



COMPANY REGISTRATION NUMBER 08986929

**CITY HARVEST
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021**

Charity Number 1163055

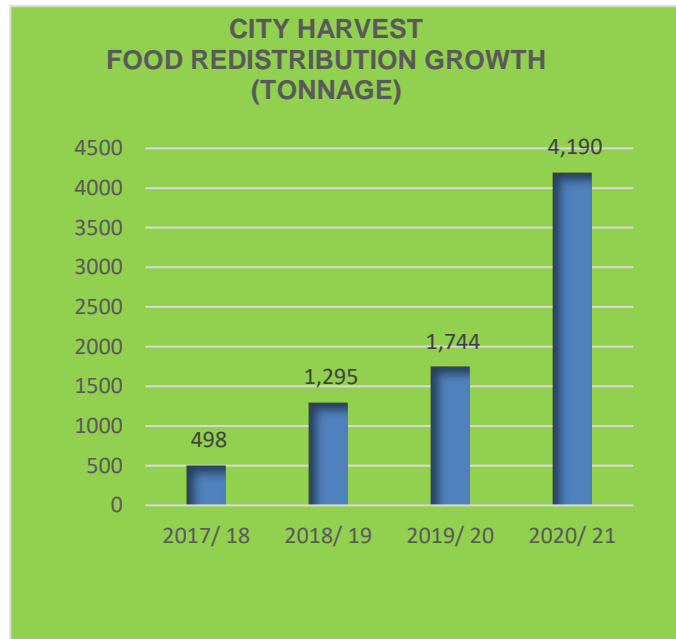


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Achievements



The year to 31st March 2021 witnessed a 140% expansion in the quantity of surplus food distributed to other charities working to prevent food poverty, benefitting the individuals and communities served by those charities, as well as reducing the food waste damaging the environment.

This was achieved through the expansion of our team of employees and volunteers, the growth of our van fleet, investment in our new depot in Acton and East London, and working in partnership with governmental and charitable initiatives set up to alleviate food poverty caused by the COVID19 pandemic.

These achievements were once again funded through the continuing generosity of our hundreds of financial supporters, large and small, largely from the private sector.

A letter from our Co-founder

Dear Friends and Supporters,

City Harvest was launched in 2014 with one borrowed van and the belief that all people should have access to fresh, nourishing food. We wanted to build a bridge between the abundance of quality food going to waste and the thousands of families and individuals in need across London.

In the seven years since launching, City Harvest has become a leader in food rescue, supporting hundreds of other charities in this urgent mission. We've sourced and delivered nutritious food for over 20 million meals and built a foundation for an even greater contribution in the future.

We've expanded our passionate team, built efficiency through systems and technology, opened depots in both West and East London and aligned with companies, foundations, and individuals to accelerate our important work. And yet, we have far more to do.



The Coronavirus pandemic and heightening evidence of Climate Change has now deepened our commitment to help the many who have so little with food that would otherwise go to waste. People already vulnerable have been thrust deeper into food poverty by the crisis and a new cohort of people, previously employed, are seeking emergency food provisions. In the already deprived populations which City Harvest serves, thousands rapidly lost employment. Others faced increased exposure to the Covid virus in frontline roles. These issues, combined with some of the highest levels of overcrowding in the country and pre-existing health disparities, proved catastrophic..

But for City Harvest it was a call to action, causing us to adapt, expand and perfect our mission of providing emergency food aid in London. 10 million meals, or half of all meals City Harvest has rescued since we launched, were delivered since Covid began.

City Harvest has always presented itself as London's emergency rescue service for food. On a daily basis there is always great complexity, uncertainty and volatility in the food rescue space. Covid simply proved our thesis: that we can rapidly respond and immediately adapt to any situation---even a humanitarian aid crisis suddenly taking hold in our own city. The pandemic tested us but finding solutions is what we at City Harvest do best.

- We were able to contend with a sudden disruption in the food supply chain as businesses shuttered during lockdown, trebling our weekly tonnage from pre-Covid levels.
- We benefited from strong relationships with a wide array of stakeholders: in 24 hours we secured a second warehouse from Segro, our landlord, to help meet the exponential growth in demand.
- Within the first few weeks of lockdown a large proportion of our financial supporters proactively reached out with emergency funding and new corporate partners stepped in to support our work.



A letter from our Co-founder (Continued)

- We began working with the Mayor's Office and within weeks formed the London Food Alliance with other charities ensuring new emergency food hubs in every borough received the supplies they needed. From individuals isolated in their homes, to frontline NHS workers, refugees and children struggling without free school meals, City Harvest stepped up to feed more than 30,000 Londoners each day.
- We quickly pivoted the types of food we sourced to create emergency food parcels for delivery to the homes of vulnerable individuals.
- We worked on creative initiatives with businesses that re-opened their kitchens to make prepared meals for City Harvest to deliver across London (AELTC Wimbledon, Livery Kitchen Initiative, Crystal Palace Football Club, The Savoy).
- We harnessed the community spirit, welcoming thousands of volunteers to join our efforts including furloughed people who wanted to give back and have a purpose.
- We've built out and upskilled operational capability, growing our team from 25 to 44 people including a new Food Sourcing Team.
- We have a new chairman, CEO and several impressive new trustees whom we believe will help us get to the next level.
- Our success was also made possible by our unique team: many of our employees have backgrounds of homelessness and hunger. They're passionate about their work and rose to the challenges presented by the emergency. It's a culture of going the extra yard.
- Even during this pandemic, we never took our eye off our operational efficiency and, in fact, reduced our cost to source and deliver one meal from £0.25 to £0.20, thanks to an exceptionally high level of direct food deliveries to our depots, and careful control of our expenditures.

There is greater urgency than ever for our work supporting the vulnerable in society. There are more than 2.5 million Londoners living below the poverty line and 33% of adults have skipped meals to save money so their children can eat. Covid-19 and exacerbated poverty has severely damaged mental health in the already vulnerable communities we serve. Children, dealing with fear, uncertainty, overcrowding and hunger are now experiencing depression, suicidal thoughts, self-harm, eating disorders and anxiety in record numbers.

City Harvest food is now more critical than ever to our 300 partner charities which work to ensure men, women and children have enough to eat and provide healthy, nutrient-rich, food to families who would otherwise struggle to afford it. Our charity partners use food to build relationships with vulnerable people and then provide wider support to tackle other vital needs such as mental health counselling, education, housing and employment advice. A recent City Harvest survey reported how highly valued City Harvest is by its charity partners. They appreciate our high-quality fresh food and the responsiveness of our drivers who make tailored deliveries of culturally appropriate food used to make people feel cared for, and not forgotten.

With 300 charities now on our waitlist, and a large number of our current charity partners requesting additional food, the demand for City Harvest's surplus food is accelerating. According to the Trussell Trust, 50% of people who used food banks at the beginning of the pandemic had never needed to rely upon one before. Many more will join the ranks of those facing food poverty when furlough provisions end. The inequalities in London have been magnified by this crisis and City Harvest will be working tirelessly to ensure that no child goes to bed hungry, and families are relieved of the worry of where their next meal will come from.

As a result, we've now completely re-evaluated the speed of our scale up. Our ambitions for the years ahead have grown. We want to rescue thousands of additional tons of food from waste and deliver millions of additional meals to people in need. We now rescue and deliver over 1 million meals monthly up from 300,000 last March. But we're still only addressing less than 10% of the need in London. Our ambition is to materially impact food poverty across London.

