

Charity Number: 1169383

# The Bread and Butter Thing

Report and financial statements

For the period ended 31 December 2023

# The Bread and Butter Thing

## Contents

### For the period ended 31 December 2023

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Reference and administrative information .....	1
Trustees' annual report .....	2
Independent auditor's report .....	14
Statement of financial activities (incorporating an income and expenditure account) .....	18
Balance sheet .....	19
Statement of cash flows .....	20
Notes to the financial statements .....	21

## The Bread and Butter Thing

### Reference and administrative information

#### For the period ended 31 December 2023

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The Charitable Incorporated Organisation was registered with the Charity Commission with the name of Heathfield Drive on 27 September 2016. The name was changed to The Bread and Butter Thing on 6 June 2017.

**Charity number** 1169383

**Registered office and operational address** The Bread and Butter Thing  
6 Meridian Place  
MANCHESTER  
M20 2QF

**Trustees** Trustees who served during the year and up to the date of this report were as follows:

Will Bentley	(Chair)
Philip Kaye	(Treasurer)
Andrew Mitchell	(resigned 19 April 2024)
Graeme Douglas	
Greg Sage	
Inga Thordar	
Mary Jennings	(resigned 23 August 2023)
Frances Kitson	(resigned 23 August 2023)
Elaine Leveridge	(resigned 23 August 2023)
Geoffrey de Chateauvieux	(resigned 23 August 2023)

<b>Key management personnel</b>	Mark Game	Chief Executive
	Victoria Harper	Chief Operations Officer
	Lisa Scobbie	Chief Financial Officer (to 30 November 2023)
	Jane Partington FCA	Partnerships Director

**Bankers** Santander  
712–716 Wilmslow Rd  
Manchester  
M20 6DQ

**Auditor** Sayer Vincent LLP  
Invicta House  
110 Golden Lane  
London  
EC1Y 0TG

# **The Bread and Butter Thing**

## **Trustees' annual report**

### **For the period ended 31 December 2023**

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The trustees present their report and the audited financial statements for the period ended 31 December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the CIO constitution and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities, purposes and aims**

The purposes of The Bread and Butter Thing as set out in its constitution are:

The relief of financial hardship and the promotion of social inclusion among people living or working in the UK for the public benefit by providing such persons with, or with access to, goods, services and/or funds without a poverty premium which they could not obtain access to through lack of means and/or as a result of their social and financial exclusion from society as a result of one or more of the following factors: unemployment, financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; poor education or skills attainment; crime (either as a victim of crime or as an offender rehabilitating into society);

The protection and preservation of the environment for the public benefit by the promotion of food waste reduction and fast-moving consumer goods waste reduction by redistributing goods to people in low income households;

The promotion of good health and nutrition by providing affordable access to, and supplying, a healthy and balanced diet, and providing advice and education on a healthy and balanced diet. The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's main activities and who it tries to help are described below. As set out in its constitution, its charitable activities are undertaken to further The Bread and Butter Thing's charitable purposes for the public benefit.

## **The Bread and Butter Thing**

### **Trustees' annual report**

#### **For the period ended 31 December 2023**

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Our mission is to unleash the power of food and ignite long-lasting change in struggling neighbourhoods across the UK.

We build bridges out of food deserts, bringing nutritious, affordable food to the centre of the UK's most deprived communities and nourish them. We change lives. And we give voice to the people who use us – our members.

We are the everyday – the bread and butter – baked into the heart of our communities.

## **What we do**

It starts with food.

Because when you're struggling to make ends meet, knowing where your family's next meal is coming from is paramount.

Our mobile food club gives access to nutritious and affordable food taken into the heart of communities starved of money, food and resources. This low cost weekly shop provides essential produce for family eating – fresh fruit and veg, chilled goods, and cupboard staples.

But this is just the beginning.

Every week, we improve diets with a diverse variety of healthy produce and products.

Every week, our communities gather to manage the distribution of food, building friendships, skills and connections.

Every week, we diminish loneliness and reduce the stress of stretched finances.

Every week, we bring in external partners to offer bespoke and tailored support.

Every week, we listen and we learn, building understanding of the issues facing our members and give voice to their stories, amplifying them and affecting change at a local and national level.

Every week, we change lives.

Our aims:

Tackle poverty premiums by providing a reliable source of healthy and low-cost food, and other household goods to communities in need.

Strengthen community assets by working in partnership with pre-existing community projects, enhancing the services they provide.

Build resilience by enabling communities to help themselves.

## **The Bread and Butter Thing**

### **Trustees' annual report**

**For the period ended 31 December 2023**

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Reduce waste by working with manufacturers and distributors to identify surpluses in their supply chains which can be diverted for redistribution.

