 2021)
L Mills (appointed 27 January 2022)
C Stringer (appointed 21 November 2022)
J Thompson (appointed 21 November 2022)
J Hutchinson (resigned 30 November 2022)
M Parks (resigned 21 July 2022)
G Patrick (resigned 19 September 2021)

Charity registered number

1158590

Principal office

Unit C4, Enterprise Business Centre
Western Road
Deal
Kent
CT14 6PJ

Independent examiner

S N Miles FCCA
Kreston Reeves LLP
Chartered Accountants
37 St Margaret's Street
Canterbury
CT1 2TU

Bankers

HSBC
41 Sandgate Road
Folkestone
CT20 1SA

Board report for the year ended 31 March 2022

The Board present their report for the year.

2022 has been another year of challenges and change at the Foodbank.

Inflationary increases and difficult economic headwinds across the economy have meant that the demand for our services has never been higher and we are truly grateful to our resilient team for meeting these challenges head-on to improve the lives of those we serve.

We were lucky to be the recipient of several Household Support Grants from Dover District Council, the deployment of which has added another means to support the local community with help in paying their bills, buying essential household goods and other items. To date we have given out £51,262 in payments and equipment to 364 local families.

Like the rest of society, we have been coming out from under the Covid cloud. Restarting operations at two venues in Deal, including the very important meet and greet opportunities, allowed for much-needed (and appreciated) face-to-face chats/discussions and signposting. Sadly, since the closure of the Phoenix Centre, it has not proved possible to operate from a distribution centre in Sandwich. We have continued home deliveries to Sandwich and a small number of other clients.

A new mobile foodbank has begun operating very successfully, enabling people in Aylesham and Elvington who are unable to travel to Deal or any of our distribution points to get access to food and our services. This has been a vital lifeline to those most vulnerable in our community, offering not just essential food but support from our team of volunteers and often much-needed social interaction. We have provided £15,000 as designated reserves within our accounts to cover the running costs of this service for three years.

A grant from the Trussell Trust has enabled us to get dedicated access to a Citizens Advice Bureau advisor for half a day a week, further increasing the depth of our services to the community.

This year has seen further change in our Trustees with Mike Parks and Jill Hutchinson stepping down and the appointment of Linda Mills, Chris Stringer and Jenifer Thompson to provide skills that we identified as missing from our recent Skills audit.

Sadly Jim Sweeney decided to move on from working with us as our warehouse manager, and we are delighted to say that Gary Studley was appointed as his replacement as well as taking the role of Volunteer Co-ordinator from Jeanett Salisbury. Gary had been a volunteer with the foodbank for the last three years and a great supporter of the work that we do.

Of course, we should also thank our local community for their enthusiastic support including donations in kind and in cash from individuals, schools, churches, charities and local businesses, as well as fundraising events and continued amazing goodwill across our area.

In 2021/22 stock donations received were 29,914 kg. Food distributed directly to beneficiaries in food crisis was 18,953 kg, and stock passed on to other organisations who in turn pass it on to their beneficiaries was 12,135 kg. This reflects our capacity to be a channel for food donations to other organisations meeting food need both locally and across a wider area.

The number of vouchers issued has increased from 663 to 791, and is likely to be significantly higher in the next financial year. We expect this upward trend to continue over the coming months, which underlines the urgent need for our services across the local community.

Thank you also to the supermarkets and other shops and businesses who have supported us with food collections, donations and grants.

Upcoming developments

We are planning to reopen an evening food distribution session to allow us to help more people who are in work and who need support at a time that suits them.

Last year we mentioned a planned relocation of the foodbank from its current home to new premises in Park Avenue, Deal, provided by and with support from Dover District Council. As you would expect with an issue of this importance, progress has been slow and also hampered by serious vandalism at the proposed site. We are working with DDC on this issue and expect a resolution soon. We still have designated reserves of £100,000 to cover the cost of this project.



Paul Green

On behalf of the Board

Date: 19 December 2022

Trustees' report for the year ended 31 March 2022

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 April 2021 to 31 March 2022.