CITY HARVEST

YEAR ENDED 31st MARCH 2021



A letter from our Co-founder (Continued)

In March 2021 we transitioned to our new 13,000 square foot West London depot, quadrupling in size. We also opened our new East London Depot. These spaces will allow us to have a vastly more efficient daily operation—meaning with our existing fleet we can do so much more. We didn't miss one day of delivering food during this transition and are already seeing increased efficiency in loads and deliveries. Now that these new units have gone live, flawlessly, we believe we can continue to repeat this process both in London, with plans for a third depot next year, and perhaps other cities throughout the UK in the years to come.

While the Covid Crisis has dominated the news, climate change is placing our planet at greater risk than ever and City Harvest's ambitions for growth reflect this. Food waste is a major contributor to greenhouse gas emissions and City Harvest offers a simple solution for businesses throughout the food industry. Through our efforts to rescue nutritious food which would otherwise go to waste, we have prevented 33,000 tonnes of greenhouse gases since inception. We will continue to raise awareness amongst retailers, wholesalers, manufacturers and farms about the importance of food redistribution and City Harvest's role in materially contributing to 9 of the United Nations sustainable development goals, helping people and planet.

I have been honoured to lead City Harvest during the last 7 years and want to thank each and every stakeholder who has supported our mission. I have deep admiration for our extremely committed and enthusiastic employees who worked on the frontline every day since this pandemic began, despite the inevitable fear of this deadly virus. We could not have delivered millions of meals without the support of our food donors, financial contributors, volunteers and companies which have contributed vital professional services.

I am now extremely proud to welcome David Carter into the role of CEO. With David's leadership background as an Officer in the British Army combined with experience as a strategic consultant, City Harvest is poised to scale up, deliver millions of additional meals in the years ahead and ensure London is a city where all people have access to nourishing food and no healthy food goes to waste.

Thank you for your continued support, generosity, and shared ideas for improving the lives of so many.

With gratitude,

Laura Winningham OBE

Co-founder

City Harvest - The Human Factor

We Know Our Community

At City Harvest our charities are at the heart of everything we do. We are research and data driven to ensure we have the greatest impact on the individuals we serve.



When the pandemic struck and we were faced with unprecedented complexity, the knowledge we had about the communities in which we operate enabled us to get the right food to the right people at the right time.

We select charities for the City Harvest network where respect and dignity play a vital role. At each of our 300 charity partners, the human factor is always present and anyone who is in serious need or comes unprepared will not be turned away. They are treated as human beings, treated with respect.

Our partner organisations provide services ranging from housing and legal advice to mental health counselling, as well as programmes focused on children, the elderly, refugees, and victims of domestic abuse. Each of our charity partners received food valued, on average, at £69,000 in the last fiscal year, and they were able to direct funds saved on food purchases into these other vital services.

Now, with the population rapidly getting vaccinated, we are optimistic that the world will return to a new normal. Following on from the rapid growth we had over the past year, we conducted field research to make sure we were serving the needs of our partners. We learned what people appreciate about our food donations and what more we can do to make lives better in the city we serve.

One of the most important things we learned is that the USP of City Harvest is the genuine connection we have with our charity partners. We have heard repeated praise about our dedicated drivers who engage warmly when delivering food to partner charities: remembering names of staff, knowing what food they need and accommodating any new requests. We heard stories of appreciation about times when our City Harvest community impact manager visited charity partners for a short meeting and ended up staying for a shift because our partner was short of hands serving a meal.

Our Community Impact Manager, Andrew McLeay notes:

"City Harvest has a lot to be proud of. Pretty much everywhere I go they praise the drivers, saying the relationships they form with drivers are super important and even how their smiley faces and the banter they develop with them sometimes gets them through tough weeks."

"Sometimes I go and am called upon as an extra pair of hands at the project I am visiting for a few hours. Sometimes I get a rough reception. Sometimes it's a bit strange. After all, there is a crack in everything. But, as Leonard Cohen once so succinctly put it - that's how the light gets in."



City Harvest - The Human Factor (continued)

"Often, City Harvest is that light to the hundreds of projects we deliver to. We are the light that helps them to guarantee real change, freeing them up to have one less thing to worry about, giving their guests a choice of good, nutritious food. We are the reliable source of this basic human need of a decent supply of food in a sea of poverty engulfing this capital."

Genuine Human Interaction

One woman in a queue for City Harvest food shared a sentiment sadly not uncommon anymore: *"I've walked for over an hour to get here because I couldn't afford a train"*. People are coming from distances far and wide - not just for food, but for genuine human interaction and an experience of comfort and safety. It makes people walk for hours and wait in large queues and go far beyond what you would normally expect – not only for the food, but because the charities in the City Harvest network make them feel listened to, loved, and, perhaps most importantly - understood.

What our charity partners regularly share is how the bright green glow of the City Harvest vans brings warmth and relief to the overworked, overtired and stressed managers and leaders in the charity sector, who are working tremendously hard for their struggling guests. Our vans deliver food but also hope, a tangible hope which can be felt through the warmth of our drivers and our staff and the reality of what our food does for the communities they serve.

City Harvest delivers food that many of us are fortunate to be able to take for granted, but is received with deep gratitude by those who struggle to afford nourishing food. One manager at a partner charity recently said *"We often get excited at what sorts of fresh stuff we'll get from you. The week we got a load of lemons from you, the guests were asking for lemons for weeks –it's a rare thing for them and they don't see it."* Some individuals who had received freshly prepared salmon meals from City Harvest welcomed the chance to try it for the first time. They had never tasted salmon before as they could not afford it but had only seen it on TV cooking shows.

At City Harvest we always remember the diversity of cultures, religions and diets that prevail in London, and make every effort to deliver culturally appropriate food.

Our charity partners use food to empower people, effectively helping them to get back on the road; providing services to improve health and well-being and employment skills to get back into productive roles. We learned about the huge number of people who lost their jobs during the Covid Crisis, hitting rock bottom and living in dire need. Our food was used in programs where people were given back dignity and hope after so much disappointment, and that helps motivate us to keep growing our services.

Families When There are None

Our food is delivered to charity partners where the staff have a genuine relationship with their guests. During this pandemic when groups were restricted from gathering, our charity partners often call their guests to make sure they were okay and have pivoted to home deliveries of food. They have stepped in to provide counselling, medical and legal services for those in crisis. This is especially true of the care given to the elderly and disabled, who have faced the perils of social isolation far greater than other groups and risk being overlooked. Deliveries of City Harvest food give people hope and remove the fear and worry about having enough to eat during the week. We learned that our food brings joy and connection and the reminder that the elderly amongst us are not forgotten.

There is nothing more integral to a family unit than food. A recurring theme we hear from our partners is that they use City Harvest food to supply emergency aid and nutritious meals to guests and help them feel safe and supported. Those who work at our charity partners step into the role of family members when none exist - in one case the manager took one of the regular guests to the dentist as he was too scared to go alone.



City Harvest - The Human Factor (continued)

"We are not like a regular food bank, we don't like people to queue, we want them to approach us and ask us for help as if we were their family. We find that once we break down any stigmatised barriers of fear or pride, people are much more likely to seek help in other areas. We create a safe space for them, which enables us to help." – Nahid, one of The Space's founders.