### **A two-tier approach to food security**

2023 has been another year in which the cost of living crisis has bitten hard. We have all learned how inflation is proving to be yet another poverty premium, the worse off being the worst affected. With inflation averaging around 6% in 2023, we asked our members for their views of how much they were impacted. Typically everything was three times as hard for our members. The Government's 2023 State of the Nation reports that "the UK is not in decline and that the UK is not a low-mobility country" and that "an exaggerated picture of gloom should not be our motivation for change".

And yet 54% of our members are renting compared to their parents living in owned or mortgaged homes. Furthermore, the majority feel that their living standards are worse than their parents at the same age. Clearly, this is not a wholly representative cohort that gives a true representation of the nation as a whole. But we cannot ignore the fact that we have communities all across the nation that are in decline.

Although inflation is declining, this does not mean life is more affordable or cheaper; it simply means it is still getting more expensive, just not as quickly as it was. Wages and benefits are not rising in line with price rises and low income families are being pushed more and more beyond the coping line. As a result, our members are being forced to borrow, just to get by. Everyday essentials such as food and energy are bought on credit.

Our members feel their lives are in social decline and yet continue to be politically engaged. Two thirds of our members intend to vote in the next general election even though the vast majority feel that, irrespective of who is in Government, they will continue to be overlooked.

Post Covid, our members have been forced to make difficult decisions every day; they have been incredibly resourceful and have 'managed'. But resources and favours are running out, and doorstep lenders are circling. The majority of borrowings our members incur is informal; from friends, family and doorstep lenders. This means most of our members' debt is invisible to policy makers.

Despite all the challenges, our members continue to 'cope'. Their resilience and agility is truly amazing and we celebrate this whilst doing what we can to stretch budgets and maximise income through our food clubs and wraparound support services.

One of our key stakeholders recently said "food clubs such as The Bread and Butter Thing are the secret weapon against food insecurity". Although this is a very positive and supportive statement, we need to show the world how food clubs create a positive addition to communities.

## The Bread and Butter Thing

### Trustees' annual report

#### For the period ended 31 December 2023

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With a growing number of people in the UK who are struggling, there is a growing recognition of why we should be providing two-tier support to food security. Food clubs such as The Bread and Butter Thing bridge the gap between crisis support, such as food banks, and everyday retail. More organisations and stakeholders are partnering with The Bread and Butter Thing to provide such support in a growing number of geographic regions.

During 2023, our footprint has spread into Staffordshire, Leicestershire, Nottinghamshire as well as growing further in existing regions. At the end of 2023 we had 115 hubs across England.

### Strengthening community assets

TBBT works with pre-existing community organisations identified with the support of local stakeholders. We partner with these hubs to help them serve their community more and improve the use of community assets. From the beginning we have believed in the importance of building on what is already there rather than coming into a community to start something new.

During 2023, we introduced The Big Brew Time. This is a concept where we invite our communities back into the spaces we operate from and provide them with a warm, familiar space to come and have a brew and meet their neighbours. Such activities give us more opportunities to provide additional wraparound services and, with our growing communities team, we have seen more engagement with more services than ever before.

TBBT's lively and enjoyable weekly events attract the community with around 50–80 local residents typically attending. Our approach is non-stigmatising and connects people by creating networks of trust through shared activity. 97% of members say we are good for their community and 90% enjoy coming to shop with us.

We also identify other service providers who might be able to offer support to the community, building on the footfall and audience we can guarantee. We focus on the areas where our members are most likely to benefit, for example help with fuel costs, debt issues, income maximisation and employability. Our policy is to work in partnership with organisations already providing services in these specialities. Post Covid, life is not returning to what we knew in 2019. Economic challenges created globally and nationally have meant low income families continue to struggle far more than they did pre Covid.

By bringing in these other services locally into our warm hubs, we have been able to reintroduce desperately needed face to face support. During 2023, we have worked with Morrisons Trust, The Green Doctors, Citizens Advice, Virgin Media, New Leaf, Kirklees Money Advice and many others bringing local access to their services to our hubs.

2023 has been our busiest year for wraparound services, not only because of the increasing number of hubs but also because of the volume of interactions per hub. Community partners report improved engagement with our members. The regular contact from the weekly deliveries increases footfall and connects more people with the other services which our partners offer.

## **The Bread and Butter Thing**

### **Trustees' annual report**

#### **For the period ended 31 December 2023**

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Our Connecting with Confidence project delivered in partnership with Lloyds Bank and We Are Digital ran 57 training sessions in 10 TBBT hubs, with 411 people taking part. Each session was open to TBBT members who had been identified as digitally excluded – including members without access to a smartphone, tablet or home computer. The project combined three key elements: access to kit, data for connectivity and building up confidence online. Run by We Are Digital expert trainers, the sessions provided a tablet and SIM card with six months data from Vodaphone included.