Policies and objectives

The objects of the Charity are the prevention and relief of poverty in the Deal area in particular, but not exclusively, by providing emergency food supplies to individuals in need and/or charities or other organisations working to prevent or relieve poverty.

Activities for achieving objectives

The Charity achieves its objectives through operating foodbank outlets throughout the Deal, Aylesham and Sandwich areas. In setting our objectives and planning our activities for the period, the Trustees have ensured that they have complied with the duty in s17 of the Charities Act 2011 and kept in mind the Charity Commission's guidance on public benefit.

Achievements and performance - review of activities

The year under review has again been dominated by the effects of the Coronavirus pandemic, and also by the reduction in Universal Credit in September 2021 and rising energy and food prices in the later part of the year.

We have been one of the few charities in the Deal area which has been able to maintain an uninterrupted service throughout the pandemic. Having moved at the start of the pandemic to a model under which all referrals came direct to our office rather than through an agency and all food distributions were by home delivery, we were able to reopen some of our distribution centres between July and November 2021 and again from March 2022.

We have continued to make home deliveries to those who are unable to get to our foodbank centres, and have also bought and converted a mobile food van to enable us to open mobile centres in remote parts of our area. This has started operation in Aylesham and Elvington from March 2022.

Food collections have continued in supermarkets and other essential shops, with a limited number resuming in churches, schools and community centres.

The work is carried out by a small central staff team supported by a large team of volunteers in the warehouse, distribution outlets and driving vehicles. We thank the staff and volunteer teams for all their hard work which enables us to deliver the support which our beneficiaries need so much, and for their flexibility in ever-changing circumstances.

During the year, we have provided 791 parcels of food (2021: 663) supporting 2,326 individuals (2021: 1,818). We received food donations totalling 29,914 kg (2021: 52,092 kg) and distributed 31,088 kg (2021: 47,550) either directly to beneficiaries or to other organisations providing food support.

In the later part of the year, we received a restricted grant of £40,000 from Dover District Council in order to make household support grants to those in need. By the year end, £15,036 had been spent, leaving £24,964 in reserves to be spent in the next financial year.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The Trustees aim to have unrestricted reserves at a minimum level of 6 months' unrestricted expenditure. This level was achieved and maintained during the year.

The Trustees have been advised by our landlord that we will need to move out of our warehouse and office premises. Possible alternative premises have been identified, and the Trustees have designated £100,000 of the unrestricted reserves for the likely costs of fitting out the new premises and moving.

The Trustees have also designated £15,000 of the unrestricted reserves for the expected costs of running the new mobile food van for three years.

Structure, governance and management

Constitution

The Charity was registered as a Charitable Incorporated Organisation (CIO) with the Charity Commission with a new constitution on 16 September 2014.

Methods of appointment or election of Trustees

The Charity is managed by a committee of Trustees who are appointed at Trustee meetings.

Future developments

The plan for the future is constantly under review in response to changing circumstances and the availability of other forms of support for those in need. The Trustees anticipate that the future will assume a hybrid model of food distribution through our fixed foodbank outlets, through our mobile van, and through home delivery to those for whom those methods are inaccessible. The Trustees will continue to work with other organisations and charities in the Deal area who provide wider support for those in need.

Statement of Trustees' responsibilities


The Trustees 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).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS102);
- 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. 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.

Approved by order of the members of the Board of Trustees on 19 December 2022



P Green

Trustee

**Independent examiner's report
for the year ended 31 March 2022****Independent examiner's report to the Trustees of Deal Area Emergency Foodbank ("the Charity")**

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

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

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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 (FRS102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 130 of the 2011 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Date: 20 December 2022