Changing the Lives of Children and Young People

Our surveys with charity partners show how food is used to improve the lives of disadvantaged children and young people across London. There are nutrition and cookery classes for children, where they can make recipes out of City Harvest ingredients and so much more. Once the children are nourished, our partners can then provide wide ranging activities such as skateboarding, poetry, cooking, art, gardening and more. Our food is delivered to places where children can learn to canoe and kayak, play basketball and rock climb, and be creative on a graffiti wall. These are venues where continuous, stimulating, creative and engaging content for young people keeps them out of jail and teaches them how to adapt and not just survive but thrive in any environment.

Case Studies by City Harvest's Community Impact Team

Sant Egidio

Sant Egidio is a religious order that gives away food to anyone in need, but primarily the homeless out of the front of a church near South Kensington.

"We get City Harvest's food and put it all together so it's in an order our guests understand and then they can come and get whatever they want. City Harvest is always so reliable and the food selection is so great and it's probably why we are still so busy", one of the volunteers setting up the tables said to me.

Meet Esther (right). She said she loves it at Sant Egidio because they make her feel special and they flatter her - they all couldn't believe she was 94. *"Age is just a number"*, she says and she believes she's closer to 60, bless her. *"The food is amazing, the people are great, and they don't try and make me feel old here"* she says smiling.

Emanuela, one of the nuns who works inside the church, talks about the levels of poverty in the area. She said they organise trips for the guests. A trip, booked before Covid, was one that many of the elderly pensioners had saved all year for. The travel agent cancelled it and hadn't yet given any of the people back the money so Emanuela was even more determined that if she can't get the money back, she will do anything else she can for them. *"So whilst everyone else seems to be disappointing them, at least they know they're going to get good quality food here and they're going to be listened to."* says Emanuela



The Woodlands Centre (South London Refugee Association "SLRA")

SLRA is a charity that primarily helps refugees and other immigrants settle into the UK. City Harvest provides food for the foodbank they run for guests who cannot access food elsewhere because of their status. *"Without City Harvest food these people would not eat"* says Celestine, the foodbank co-ordinator who is a really smiley happy guy, very open and keen to show us around and give a tour of what they do.



They serve 28 families a week - sometimes 7 to 12 in one family – and many of the families are living in squalid conditions like basements or unlockable garages. Sometimes they do have access to houses but other times SLRA have to get microwaves and get power supplies running through houses and source fridges to store food for them.

He keeps a watchful eye over everything to make sure everyone gets the best quality of food they can, which is why he is so eager to see us. *"City Harvest's food is the best. The guests say so too. We deal with people who don't know another living soul – we are their only point of contact and the only people they will speak to, not just in the week but potentially for years whilst their case gets sorted."*

Case Studies by City Harvest's Community Impact Team (Continued)

I can see how passionate Celestine is. It's infectious. The world in which he and his charity SLRA live is full of so many murky complexities, and uncertain outcomes. But the one constant the families he serves have is knowing they can get great nutritious food.

Aristotle once wrote that *"poverty is the parent of revolution and crime"*. When we first arrived at SLRA, I wondered why Celestine was so chipper and smiley when he tells me the stories of utterly despondent people living in squalid, mouldy basements. These are truly desperate families – who are utterly, inescapably and irrevocably desperate for some semblance of a better life. And I realise that the first step is that foundation of food. That step that says *'Maybe I can't tackle everything right now, but I can make sure you are fed and that food is an expression of my purest love for you'*.

In my mind, that is what SLRA means to many of these people. A simple expression of love and solidarity, through the food they provide. It may not solve their housing. But it keeps them alive and fighting for another day – and that's pretty revolutionary to me.

London Sports Trust

London Sports Trust is a programme that runs for children during school holidays and after school that offers a range of educational and fun activities, including cooking classes where they learn how to make food with City Harvest ingredients.



"The children love it so much they often end up staying" says Sam Dale, London Sports Trust manager. He explains that one of the team leaders playing basketball with the children is a 21 year-old who went through the London Sports Trust since he was 8 years old and this was a way of giving back to the great things they were doing.

Sam was warm and engaging, and really open to chatting to us and giving us a lot of time. Sam says they serve up to 50 children a day during the summer and do all sorts of things to keep the

children active. He gave us a tour of the site, which includes a basin in which children can learn to canoe and kayak, a basketball court, a rock climbing wall, a graffiti wall where children can learn art & crafts and, inside the building, there is learning and development for children.

"City Harvest food becomes an essential tool for the children" Sam says, as he shows us the kitchen where children are currently receiving a cooking lesson, and making recipes out of City Harvest ingredients. At the centre, children can also learn basic English and school subjects. They also provide help for adults too –parents of the children can learn English as a second language helping them develop alongside the children they bring to the site.

Sam recalls the benefits of our 4 year association with his organisation and was extremely happy we were able to supply them with food for the children programs which are relaunching.

Case Studies by City Harvest's Community Impact Team (Continued)

Gibbs Green Community Champions

Gibbs Green is a user-led charity operating in a community centre which supplies groceries for people within an area unable to access or afford food.

Sara Benjamin, manager, says *"I love City Harvest! In fact, when I first started here, I also started volunteering at City Harvest so I could see more of what you guys do and invest in it like you invest in us."* She has been volunteering with City Harvest for 3 years.



Sara has a team of six. Most have been helping since it started a few years ago and have seen demand rise. One woman brought in her high school aged daughter to volunteer and said how much they both enjoyed it. There was a relaxed fun atmosphere, with another of the volunteers dancing about and singing.

Sarah said she personally knows a lot of these people and loves to interact. They take turns each Monday taking a sign-in form outside so they can gauge

numbers but also so that the guests feel supported and listened to. Cristina and I took out the form so we could chat to the guests.

Boris, one of the guests, praises Gibbs Green for the choice and variety. *"I don't always need it but when I do it is a lifesaver. They allow you to go inside the hall to choose the food rather than giving a bag – no one else does this and it means I can choose what I really want, and I know I won't waste it."*



Emma, another guest, adds, *"This place really has helped me, especially as I have Cerebral Palsy. They sometimes help me carry my groceries."* Sara knows from working with City Harvest how to go the extra mile – I think this is why her guests keep smiling.

Case Studies by City Harvest's Community Impact Team (Continued)

The Abbey Centre

City Harvest delivers food to The Abbey Centre, a pantry-modelled café where vulnerable guests can take up to 10 items in a relaxed casual setting in London.

We (*Cristina and Andrew, on the City Harvest team*), offer to do a shift with them when we arrive as they are short of volunteers that day.

Gen, the co-ordinator is so appreciative and the volunteers say "thank you" more times than needed, and explain to us a little bit along the way as to who they are serving and what they need.



I am partnered with Maria, who sits on the registration desk and checks in all the names of the 75 people they have on their books who want to get food that day. She ticks off number 12 for that day, a bubbly gent called Kenneth who doesn't seem to mind he's 12th in the queue as he sits down at one of the 12 tables in the little cafe on an unassuming street in Westminster. She smiles and jokes with him, teasing him a little as he jovially bellows with laughter. You can sense a real joy and love in the room. I am suddenly transported into someone's home, with someone's family, watching in on the couch all the intricacies and

complexities of their affections and quirks and interactions.

There is laughing, people touching and hugging each other, people coming by to pick up food for their ill neighbours. Maria tells me how one of the women on the table in front of me knocked on her door a few days ago for a bit of sugar and milk and how it was such an honour to be able to be in a position to help. She'd been volunteering initially Monday and Wednesday making teas and coffee, but after doing it nearly 4 months she knows everyone and is 'part of the furniture'. She knows all the guests' names. She laughs with her whole body, her smile so big it appears to burst out from the seams of her mask.