Our members also enjoy the social aspect of our service. Coming each week to chat and meet others reduces social isolation. 92% of our members feel welcome shopping with us and 31% have made new friends in the community since joining. 43% feel less alone. Members are regularly swapping recipe ideas, hints and tips on using the food we supply, contributing to better communication and building an enhanced community spirit.

### **Build resilience**

Our aim is to help communities to help themselves. Each of our hubs is staffed by a volunteer team made up of people from the local area who set up and manage our service each time we deliver.

We are supported by over 700 volunteers each week who give up their time on a regular basis to deliver the service. Most come to their local hub, ready to meet our staff members and to sort, pack and distribute the food and goods to their fellow members. Others work at our warehouses, collecting and organising the food for the hubs. Every week, between them, they provide more than 2,500 volunteering hours. We could not do it without them.

Volunteers are given a briefing each time and provided with training in manual handling and food safety. They also work with us to design processes, making sure service can continue whilst keeping people safe.

Throughout the inception and development of TBBT, we have consistently found that the communities in which we work have a strong pride and appetite to support themselves. The volunteers come from our communities and know most of the members we serve. They feel ownership of the service and see TBBT as part of their community.

### **Reducing waste and finding new sources of surplus food and goods**

2023 has been another difficult year for the food industry. Brexit, Covid and the war in Ukraine continue to challenge regular, low cost supply as well as stability of supply. All these factors continue to exacerbate inflationary impacts on food as well as supply.

Throughout the year, we have worked tirelessly to source food to redistribute, and generate the corresponding transport solutions to ensure we can continue to grow our network of food clubs to meet the demands of the cost of living shockwaves we faced.



## **The Bread and Butter Thing**

### **Trustees' annual report**

#### **For the period ended 31 December 2023**

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One of our major supporters throughout 2023 has been Morrisons. They have supported our work since our inception. During 2023, we continued working with them on engaging wider into their manufacturing sites and distribution centres, and, as a result, we have seen a 79% uplift in direct supply. In addition to this, we have started to work further up the supply chain with the Morrisons' team and have started to intercept crops that would otherwise go to waste.

Our work on reducing food waste focusses primarily on the top two aspects of the statutory guidance issued to the food industry by DEFRA in the Food Waste Hierarchy. The first priority is to minimise waste and surplus created; the second is to feed humans wherever possible with the surplus generated.

Most of the work in this year has been continuing to navigate the shifting landscape in supply chain, and how we can work closely with industry to support them and help to develop new ways of minimising waste with as little disruption and investment as possible.

Barriers to redistributing surplus food have been a consistent topic for us throughout the year. We have a good depth of knowledge and insight into surplus foods and how they so easily can be wasted. We have led the way in raising awareness surrounding the issues such as Own label when it comes to wider redistribution.

So, it is good to see that more and more redistributors are responding and becoming more agile in their responses to opportunities presented to them. Since our inception, we have always taken short dated stock and goods beyond best before dates. We welcome these becoming more standard across the sector.

As for the adoption of "own label" approvals by the retailers within the sector, we continue to applaud Morrisons and Sainsbury as they widen their approvals to more redistribution organisations, but the sector overall is still split in its opinion as to whether this is considered appropriate. We shall continue our efforts to demonstrate the tens, if not hundreds, of thousands of tonnes of food wasted due to this blind spot.

In July 2023, we carried out an anonymous survey of own-label manufacturers. We issued the survey to over 400 active members of staff in production, management and technical roles, and we received 50 responses. Clearly this is not a wholly representative picture. However, it does show that more research is required.

We have been able to demonstrate that working with The Bread and Butter Thing, alongside existing redistribution routes, can significantly reduce the amount of own label food going to waste whilst maintaining brand integrity. One size clearly does not fit all.

## The rising challenges of redistribution

During 2023, the rising costs of food and difficulties faced by industry from external factors such as labour shortages and Brexit have started to make redistribution more difficult as supplies have become more challenging.

Industry has seen many calls to action in this space too in 2023. Some of which have created unintended consequences of displacing food from ourselves and others in the sector to new projects.

We have been working closely with stakeholders of the redistribution sector in an attempt to remedy this as TBBT has had to incur more costs to acquire food from industry to keep supply levels secure. Logistics and the costs of surplus food have more than tripled on a monthly basis comparing January to December.

In response, we have recruited a new Director of Finance and Business operations to manage these costs and help keep such rising costs controlled and to a minimum.

More wider, we have actively been calling for more regulation or governance in the redistribution sector to help develop a common code of practice. Working with WRAP and other stakeholders, we are also looking to educate the food industry of the consequences of displacing existing supply from redistribution organisation to another.

TBBT believes that best practice would be supply contracts with service levels and a three year length of term minimum. These agreements should include routine reporting and engagement so that the food suppliers recognise the work provided by the redistribution organisations, as well as keeping an open dialogue.