S N Miles FCCA
Kreston Reeves LLP
Canterbury

Statement of financial activities
for the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income from:							
Donations and legacies:							
Donations - groceries	1(c)	52,477	-	52,477	87,621	-	87,621
Donations - financial		87,783	-	87,783	129,223	-	129,223
Grants		847	60,000	60,847	13,043	7,585	20,628
Investments - bank interest		24	-	24	39	-	39
Total income		141,131	60,000	201,131	229,926	7,585	237,511
Expenditure on:							
Charitable activities	3	107,881	17,457	125,338	134,483	7,449	141,932
Other expenditure	4	-	-	-	-	3,200	3,200
Total expenditure		107,881	17,457	125,338	134,483	10,649	145,132
Transfers between funds	8	30,007	(30,007)	-	-	-	-
Net income/(expenditure) before other recognised gains and losses	2	63,257	12,536	75,793	95,443	(3,064)	92,379
Reconciliation of funds							
Total funds at start of year		198,248	15,420	213,668	102,805	18,484	121,289
Net movement in funds		63,257	12,536	75,793	95,443	(3,064)	92,379
Total funds at end of year		261,505	27,956	289,461	198,248	15,420	213,668

Balance sheet
as at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	5		50,074		12,763
			50,074		12,763
Current assets					
Stocks		14,010		17,258	
Debtors	6	5,215		4,741	
Cash at bank and in hand		222,083		180,070	
		241,308		202,069	
Creditors: amounts falling due within one year	7	(1,921)		(1,164)	
Net current assets			239,387		200,905
Total net assets			289,461		213,668
Charity funds					
Restricted funds	8		27,956		15,420
Unrestricted funds	8		261,505		198,248
			289,461		213,668

The notes of pages 7 to 10 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 19 December 2022 and signed on their behalf by:



P Green
Trustee

Notes to the financial statements
for the year ended 31 March 2022

1 Accounting policies

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS102) - 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 (FRS102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP (FRS102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Deal Area Emergency Foodbank meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

(b) Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and it is included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are received. The value of donated groceries is based on guidelines published by Tesco. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity. This is normally upon notification of the interest received or receivable from the institution with whom the funds are deposited.

(d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that a transfer of economic benefits will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives as well as any associated support costs.

All expenditure is inclusive of any irrecoverable VAT.

(e) Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost, including the cost of bringing them into their intended working condition. After recognition, they are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	20% or 25% straight line
Fixtures and equipment	25% straight line

(f) Stocks

Stocks are valued at the lower of cost or value on donation and net realisable value after making due allowance for stocks that can no longer be used.

(g) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit or similar account.

(i) Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the settlement can be estimated reliably. They are recognised at the amount that the Charity anticipates it will pay to settle the debt.

(j) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(k) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

(l) Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are unrestricted funds which have been set aside by the Trustees for specific future purposes or which are tied up in illiquid assets. The aim and use of each designated fund is set out in notes to the financial statements.

Restricted funds are funds which are required to be used in accordance with specific restrictions imposed by the donor or which have been raised by the Charity for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

2 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	7,122	5,384
Independent examiner's fees	1,200	1,164

During the year, no Trustees received any remuneration or benefits in kind (2021: none).

During the year, 1 Trustee received reimbursement of costs incurred on behalf of the Charity totalling £2,262 (2021: none).

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	28,592	26,403
	<u>28,592</u>	<u>26,403</u>

The average number of people employed by the Charity during the year was 3 (2021:3).

The Trustees consider Sheila Ward, the Project Coordinator, to be the only person who meets the definition of Key Management Personnel. Her remuneration during the year was £16,380 (2021: £16,380).

No employee received remuneration amounting to more than £60,000 in either year.

3 Expenditure on charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Distribution of donated food (note 1(c))	55,724	-	55,724	93,713	-	93,713
Staff costs	27,792	800	28,592	26,403	-	26,403
Food purchases	-	2,421	2,421	414	1,478	1,892
Household support grants made	-	14,236	14,236	-	-	-
Motor vehicle costs	8,206	-	8,206	4,771	-	4,771
Warehouse and premises costs	1,284	-	1,284	1,657	1,328	2,985
Office costs	1,616	-	1,616	1,961	77	2,038
Utilities costs	2,069	-	2,069	1,823	-	1,823
Legal and professional costs	1,289	-	1,289	1,775	-	1,775
Volunteer and training costs	2,112	-	2,112	353	-	353
Depreciation	7,122	-	7,122	818	4,566	5,384
Loss on disposal of fixed assets	540	-	540	-	-	-
Other costs	127	-	127	795	-	795
	<u>107,881</u>	<u>17,457</u>	<u>125,338</u>	<u>134,483</u>	<u>7,449</u>	<u>141,932</u>

4 Other expenditure

Other expenditure relates to the refund of restricted grants that could not be spent on the purposes for which it was received.