"*It gives me purpose*" she says, smiling, as she sits, watching and making sure guests are comfortable and observing when people go, so she can direct the ushers to let more people in.

"*Working here and getting food at the end if there's any left means I can save up to £50 a week*" she says "*which is a lifesaver for me. I was an alcoholic for years and used to smoke as well - I've now completely stopped drinking and changed my whole life.*" she says with pride. She attributes this change to being able to get out and have the opportunity to volunteer for such a great charity which gives her a reason to get up in the morning and gives her a completely new perspective.

As she speaks to me, Cristina is helping one of the other volunteers in the food section where the guests can choose the 10 items they want to take away. The staff give us a bit of history of the building - it was built to be public baths for the working class in Roman times, and they love that it is still community oriented even now. They explain that Mondays and Tuesdays, pre pandemic, it used to be a rough sleeper service in the evenings for 50 to 60 homeless, where the food was cooked with City Harvest ingredients but it couldn't run during pandemic. They hope to restart the homeless food service in the evenings when it is safe to do so.

As we leave, I remember Maria's voice ringing in my ears. Her story touched me. She says "*It was a lonely life, drinking. I had an abusive dad, an abusive mum, I didn't know any better. It was a way to escape. I didn't realise I was addicted to it - and now I realise what I was really looking for was genuine connection and love. And I found it here.*"

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31st MARCH 2021



The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the audited financial statements of the charitable company for the year ended 31st March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Name	City Harvest
Charity Registration Number	1163055
Company Registration Number	08986929
Charity Correspondent	Laura Winningham OBE
Registered Office	Unit 8, Acton Park Estate The Vale, London W3 7QE
Website	www.cityharvest.org.uk

Trustees

The trustees who served the charitable company during the period were as follows:

Ben Clarke (Chair)	Appointed 2 November 2020
Stephen Winningham (Vice Chair)	
Todd Benjamin	
Kathy Street	
Patrick Street	
Alice Avis MBE	
Victoria Heffer	Appointed 3 June 2020
Paul Campbell	Resigned 16 August 2020
Ben Malbon	Appointed 6 July 2020
Frank Bandura	Appointed 6 July 2020
David Hirschmann	Appointed 21 February 2021

Key Management Personnel

Laura Winningham OBE	Co-founder and Chief Executive Officer
David Carter	Chief Executive Officer from 4 May 2021
Nikki Tadema	Chief Operating Officer
Martin Parker	Head of Finance

Auditors

Rotherham Taylor Limited
21 Navigation Business Village
Navigation Way
Ashton-on-Ribble
Preston PR2 2YP

Bankers

CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	Metro Bank The Townhouse The Broadway Ealing London W5 5JN
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Solicitors

Allen & Overy
Bishops Square
London E1 6AD



STRUCTURE, GOVERNANCE AND MANAGEMENT

City Harvest is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 4th August 2015.

The members of the trustee board hold no shares in the charitable company, but each member is a guarantor to an amount not exceeding £1, in the event of the winding up of the charitable company.

TRUSTEE RECRUITMENT AND APPOINTMENT

Under the Articles of Association of the company, all trustees/directors hold their appointment until the third Annual Retirement Meeting following the commencement of his or her term of office. The Annual Retirement Meeting is the meeting of the Trustees at which the accounts of the Charity are adopted. If the retirement of a trustee causes the number of trustees to fall below 3, then the retiring trustee shall remain in office until a new appointment is made

Recruitment of a new trustee/director can be made on the instructions of current members of the board, and trustees are elected by existing members of the board.

TRUSTEE INDUCTION AND TRAINING

The trustees are familiar with the practical work and objectives of the charitable company, and bring their own relevant and unique skills. Trustees are actively encouraged to attend board meetings to ensure that they are always up to date with the latest activities of the charitable company.

FINANCIAL GOVERNANCE

The Finance and Audit Committee supports the City Harvest Trustee Board in discharging its responsibility for the financial oversight of the Charity. It comprises three trustees, who meet quarterly with the Head of Finance to oversee the following areas:

- Financial planning and reporting
- Financial policies and procedures
- Financial control environment
- Risk management
- Audit and assurance
- Fraud, whistleblowing and regulatory reports

TRUSTEE OVERSIGHT

The board of trustees administers the charity, and normally meets every six weeks. In addition, steering groups and committees comprising selected trustees and members of the management team meet quarterly to focus on the following aspects of the charity's operation:

- Community impact
- Food sourcing
- Fundraising
- Strategy and brand
- Operational capability

These steering groups were set up in December 2020 to translate agreed strategies into actionable plans, to oversee programme delivery and to mentor executive team members.



DELEGATION OF AUTHORITY

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. and has delegated authority from the Board of Trustees for operational matters including finance, employment and operational activity.

PAY POLICY FOR SENIOR STAFF

The Remuneration Committee reviews the pay of the senior management team. which is normally increased annually in accordance with average earnings in comparable charities.

RISK REVIEW

The board of trustees has examined the major strategic, business and operational risks which the charitable company faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

OBJECTIVES AND ACTIVITIES

The objectives of City Harvest include the prevention and relief of poverty, the advancement of environmental protection and supporting the effective use of resources for charitable purposes by other charities by facilitating the distribution of surplus food.

In furtherance of these objectives, City Harvest collects surplus food otherwise destined for landfill from retailers, wholesalers, restaurants, manufacturers and others, and distributes it to community programs that serve meals to vulnerable people.

PUBLIC BENEFIT STATEMENT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when setting the charity's aims and objectives, and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

The impact of City Harvest's work

During the past year, City Harvest redistributed 4,190 tonnes of donated nutritious food that would otherwise have gone to waste. City Harvest experienced tremendous demand for our surplus food during the year from partner organisations serving a growing number of vulnerable people and many operating on budgets that have been sharply reduced. We increased the number of partners to which we deliver nutritious surplus food in the past 12 months, and now regularly deliver to over 300 community organisations in Greater London, and to a further 100 on an occasional or seasonal basis. The recipients of this safe, in-date food delivered weekly included soup kitchens, homeless shelters, children's clubs, refuges for women fleeing domestic violence, day centres for the elderly and those facing mental illness and they were able to prepare almost 10 million highly nutritious meals during the year with City Harvest donations.

Social return on investment

Management consultants Bain & Company continued to provide pro-bono support to monitor the impact on society of our food redistribution activities. Despite the increased overhead costs incurred to strengthen and professionalise the management team, City Harvest's Social Return on Investment (SROI) during the year was £9.90 for every £1 of expenditure.



The largest component of our social return is essentially the value we created out of unused but perfectly edible fresh, frozen and ambient food donated by businesses. This food is unused by businesses for any number of reasons. Our community partners received City Harvest food donations with a retail value of £20 million during the year to 31st March 2021 and were able to redirect their food budget savings towards other vital services provided to vulnerable people in the community. These services include counselling, education, nutrition and cookery programmes, employment guidance, sports and fitness as well as health and wellness services.

Environmental benefits

City Harvest's impact to society includes the provision of a solution for one of the leading global environmental issues of our time: food waste. When healthy edible food is sent to landfill, it decomposes and releases methane which is 20 times more toxic than other greenhouse gases. The quantity of food City Harvest delivered this year would have resulted in 15,922 tonnes of greenhouse gases being released if it instead went to landfill. Additionally, all the resources that were utilised to produce the 4,190 tonnes of food City Harvest rescued - energy, land, water - would have been wasted as well.