## Achievements and performance

The charity started its activities in late 2016 and has increased its operations every year. Local access to healthy food at a good price can be a significant problem in the areas we work in, and we find that residents are keen to support us. This means that community hubs, once open, continue causing our weekly deliveries to grow and grow.

We have always seen this as a supply driven model, so we are always trying to break down barriers to redistribution and find more ways of making it easy to redistribute. In 2023, we were proud to win The Grocer Gold “waste not want not” award for our work with Worldwide Fruit. By simply identifying an operational barrier of “de-hiring” trays, we were able to unlock more than 200 tonnes of fruit to go directly to our members.

## The Bread and Butter Thing

### Trustees' annual report

For the period ended 31 December 2023

Description	At end of 2023	At end of 2022	At end of 2021	At end of 2020
Membership	75,000+	48,000+	23,000 +	14,000 +
Families supported weekly	7,000+	4,900 +	2,600 +	2,000 +
Meals equivalent per week based on DEFRA figures	265,000+	165,000 +	74,000 +	57,000 +
Volunteer hours per month	10,600+	9,400 +	5,000 +	3,900 +
Community Hubs	115	81	53	36
Community Hub members served	£1,100,000+	£800,000 +	£390,000 +	£266,000 +

The Cost of Living crisis has had a significant impact on our model in 2023. We have seen demand outstripping our supply capabilities in most of our hubs. Couple this with the growing demand for a two tier approach to food security and we have had to meet demand requirements on many levels.

### Financial review

Income for the year was £5,431,357 (2022: £3,720,560) of which £2,474,818 (2022: £1,534,809) came from membership fees and £2,956,539 (2022: £2,185,751) from grants and donations.

During 2023 we have been fortunate to have received funding for growth from a range of funders. We have been funded to open new hubs by Durham Council, Kirklees Council, Sunderland Council and North Tyneside Council. In each case, the funding allowed us to purchase a new chilled van and to open 5 hubs in communities within their area.

In addition, Darlington Borough Council and Durham Council provided over £100,000 each for The Bread and Butter thing to distribute fuel vouchers in their respective areas.

Comic Relief have provided £814,603 (2022: £500,000) to support our national expansion by supporting two additional warehouses to allow us to grow geographically.

We continue to see growing demand from new and existing community partners, and we are continuing to develop new sources of surplus food and goods. The Bread and Butter Thing wants to bring these things together to save our members more money and ensure that surplus food is eaten by humans whenever possible.

## Reserves policy and going concern

The Board of Trustees have reviewed the charity's finances and will endeavour to maintain reserves in unrestricted funds of at least 3 months' committed expenditure. Based on a current review of spend, this would require £779,563 to be held.

At the 31 December 2023, the charity was operating in accordance with this policy with a carried forward funds balance of £3,416,906 (2022: £2,635,356), including £972,850 unrestricted reserves (2022: £1,197,159). The board has released designated funds of £350,000 to enable strengthening of the charities processes and infrastructure for the long-term and to maintain the services at this higher level (see note 16).

## Fundraising statement

After the initial investment in a new hub, TBBT's model aims to be self-sustaining with our membership income covering the running costs once the hub is established. Therefore, the charity raises funds only to support its expansion and to invest in the wider services we can provide to our communities, members, and volunteers.

All fund-raising is carried out by the senior management team and no professional fund raisers, or commercial participators are used. There have been no complaints within the year.

## Plans for the future

The feedback we get from our members emphasises how precarious the economic position is for many families and how rapidly their situation can change: from coping to needing support to access affordable healthy food. The service provided by TBBT provides an early intervention approach by helping to prevent the families being trapped in poverty. This, alongside the community spirit we help to engender (with members able to see a friendly face and enjoy a little conversation when collecting their bags), has been more important than ever, and will continue to provide essential support throughout 2024.

TBBT has an aspiration to take our model national. During 2023 we have significantly expanded in England, moving into the Midlands and beyond. We want to do more. It has become very clear that there is a need for access to good quality low-cost food for families who are just about managing. Traditional food banks provide emergency help for people who need immediate help. They provide a vital service. However, there are many other people who struggle to afford enough good quality food to feed their families well. The impact of the choices they must make, between food and fuel or going without meals, can be seen in health inequalities, educational gaps and many other well-documented poverty premiums.

Food banks are often not designed to provide the much-needed longer-term support. In addition, many of these families do not want a handout. They want to be helped to make their money go further. The TBBT model is aimed at these communities. We will provide healthy low-cost food

## **The Bread and Butter Thing**

### **Trustees' annual report**

#### **For the period ended 31 December 2023**

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until the families get back on their feet and are able to shop as they wish. In return, the membership fee pays for the food. Hub leaders provide volunteers to run the service and the space for us to operate. This allows our communities to help themselves.