5 Tangible fixed assets

	Motor vehicles £	Fixtures & equipment £	Total £
Cost			
At start of year	15,692	13,381	29,073
Additions	45,573	-	45,573
Disposals	(1,950)	-	(1,950)
At end of year	59,315	13,381	72,696
Depreciation			
At start of year	5,354	10,956	16,310
Depreciation charge for the year	5,650	1,472	7,122
Disposals	(810)	-	(810)
At end of year	10,194	12,428	22,622
Net book value			
At end of year	49,121	953	50,074
At start of year	10,338	2,425	12,763

6 Debtors

	2022 £	2021 £
Gift Aid tax recoverable	1,482	1,475
Other debtors	386	417
Prepayments and accrued income	3,347	2,849
	5,215	4,741

All debtors fall due within one year.

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Taxation and Social Security	559	-
Accruals and deferred income	1,362	1,164
	1,921	1,164

8 Movement in funds

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Movements for current year					
Restricted funds					
Mobile foodbank van fund	-	20,000	-	(20,000)	-
Other fixed assets funds	10,007	-	-	(10,007)	-
Household support fund	-	40,000	(15,036)	-	24,964
Coronavirus funds	5,413	-	(2,421)	-	2,992
	15,420	60,000	(17,457)	(30,007)	27,956
Unrestricted designated funds					
New premises fund	-	-	-	100,000	100,000
Mobile van running costs fund	-	-	-	15,000	15,000
Fixed assets fund	-	-	(7,662)	57,736	50,074
	-	-	(7,662)	172,736	165,074
Unrestricted general fund	198,248	141,131	(100,219)	(142,729)	96,431
Total unrestricted funds	198,248	141,131	(107,881)	30,007	261,505
Total funds	213,668	201,131	(125,338)	-	289,461

Movements for previous year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Restricted funds					
Mobile foodbank van fund	-	-	-	-	-
Other fixed assets funds	15,030	-	(5,023)	-	10,007
Household support fund	-	-	-	-	-
Coronavirus funds	3,454	7,585	(5,626)	-	5,413
	18,484	7,585	(10,649)	-	15,420
Unrestricted general fund	102,805	229,926	(134,483)		198,248
Total funds	121,289	237,511	(145,132)	-	213,668

The mobile foodbank van fund represents grants received from Trussell Trust and Aylesham & District towards the purchase, conversion and running costs of a mobile foodbank van for the Charity. These are no longer restricted since the funds have been spent on the purpose for which they were given, and have been transferred to the designated fixed assets fund.

The other fixed assets fund represents grants received towards the purchase of other fixed assets. These are no longer restricted since the funds have been spent on the purpose for which they were given, and have been transferred to the designated fixed assets fund.

The Household Support Fund represents grants received from Dover District Council to provide household support grants for people who are struggling financially.

The Coronavirus Fund represent grants received from Dover District Council and Trussell Trust to cover additional costs related to the Coronavirus pandemic.

The new premises fund represents funds set aside to cover the likely costs of fitting out and moving to new premises when the current warehouse and office lease expires on 31 December 2022.

The mobile foodbank running costs fund represents funds set aside to cover the expected costs of running the new mobile foodbank van for three years.

The fixed assets fund represents the book value of fixed assets which are not available as general reserves without damaging the operational viability of the Charity.

9 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	50,074	-	50,074	2,211	10,552	12,763
Current assets	213,352	27,956	241,308	197,201	4,868	202,069
Creditors due within one year	(1,921)	-	(1,921)	(1,164)	-	(1,164)
	261,505	27,956	289,461	198,248	15,420	213,668

10 Related party transactions

The Charity has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the Charity at the balance sheet date.