The large and growing need for our services

A Food Foundation Survey has confirmed what our dedicated and passionate team witnesses each day: there is a massive need for healthy food amongst a growing number of people facing adversity.

In the past year we have been able to almost double the average quantity delivered to each community partner to nourish the large numbers of people that are visiting for community meals.

Many partners have indicated that their meal programmes would be greatly diminished or eliminated without continued food donations from City Harvest.

A year of growth in food rescued

The quantity of food redistributed by City Harvest in the past year increased by 140% from the prior year. We have continued to invest in infrastructure and human resources to expand our services and ensure operational excellence in our efforts to nourish the community.

This includes:

- Moving to a large distribution centre in Acton, equipped with a refrigerated food sorting area as well as large open plan office areas for the logistics and food sourcing teams.
- Opening a satellite food rescue facility in New Spitalfields Market
- Purchase of six nearly-new Mercedes Benz Sprinter vans, increasing our fleet to 15 vans.
- Purchase of a third forklift truck to handle pallets at the new distribution centre.
- Recruitment of dedicated teams for food sourcing and community outreach.
- Continuing research on community food needs, assisted by pro bono consultants.

Our investment programme

We spent £294,236 on six vans using funds donated by Morrisons, Artemis, Uber Eats, Permira, Troy Asset Management and the UK Government's Waste Food Reduction Programme (WRAP).

Additional funding from WRAP enabled us to equip our new Acton distribution centre with a coolroom, food handling equipment, kitchen and office for a total cost of £210,868.

We also spent £17,694 on computer equipment.

Collaboration with a wide breadth of charity partners

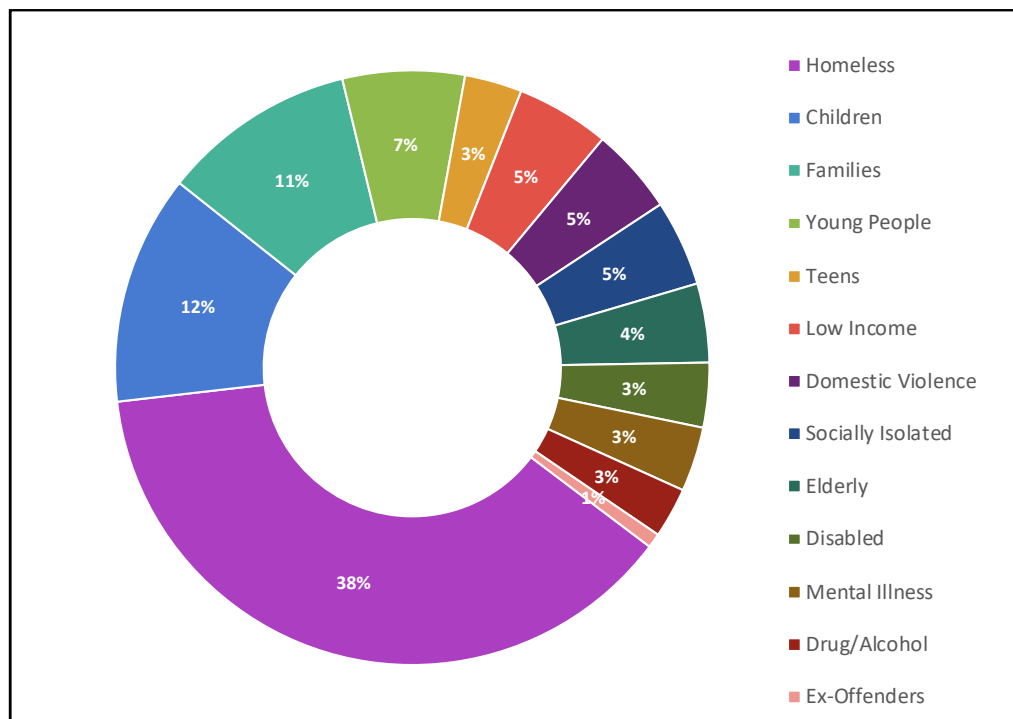
City Harvest deeply understands the needs of both the communities in which we operate and the charities and businesses we serve which enhances our responsiveness and heightens our impact. Every effort is made to deliver the quantities and types of food needed by each community programme at the most convenient times. Often our team helps build networks amongst community programmes and connects local businesses with charities.

Recognition of City Harvest's work

City Harvest received numerous awards during the year, including the Tibco Lighthouse Social Impact Award for meaningful contributions to seemingly daunting societal challenges.

In October 2020, Laura Winningham was awarded an OBE in the Queen's Birthday Honours List 2020 for services to the community in London during the Covid-19. The work of City Harvest London was recognised as an outstanding emergency response to food waste and poverty before, during, and beyond, COVID-19.

Serving London's most vulnerable



Our work supports many vulnerable sections of London's population with significant impact on nourishing the homeless, children and families, young people and those fleeing domestic violence.

Coverage

We are active in 29 of the 32 London boroughs, of which Ealing, Hammersmith and Fulham, Newham, Kensington and Chelsea, Lambeth, Camden, Brent and Westminster are the most significant for us.

Our workforce

Our workforce comprises a mix of full and part-time employees, contract staff and volunteers. Our paid workforce at year-end increased from 25 to 44 full-time equivalent employees and contractors during the year. All employees are paid at least the London Living Wage, and almost all are enrolled in the contributory pension scheme.

Our volunteers

During the year, 634 regular volunteers gave up many hours of their time to assist us, either as drivers' mates, warehouse staff, or in administrative and advisory capacities. During the year we benefitted from 17,648 hours of volunteer time, which is equivalent to more than six full-time staff.

Our volunteers included many vulnerable individuals gaining work experience and rebuilding lives, including the homeless, those with mental and physical disabilities and ex-offenders transitioning back into productive lives.

In addition, a total of 28 corporate employees were released by 9 London businesses to work for City Harvest. We have strong relationships with responsible businesses wishing to make an authentic impact in their communities. City Harvest enables them to effectively contribute to solving local and persistent community challenges.

CITY HARVEST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Continued)

YEAR ENDED 31st MARCH 2021



Fundraising

Our redistribution work is funded by charitable grants and donations from trusts, businesses, and individuals. We were fortunate to receive £5.3 million, which is 3.5 times the sum raised last year. We are hugely grateful to all those who support us financially. Their donations have enabled us to meet our ambitious goals towards ending hunger and nourishing communities throughout London as well as grow to connect more waste with want. We particularly appreciate multi-year support programs, to give us confidence to invest in expansion.

Our work has also been made possible by support from a number of very committed trusts and foundations and corporate partners including Artemis, Benecare Foundation, City Bridge Trust, DEFRA-WRAP, the EQ Foundation, The Drapers Company, The Fishmongers' Company, The Worshipful Company of Grocers, Hammersmith United Charities, Intermediate Capital Group, Kepler Cheuvreux Foundation, Kusuma Trust, The Macallan, Marguerite Foundation, Montanaro Asset Management, Morrisons Foundation, The Permira Foundation, Rockstar Games, The Westminster Foundation and William Blair International.

The continued support from businesses that provide generous donations of food include Morrisons, Amazon, Fareshare, Whole Foods, Charlie Bigham's, Marks & Spencer, Innocent Drinks, New Covent Garden Market and New Spitalfields Market were much appreciated.