At the end of 2023, Comic Relief committed to additional funding of our geographic expansion in 2024. We will continue with our expansion, utilising collaborations with logistics partners to help us grow beyond the reach of our warehouses.

We are budgeting to have over 130 hubs by the end of the 2024. We believe this alternative type of sustainable, mid-tier food provision, generating its own income and sourcing its own food, should be a priority for the next few years to improve the health, community and well-being in low-income areas.

## **Principal risk and uncertainties**

The trustees have ultimate responsibility for risk management and TBBT's internal control systems. They are satisfied that appropriate systems and processes are in place to identify key risks and mitigate against them. For example: the management team reviews organisational risks and ensures that internal control measures are in place and are adequate. These controls are challenged by the Treasurer.

The trustees are responsible for ensuring that an effective system of internal financial control is maintained and operated by the charity. The system of internal financial control is based on a framework of regular management information, administrative procedures, and a system of delegation and accountability.

Like every other charity, we faced the uncertainties which came with the Covid crisis and we have also been exposed to the ever-increasing expenditure of the cost of living crisis. We have worked hard to build in contingency plans for the most likely risks and, so far, have been able to deal with situations which have arisen without missing a single delivery to a hub. We continue to face the challenges created by sickness in our volunteers and staff, and have improved our systems and processes to allow us to move quickly to deal with what arises.

We face a continuous challenge of sourcing sufficient healthy food to feed our families. During the year, we have greatly widened the number of suppliers we deal with, and have improved our infrastructure to allow us to deal with large donations quickly and efficiently. We continue to invest in this area, so our expansion is underpinned with the right food.

## **Structure, governance, and management**

The organisation is a Charitable Incorporated Organisation (CIO), incorporated and registered as a charity on 27 September 2016 in England and Wales.

## **The Bread and Butter Thing**

### **Trustees' annual report**

#### **For the period ended 31 December 2023**

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The CIO was established under its constitution which established the objects and powers of the charity and is governed under its constitution.

The day-to-day management of the charity is delegated to Mark Game, the Chief Executive. Trustees are required to disclose all relevant interests and register them with the trustee charity lawyer and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The pay of the senior management team is decided by the Trustees. The aim is to pay a fair salary for the not-for-profit sector bearing in mind affordability.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6.

### **Operation of the Board of Trustees**

The Board of Trustees meets formally four times a year to review the organisation's work and services, and to agree the strategic goals for the charity. The Board also reviews its own operation, effectiveness and governance on an annual basis. The Trustees delegate the day-to-day operations and staffing of the charity to the management team. At each quarterly meeting, they review recent developments to ensure they are in line with the strategic goals agreed.

### **Appointment of trustees**

An annual review of the recruitment needs of the Board of Trustees is carried out under the leadership of the Chair, including an audit of the current knowledge, experience, skills and abilities, and how they will be affected by any Trustee departures in the future.

Trustees are appointed based on their skills and knowledge of the various sectors in which we operate. For induction and training, all new Trustees come and work with the team on site to make sure they understand the operations and can form direct relationships with the team. In addition, Trustees are expected to spend one day a year volunteering with the team.

### **Related parties and relationships with other organisations**

Throughout 2023, The Bread and Butter Thing has continued to work closely with food industry partners. We have strong working relationships with Asda, Amazon, Greencores, GreenKing, Worldwide Fruit, Soreen, Co-op, Cranswick, Kellogg's and Morrisons. They have supported us with goods and provided volunteering support and press coverage. We are hugely grateful to them all. Once again, we are especially grateful to the Morrisons team for their continued operational support and partnering with us to help us grow. Morrisons plan to continue their work with TBBT in deeper engagement in their food making sites.

## Statement of responsibilities of the Trustees

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 charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 proper accounting records that 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. 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.

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.

## Auditor

Sayer Vincent LLP was reappointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees and signed on their behalf by

William Bentley  
Chair of Trustees  
26 June 2024

## Independent Auditor's report

To the members of

The Bread and Butter Thing

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### Opinion

We have audited the financial statements of The Bread and Butter Thing (the 'charity') for the year ended 31 December 2023 which comprise of the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Bread and Butter Thing'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

## **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

## Independent Auditor's report

To the members of

### The Bread and Butter Thing

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- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities) This description forms part of our auditor's report.

## Use of our report

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

Jonathan Orchard

12 July 2024  
Sayer Vincent LLP, Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG

## The Bread and Butter Thing

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Income from:</b>							
Donations and Grants	2	151,005	–	<b>151,005</b>	105,201	3,125	108,326
Charitable activities	3	2,742,939	2,537,412	<b>5,280,352</b>	1,722,011	1,890,223	3,612,234
<b>Total income</b>		<b>2,893,944</b>	<b>2,537,412</b>	<b>5,431,357</b>	<b>1,827,212</b>	<b>1,893,348</b>	<b>3,720,560</b>
<b>Expenditure on:</b>							
Charitable activities	4a	3,118,253	1,531,554	<b>4,649,807</b>	1,271,096	1,406,676	2,677,772
<b>Total expenditure</b>		<b>3,118,253</b>	<b>1,531,554</b>	<b>4,649,807</b>	<b>1,271,096</b>	<b>1,406,676</b>	<b>2,677,772</b>
<b>Net income for the year</b>	5	<b>(224,309)</b>	<b>1,005,858</b>	<b>781,550</b>	<b>556,116</b>	<b>486,672</b>	<b>1,042,788</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,197,159	1,438,197	<b>2,635,356</b>	641,043	951,525	1,592,568
<b>Total funds carried forward</b>		<b>972,850</b>	<b>2,444,055</b>	<b>3,416,906</b>	<b>1,197,159</b>	<b>1,438,197</b>	<b>2,635,356</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16.

# The Bread and Butter Thing

## Balance sheet

As at 31 December 2023

	Note	£	2023 £	£	2022 £
<b>Fixed assets:</b>					
Tangible assets	10		1,051,464		897,127
Intangible assets	11		21,338		31,379
			<u>1,072,802</u>		<u>928,506</u>
<b>Current assets:</b>					
Debtors	12	1,777,312		799,715	
Short term deposits		935,000		680,000	
Cash at bank in hand		273,907		961,446	
			<u>2,986,219</u>	<u>2,441,161</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(642,115)		(734,311)	
			<u>2,344,104</u>		<u>1,706,850</u>
<b>Net current assets</b>					
			<u>3,416,906</u>		<u>2,635,356</u>
<b>Total net assets</b>					
			<u>3,416,906</u>		<u>2,635,356</u>
<b>The funds of the charity:</b>	15a				
Restricted funds			2,444,057		1,438,197
Unrestricted funds					
Designated Funds			350,000		350,000
General Funds			622,849		847,159
<b>Total charity funds</b>			<u>3,416,906</u>		<u>2,635,356</u>

Approved by the trustees on 26 June 2024 and signed on their behalf by

Name: William Bentley  
Title: Chair of Trustees

Name: Philip Kaye  
Title: Treasurer

## The Bread and Butter Thing

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net income for the reporting period (as per the statement of financial activities)		781,550		1,042,788	
Depreciation charges		273,961		161,438	
Amortisation charges		10,041		708	
Loss on disposal of fixed asset		–		9,666	
Interest on finance lease		–		–	
(Increase) in debtors		(977,596)		(650,353)	
(Decrease) / Increase in creditors		(92,196)		577,248	
<b>Net cash(used in ) / provided by operating activities</b>			<b>(4,240)</b>		<b>1,141,495</b>
<b>Cash flows from investing activities:</b>					
Purchase of fixed assets		(428,298)		(380,250)	
Purchase of intangible assets		–		(32,087)	
<b>Net cash (used in) investing activities</b>			<b>(683,298)</b>		<b>(412,337)</b>
<b>Change in cash and cash equivalents in the year</b>			<b>(687,539)</b>		<b>729,158</b>
Cash and cash equivalents at the beginning of the year			961,446		232,288
<b>Cash and cash equivalents at the end of the year</b>	a		<b>273,907</b>		<b>961,446</b>

### Analysis of cash and cash equivalents and of net debt

	At 1 January 2023 £	Cash flows £	Other non- cash changes £	At 31 December 2023 £
Cash at bank and in hand	961,446	(687,539)	–	273,907
<b>Total</b>	<b>961,446</b>	<b>(687,539)</b>	<b>–</b>	<b>273,907</b>

**1 Accounting policies**

**a) Statutory information**

The Bread and Butter Thing is a Charitable Incorporated Organisation, governed by a Constitution and registered in England and Wales (Charity Number 1169383).

The registered office address is 6 Meridian Place, Manchester, M20 2QF.

**b) 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The board has considered the impact of both current requirements and future plans and the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities 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 facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

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 or payable by the bank.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**i) Expenditure and irrecoverable VAT**

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

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

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated 100% back to the charitable activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Plant and Machinery	2 – 10 years
● Office Equipment	2– 3 years
● Motor vehicles	5 years
● Website & Software	3 years

l) 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 discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

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 trade discounts due.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



2 Donations and other income

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Other donations and grants income	115,019	–	115,019	105,703
Interest	35,986	–	35,986	2,623
	<u>151,005</u>	<u>–</u>	<u>151,005</u>	<u>108,326</u>

Restricted income from donations in 2022 was £3,125, with the remaining £105,201 being unrestricted.