What drives the continued enthusiasm of the City Harvest team is the engagement from businesses and the community to help feed those experiencing adversity. We are supported by iconic London partners like The Savoy, Wimbledon, Crystal Palace Football Club, Fulham Football Club and Queens Park Rangers Football Club. We would not have been able to accept unusually large volumes of donated food during the COVID-19 crisis without the rapid response of our landlord Segro who have provided us with the temporary space for emergency food redistribution services. Support from The Mercedes Benz Group enabled members of our team to safely commute during the crisis.

We have greatly valued the vehicles made available by Vauxhall, as well as the many enthusiastic volunteers from our corporate partners including PWC, People against Dirty and DEFRA.

We are also grateful to organisations that have contributed pro-bono services, including significant time commitments by Allen & Overy LLP, Tibco and Bain & Company, which have enabled us greatly to improve our business model.



FINANCIAL REVIEW

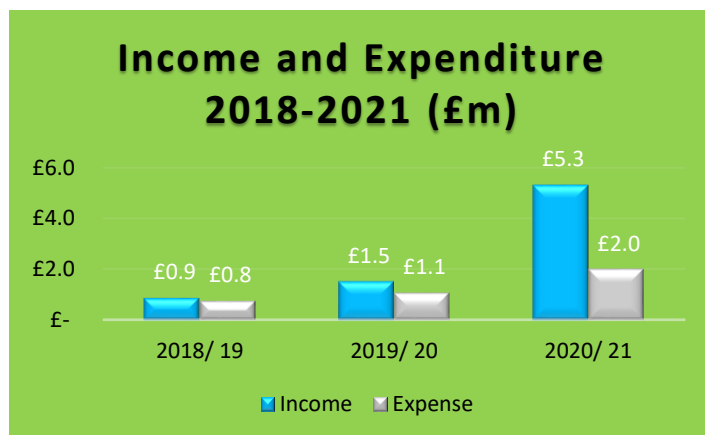
The charity funds are controlled by the board of trustees, which acts to carefully and strategically allocate resources to properly grow the organisation. The attached financial statements show the current state of finances, which the trustees consider to be sound. The financial statements conform to statutory requirements and comply with the charity's governing documents.

Key management personnel

The key management personnel are the Chief Executive, the Chief Operating Officer and the Head of Finance.

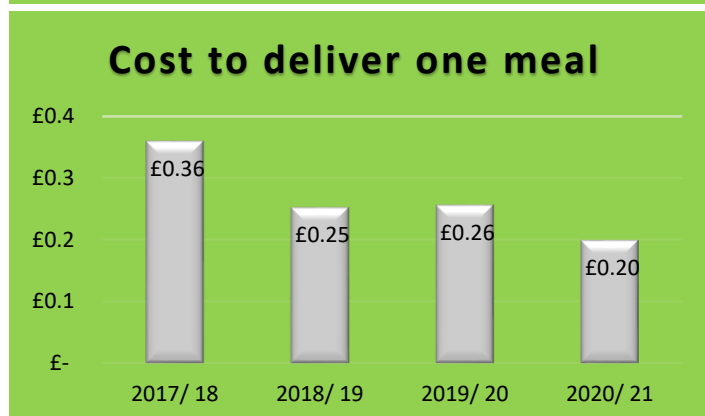
Financial growth

Total income for the year increased from £1.5 million to £5.3 million. This has enabled us to substantially increase the tonnage of food distributed.



This involved increasing our underlying cost base from an average of £88,684 per month in 2019-20 to £165,793 in 2020-21, as well as making capital investments of £522,798 during the year.

As a consequence of this continuing investment we have increased the quantity of food rescued from 68 tonnes per week in the first quarter of the year to 107 tonnes in the fourth quarter (255,000 meals per week).



City Harvest carefully monitors all expenditures, with a focus on the cost to redistribute one meal. In the year ended March 31, 2021, thanks to an exceptionally high level of direct food deliveries to our depots, our cost to deliver one meal was £0.20p.

The trustees constantly monitor the ratio of available funds to future expenditures and donation income, in order to avoid over-committing the charity's resources.

Investment powers and policy

The trustees, having regard for the present and future liquidity requirements of operating the charity, have diversified a portion of available funds in a range of interest-bearing bank deposit accounts with a term of between 3 and 12 months, in order generate a return on funds while benefitting from the FSCS deposit protection scheme of £85,000 per bank. The invested funds achieved a return of 0.27%. The selection of banks and the management of the deposits is overseen by the Finance and Audit Committee.



Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover planned future expenditure. In 2020-21 the charity benefitted from an exceptional level of financial donations as our supporters responded to the food poverty crisis created by the COVID-19 lockdown. These funds have substantially contributed to the expansion of our food redistribution efforts, enabling us to deliver to additional partners and source and distribute new supplies of surplus food, but it is by no means certain that the charity will continue to receive this level of donations in the future.

The trustees have therefore designated reserve funds totalling £3.75 million, including a liquidity fund to cover six months' operating expenses. The forecast operating and capital expenditure for 2021-22 is approximately £250,000 per month, so the liquidity reserve was increased from £750,000 to £1.5 million at 31st March 2021. The remaining designated reserve funds are to ensure that the charity is able to open a further large distribution centre in 2022 in order to reach more charities and food donors while continuing to meet its existing lease obligations at the Acton depot.

Going concern

The trustees have prepared an income and expenditure budget and cash flow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity's trustees (who are also the directors for the purposes of company law) are responsible for preparing a trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and incoming resources and application of those resources, including the income and expenditure of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



STATEMENT AS TO DISCLOSURE TO OUR INDEPENDENT AUDITOR

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent auditor in connection with preparing their report, of which the independent auditor is unaware, and
- the trustees having made enquiries of fellow directors and the charity's independent auditor that they ought to have individually made, have each taken all steps that he/she is obliged to take as a director to make themselves aware of any relevant information and to establish that the independent auditor is aware of that information.

AUDITORS

A resolution to re-appoint Rotherham Taylor Limited as auditors for the ensuing year will be proposed to the board of trustees.

SMALL COMPANY PROVISIONS

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

By order of the board of trustees

Ben Clarke
Chair
16 August 2021



Opinion

We have audited the financial statements of City Harvest (the 'charitable company') for the year ended 31st March 2021 which comprise the statement of financial activities, the balance sheet and statement of cash flows and notes to the financial statements, 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 Financial Reporting Standard 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 charitable company's affairs as at 31st March 2021 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 charitable company'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.



Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 charitable company 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 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 trustees' report and from the requirement to prepare a strategic report.



Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company 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 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.



Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement 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 purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- 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 charitable company'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 charitable company 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Smith (Senior Statutory Auditor)

For and on behalf of Rotherham Taylor Limited, Statutory Auditor
Chartered Accountants
21 Navigation Business Village
Navigation Way
Ashton-on-Ribble
Preston
PR2 2YP
16 August 2021

CITY HARVEST

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31st MARCH 2021



	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
		£	£	£	£
Income:					
Donations and grants	3	4,596,812	684,111	5,280,923	1,504,711
<i>Income from charitable activities</i>					
Contributions from food recipients		27,915	-	27,915	19,841
Investment income	4	4,914	-	4,914	863
<i>Income from other trading activities</i>					
Food waste disposal service income		6,000	-	6,000	7,755
Total income		4,635,641	684,111	5,319,752	1,533,170
Expenditure:					
<i>Costs of raising funds:</i>					
Fees and other fundraising expenses		(109,833)	-	(109,833)	(46,919)
<i>Expenditure on charitable activities</i>					
Food rescue and delivery	5	(1,401,033)	(480,829)	(1,881,862)	(1,019,454)
Total expenditure		(1,510,866)	(480,829)	(1,991,695)	(1,066,373)
Net income and movement in funds for the year		3,124,775	203,282	3,328,057	466,797
Reconciliation of funds:					
Total funds brought forward		998,563	181,986	1,180,549	713,752
Total funds carried forward		4,123,338	385,268	4,508,606	1,180,549

The Statement of Financial Activities includes all gains and losses in the year. All income and expenditures derive from continuing activities.

The notes on pages 29 to 39 form part of these financial statements.

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31st MARCH 2021



	Notes	2021	2020
		£	£
Fixed assets:			
Tangible assets	10	683,348	283,372
Total fixed assets		683,348	283,372
Current assets			
Debtors	11	104,733	92,238
Investments in short term deposits	12	2,928,514	-
Cash at bank and in hand		863,937	835,117
Total current assets		3,897,184	927,355
Liabilities:			
Creditors falling due within one year	13	(71,926)	(30,178)
Net current assets		3,825,258	897,177
Total assets less current liabilities		4,508,606	1,180,549
Net assets		4,508,606	1,180,549
The funds of the charity:			
Unrestricted income funds			
General funds	14	373,338	248,563
Designated funds	14	3,750,000	750,000
Restricted income funds	15	385,268	181,986
Total charity funds		4,508,606	1,180,549

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The notes on pages 29 to 39 form part of these financial statements.

These financial statements were approved by the trustees on 16 August 2021 and are signed on their behalf by:

Ben Clarke
Chair

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
YEAR ENDED 31st MARCH 2021



	Notes	2021	2020
		£	£
Cash provided by operating activities	20	3,472,133	490,530
Cash flows from investing activities			
Investment in short term deposits		(2,928,514)	-
Purchase of tangible fixed assets	10	(522,798)	(144,124)
Proceeds from disposal of fixed assets		8,000	-
Cash used in investing activities		(3,443,312)	(144,124)
Increase in cash and cash equivalents in the year		28,820	346,406
Cash and cash equivalents at the beginning of the year		835,117	488,711
Total cash and cash equivalents at the end of the year		863,937	835,117

The notes on pages 29 to 39 form part of these financial statements.



1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

City Harvest meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The trustees have prepared budgets and a forecast which gives them adequate comfort that the charitable company is a going concern. Therefore, the trustees are of the view that the charitable company has sufficient resources for at least the next 12 months (from the date of approving the financial statements) and that there are no material uncertainties regarding going concern. As a result, the charitable company's financial statements have been prepared on a going concern basis.

c) Income

Cash donations are recognised as income where there is entitlement, sufficient certainty of receipt and the amount can be measured with sufficient reliability.

If a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

d) Investment income

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 paid and payable by the bank.

e) Donated goods and services

Donated goods and services, including vehicles, are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity is probable and the economic benefit of can be measured reliably.

The value of food collected and distributed is excluded from the statement of financial activities, reflecting the Charity's function as a distribution agent rather than a principal.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised in the accounts, but the trustees' annual report provides information about their contribution.

On receipt, donated professional services and donated assets are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or assets of equivalent economic benefit in the open market; a corresponding amount is then recognised in expenditure in the period of receipt.



f) Fund accounting

Restricted funds are maintained in accordance with the restrictions placed by the donor upon funds donated.

Unrestricted funds are the free funds of the charity to use at the discretion of the trustees in the furtherance of the charity's objectives. Unrestricted funds may include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

g) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Refer to Note 5 - Analysis of Support Costs for further details.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are incurred by functions that assist the work of the charity but do not directly undertake charitable activities.

General support costs include office administration, finance, IT and payroll activities. Governance costs comprise expenses involving the public accountability of the charity and its compliance with regulation and good practice and comprise the cost of the independent audit.

The bases on which support costs have been allocated are set out in Note 6 - Analysis of Support Costs.

i) Operating Leases

The charity classifies its warehouse rental agreement as an operating lease, and rent is accrued on a straight line over the term of the lease. With regard to the delivery vans made available to the charity free of charge, the cost of renting equivalent vehicles is used as the basis for assigning the donation income and rental expense.

j) Fixed assets

The threshold for capitalisation of fixed assets is £500. Purchased fixed assets are capitalised at cost. Donated fixed assets are capitalised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or assets of equivalent economic benefit in the open market.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**CITY HARVEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021
1. ACCOUNTING POLICIES (continued)**



j) Fixed assets (continued)

Depreciation is calculated to write off the cost of an asset over the useful economic life of that asset as follows:

Plant, machinery & vehicles	20% straight line
Office furniture & IT equipment	20% straight line

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and in hand represents funds which are readily available on demand at less than 24 hours notice.

m) Investments in short term deposits

Investments in short term deposits are interest-bearing bank deposits with notice terms of between 3 and 12 months.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts allowed.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

All employees of the charity are automatically enrolled into a defined contribution pension scheme operated by the Creative Pension Trust, unless they exercise their right to opt out of scheme membership.

2. LEGAL STATUS OF COMPANY

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association.

Each member is a guarantor of the company, to an amount not exceeding £1, in the event of the winding up of the company.

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021
3. DONATIONS AND GRANTS



	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Donations and gifts	3,269,921	431,911	3,701,832	738,036
Grants	504,875	252,200	1,577,491	757,075
Donations of goods and services	1,600	-	1,600	9,600
Total	3,776,396	684,111	5,280,923	1,504,711

4. INVESTMENT INCOME

All of the charity's investment income of £4,914 (2020: £863) arises from money held on interest bearing deposit accounts.

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Charitable activities				
Drivers and logistics personnel	671,295	355,245	1,026,540	612,264
Operational expenditures	405,229	119,758	524,987	276,058
Total Charitable activities	1,076,524	480,829	1,551,527	888,322
Support costs (Note 6)	330,335	-	330,335	131,132
Total	1,401,698	480,829	1,881,862	1,019,454



6. ANALYSIS OF SUPPORT COSTS

	General support costs	Governance	Total 2021	Total 2020
	£	£	£	£
Support staff costs	190,915	-	190,915	79,366
Legal and other professional fees	45,143	-	45,143	14,157
Administrative overheads	84,165	-	84,165	30,922
Accountancy services	-	3,512	3,512	2,187
Audit fee	-	6,600	6,600	4,500
Total	320,223	10,112	330,335	131,132

The charity allocates costs directly to charitable activities as far as possible, and then apports the remaining costs between general support and the governance function based on the nature of the expense.

7. NET INCOME AND EXPENDITURE FOR THE YEAR

This is stated after charging:

	2021	2020
	£	£
Operating leases - warehouses	104,274	60,990
Depreciation (Note 10)	103,320	62,347
Audit fee	6,600	4,500
Accountancy services	3,512	2,187



8. STAFF COSTS AND EMOLUMENTS

	2021	2020
	£	£
Wages	989,651	580,648
Social security costs	97,492	50,029
Contractors	170,710	71,178
Pension costs	12,998	9,560
	<u>1,270,851</u>	<u>711,415</u>

The average number of employees during the year was 34 (2020: 23).