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Membership income	2,474,818	–	2,474,818	1,534,809	–	1,534,809
Gift in Kind	268,121	–	268,121	187,202	–	187,202
Trafford Housing Trust	–	–	–	–	92,553	92,553
Darlington Borough Council	–	–	–	–	172,197	172,197
Manchester City Council Food Response	–	–	–	–	6,505	6,505
County Council of Durham	–	121,528	121,528	–	331,738	331,738
Tameside Council	–	–	–	–	14,016	14,016
Pursloe Trust and Lyons Trust	–	–	–	–	45,530	45,530
Sainsburys grant	–	–	–	–	39,600	39,600
Kirklees	–	–	–	–	250,329	250,329
North Tyneside	–	41,712	41,712	–	38,220	38,220
Darlington Winter Grant	–	217,488	217,488	–	–	–
Sunderland Grant	–	93,753	93,753	–	–	–
Comic Relief Grant	–	814,603	814,603	–	500,000	500,000
Tameside fuel vouchers	–	–	–	–	52,000	52,000
Other Funders	–	184,824	184,824	–	199,660	199,660
Cheshire West	–	–	–	–	125,000	125,000
Darlington fuel vouchers	–	317,755	317,755	–	–	–
Durham HSF2 fuel vouchers	–	100,000	100,000	–	–	–
UK shared prosperity fund	–	152,000	152,000	–	–	–
Purslow/Lyons trustee–Stoke	–	250,000	250,000	–	–	–
Doncaster grant	–	150,000	150,000	–	–	–
Stockton grant	–	93,750	93,750	–	–	–
Total income from charitable activities	<u>2,742,939</u>	<u>2,537,412</u>	<u>5,280,352</u>	<u>1,722,011</u>	<u>1,869,223</u>	<u>3,591,234</u>

The gift in kind of £268,121 (2022: £187,202) is for the venue hire received free of charge during the year to conduct core activities.

## The Bread and Butter Thing

### Notes to the financial statements

#### For the year ended 31 December 2023

#### 4a Analysis of expenditure (current year)

	Charitable Activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 6)	1,273,588	46,477	418,292	1,738,356	935,317
Other staff costs	37,463	–	102,445	139,908	158,148
Fuel/Transport and Hubs costs	2,007,103	–	–	2,007,103	777,246
Fuel Voucher Expense	–	–	7,356	7,356	310,177
Warehouse costs	274,283	–	388	274,671	179,881
Combined liability insurance	–	–	7,356	7,356	7,253
Depreciation	204,592	–	79,410	284,002	162,147
Legal fees	–	–	31,626	31,626	8,869
Governance	–	710	–	710	1,733
Audit and accountancy	–	20,576	–	20,576	9,996
Office costs	–	–	76,403	76,403	44,242
Other costs	–	–	61,740	61,740	82,763
	3,797,029	67,763	785,016	4,649,807	2,677,772
	–	–	–	–	–
Support costs	785,016	–	(785,016)	–	–
	–	–	–	–	–
Governance costs	67,763	(67,763)	–	–	–
<b>Total expenditure 2023</b>	<b>4,649,807</b>	<b>–</b>	<b>–</b>	<b>4,649,807</b>	
Total expenditure 2022	2,677,772	–	–		2,677,772

# The Bread and Butter Thing

## Notes to the financial statements

For the year ended 31 December 2023

### 4b Analysis of expenditure (prior year)

	Charitable Activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 6)	839,730	5,841	89,746	935,317
Other staff costs	106,283	–	51,865	158,148
Fuel/Transport and Hubs costs	777,246	–	–	777,246
Fuel Voucher Expense	310,177	–	–	310,177
Warehouse costs	179,881	–	–	179,881
Combined liability insurance	–	–	7,253	7,253
Depreciation	150,130	–	12,017	162,147
Legal fees	–	–	8,869	8,869
Governance	–	1,733	–	1,733
Audit and accountancy	–	9,996	–	9,996
Office costs	–	–	44,242	44,242
Other costs	–	–	82,763	82,763
	<u>2,363,447</u>	<u>17,570</u>	<u>296,755</u>	<u>2,677,772</u>
Support costs	296,755	–	(296,755)	–
Governance costs	17,570	(17,570)	–	–
<b>Total expenditure 2022</b>	<u><u>2,677,772</u></u>	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>2,677,772</u></u>

## The Bread and Butter Thing

### Notes to the financial statements

#### For the year ended 31 December 2023

##### 5 Net income for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	273,961	161,438
Auditor's Remuneration:		
Audit (excluding VAT)	8,500	7,000
Other services (excluding VAT)	1,500	1,400
	<u>1,500</u>	<u>1,400</u>

##### 6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,557,921	837,953
Social security costs	154,118	82,939
Employer's contribution to defined contribution pension schemes	26,317	14,425
	<u>1,738,356</u>	<u>935,317</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£70,000 – £79,999	2	–
£80,000 – £89,999	2	–
	<u>4</u>	<u>–</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £469,328 (2022: £263,293).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). One trustee received payment for professional services supplied to the charity at arms length (see Note 8) (2022: one).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £208 (2022: £751) incurred by 2 (2022: 3) members relating to attendance at meetings of the trustees.