None of the employees or contractors is a trustee. No trustee expenses were incurred during the year (2020: £Nil).

All employees are paid at least the London Living Wage, and most are enrolled in the Government-backed auto-enrolment pension scheme.

The number of employees who received total emoluments of more than £60,000 during the year was as follows:

Salary Band	2020-21	2019-20
£70,001-£80,000	1	None
£60,001-£70,000	1	None

Pension contributions of £1,312 (2020: £987) were paid to a defined contribution scheme in respect of the highest paid employee.

The Key Management Personnel are the Chief Executive, the Chief Operating Officer and the Head of Finance. The total emoluments of the Key Management Personnel were £179,074 (2020: £129,332)..

There have been 634 regular volunteers during the year (2020: 57) assisting our drivers and helping to sort food in the warehouse. In addition, 43 employers released teams of employees to spend a day volunteering at City Harvest.

9. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charity is registered for VAT on its trading activities, which consist of fees charged to certain donors for sorting and disposing of out-of-date food on their behalf.

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021



10. FIXED ASSETS

	Plant, machinery & vehicles	Office furniture & IT equipment	Total
	£	£	£
COST			
As at 1st April 2020	384,445	13,871	398,316
Additions	505,104	17,694	522,798
Disposals	(45,419)	(625)	(46,044)
As at 31st March 2021	<u>844,130</u>	<u>30,940</u>	<u>875,070</u>
DEPRECIATION			
As at 1st April 2020	110,362	4,582	114,944
Charge for the year	98,726	4,594	103,320
Disposals	(26,125)	(417)	(26,542)
As at 31st March 2021	<u>182,963</u>	<u>8,759</u>	<u>191,722</u>
NET BOOK VALUE			
At 31st March 2021	<u>661,168</u>	<u>22,181</u>	<u>683,348</u>
At 31st March 2020	<u>274,083</u>	<u>9,289</u>	<u>283,372</u>

11. DEBTORS

	2021	2020
	£	£
Debtors	36,413	54,456
Employee cash advances	4,950	3,500
VAT	701	342
Prepayments	<u>62,669</u>	<u>33,940</u>
	<u>104,733</u>	<u>92,238</u>

Debtors as at 31st March 2021 include £25,000 in respect of a fleet funding agreement with a Corporate donor. At 31st March 2020 debtors included £51,656 in respect of the reimbursement by WRAP of expenditure incurred during the year for creation of the satellite distribution centre. Prepayments relate to fleet insurance premiums and warehouse rent.

CITY HARVEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2021



12. INVESTMENTS IN SHORT TERM DEPOSITS

Investments in short term deposits totalling £2,928,514 (2020: Nil) are interest-bearing bank deposits with notice terms of between three and twelve months.

13. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Accruals	53,204	4,508
PAYE and pensions	4,573	14,799
Third party creditors	14,149	10,871
	<u>71,926</u>	<u>30,178</u>

14. ANALYSIS OF UNRESTRICTED CHARITABLE FUNDS

a) Current year

	Balance at 1st April 2020	Incoming resources	Transfers between funds	Outgoing resources	Balance at 31st March 2021
	£	£	£	£	£
General funds	248,563	4,635,641	(3,000,000)	(1,510,866)	373,338
Designated reserve fund	750,000	-	3,000,000	-	3,750,000
	<u>998,563</u>	<u>4,635,641</u>	<u>-</u>	<u>(1,510,866)</u>	<u>4,123,338</u>

The general funds are the 'free reserves' after allowing for all designated funds.

b) Prior year

	Balance at 1st April 2019	Incoming resources	Transfers between funds	Outgoing resources	Balance at 31st March 2020
	£	£	£	£	£
General funds	393,367	1,235,214	(525,000)	(855,018)	248,563
Designated reserve fund	225,000	-	525,000	-	750,000
	<u>618,367</u>	<u>1,235,214</u>	<u>-</u>	<u>(855,018)</u>	<u>998,563</u>



14. ANALYSIS OF UNRESTRICTED CHARITABLE FUNDS (continued)

c) Analysis of designated funds

The trustees have designated the following reserve funds to ensure the charity's continued expansion:

	Balance at 31st March 2021	Balance at 31st March 2020
	£	£
Liquidity reserve - six months' committed operating costs	1,500,000	750,000
Five years occupancy costs on a further distribution centre, plus fixtures and equipment	1,450,000	-
Rental payments for the Acton distribution centre 2022-25	650,000	-
Zero-emission vehicles - pilot test	150,000	-
	<u>3,750,000</u>	<u>750,000</u>

15. ANALYSIS OF RESTRICTED CHARITABLE FUNDS

a) Current year

Title of Fund	Balance at 1st April 2020	Incoming resources	Outgoing resources	Balance at 31st March 2021
	£	£	£	£
Fleet operations fund	4,976	345,058	(315,834)	34,200
Main depot Fund	-	86,001	(2,272)	83,729
Satellite depot fund	44,383	95,252	(110,891)	28,745
Vehicle purchase fund	123,370	157,800	(42,575)	238,595
Coolroom and freezer fund	9,257	-	(9,257)	-
Total restricted funds	<u>181,986</u>	<u>684,111</u>	<u>(480,829)</u>	<u>385,269</u>

b) Prior year

Title of Fund	Balance at 1st April 2019	Incoming resources	Outgoing resources	Balance at 31st March 2020
	£	£	£	£
Fleet operations fund	-	181,300	(176,324)	4,976
Satellite depot fund	-	51,656	(7,273)	44,383
Vehicle purchase fund	81,833	65,000	(23,463)	123,370
Coolroom and freezer fund	13,552	-	(4,295)	9,257
Total restricted funds	<u>95,385</u>	<u>297,956</u>	<u>(211,355)</u>	<u>181,986</u>



16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

a) Current year

	General Funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	215,133	-	468,215	683,348
Net current assets	34,716	3,750,000	40,542	3,825,258
Total Funds at 31st March 2021	249,849	3,750,000	508,757	4,508,606

The net book value of net assets purchased with restricted funds of £508,757 exceeds the value of restricted income funds received to date of £385,269 (note 15a) by £123,488. (2020: £Nil). This is attributable to expenditures made in 2020-21 in the expectation of reimbursement under donation contracts with WRAP. Since these reimbursements are contingent upon the meeting of future growth targets, the income receivable will not be recognised until the funds are released.

b) Prior year

	General Funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	115,256	-	168,116	283,372
Net current assets	658,357	225,000	13,820	897,177
Total Funds at 31st March 2020	773,613	225,000	181,936	1,180,549

17. CONTINGENCIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 31st March 2021.

18. COMMITMENTS

The charity entered into a five-year lease agreement on 14th December 2020 for the new distribution centre in Acton. As at 31st March 2021 the outstanding commitment was £508,000 (2020: £114,000).

The trustees have confirmed that there were no capital commitments at 31st March 2021.

19. POST BALANCE SHEET EVENTS

David Carter was appointed Chief Executive, on 4th May 2021. He takes over from the Co-founder Laura Winningham, who has assumed the role of Head of Strategic Relationships.



20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net movement in funds	3,328,057	466,797
Add back depreciation charge (Note 10)	103,320	62,348
Add back loss on disposal of fixed assets	11,502	-
Increase in debtors	(12,495)	(62,402)
Increase in creditors	41,749	23,787
Cash provided by operating activities	3,472,133	490,530