##### 7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 52.0 (2022: 40.7).

Staff are split across the activities of the charity as follows:

	2023 No.	2022 No.
Charitable activity	46.8	36.6
Support	5.2	4.0
Governance	0.1	0.1
	<u>52.0</u>	<u>40.7</u>

## The Bread and Butter Thing

### Notes to the financial statements

For the year ended 31 December 2023

#### 8 Related party transactions

Within the year there were transactions to the value of £12,794 (2022:1,350) between The Bread and Butter Thing and BD2, where Will Bentley is a Director. These transactions were at arms length.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2022: none).

#### 9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 10 Tangible fixed assets

	Plant & Machinery £	Office equipment £	Motor vehicles £	Website & Software £	Total £
<b>Cost</b>					
At the start of the year	391,647	19,838	822,008	35,404	1,268,898
Additions in year	46,441	2,756	356,594	22,508	428,298
At the end of the year	438,088	22,594	1,178,602	57,912	1,697,196
<b>Depreciation</b>					
At the start of the year	86,978	16,247	253,392	15,155	371,771
Charge for the year	52,052	1,012	208,472	12,424	273,961
At the end of the year	139,030	17,259	461,864	27,579	645,732
<b>Net book value</b>					
At the end of the year	299,058	5,335	716,738	30,333	1,051,464
At the start of the year	304,669	3,591	568,617	20,250	897,127

All of the above assets are used for charitable purposes.

#### 11 Intangible fixed assets

	Website & Software £	Total £
<b>Cost</b>		
At the start of the year	32,087	32,087
At the end of the year	32,087	32,087
<b>Amortization</b>		
At the start of the year	708	708
Charge for the year	10,041	10,041
At the end of the year	10,749	10,749
<b>Net book value</b>		
At the end of the year	21,338	21,338
At the start of the year	31,379	31,379

All of the above assets are used for charitable purposes.

# The Bread and Butter Thing

## Notes to the financial statements

For the year ended 31 December 2023

### 12 Debtors

	2023 £	2022 £
Trade debtors	178,427	165,489
Prepayments and accrued income	1,492,243	453,135
Other debtors	106,642	181,091
	<b>1,777,312</b>	<b>799,715</b>

### 13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	139,485	57,406
Taxation and social security	37,750	26,253
Pensions	11,620	7,072
Other creditors	27,833	7,679
Accruals	3,402	43,335
Deferred income (note 13)	422,025	592,566
	<b>642,115</b>	<b>734,311</b>

### 14 Deferred income

Deferred income is comprised of grants from Seven Local Authorises where funding is given in advance.

	2023 £	2022 £
Balance at the beginning of the year	592,566	92,084
Amount released to income in the year	(592,566)	(92,084)
Amount deferred in the year	422,025	592,566
Balance at the end of the year	<b>422,025</b>	<b>592,566</b>

### 15a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	334,725	716,738	1,051,464
Intangible assets	21,338	–	21,338
Net current assets	616,784	1,727,319	2,344,103
<b>Net assets at 31 December 2023</b>	<b>972,847</b>	<b>2,444,057</b>	<b>3,416,905</b>

### 15b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	338,364	558,763	897,127
Intangible assets	31,379	–	31,379
Net current assets	827,416	879,434	1,706,850
<b>Net assets at 31 December 2022</b>	<b>1,197,159</b>	<b>1,438,197</b>	<b>2,635,356</b>

16a Movements in funds (current year)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
<b>Restricted funds:</b>					
10G – small grants	9,936	12,528	–		22,464
Comic Relief Grant	437,500	814,603	(266,721)		985,382
Cummins	26,734	–	(15,595)		11,139
DEFRA	312,477	–	(52,452)		260,025
First Choice Homes	1,875	–	(2,500)		(625)
Karbon Homes Grant	57,707	–	(40,348)		17,359
Kellogg's	5,399	–	(4,999)		400
Local Authority	544,376	1,394,455	(1,092,579)		846,251
Morrisons Trust	4,063	–	(6,600)		(2,537)
Other income	3,454	–	–		3,454
Our Manchester	3,997	–	(3,999)		(2)
Purslow Trust and Lyons Trust	5,677	275,000	(18,732)		261,945
Regen	–	25,000	–		25,000
Sainsburys	2	–	–		2
Sodexo grant	–	15,828	(10,361)		5,467
Wagamama	25,000	–	(16,667)		8,333
<b>Total restricted funds</b>	<b>1,438,197</b>	<b>2,537,414</b>	<b>(1,531,554)</b>	<b>–</b>	<b>2,444,057</b>
<b>Unrestricted funds:</b>					
Designated funds	350,000	–	–	(350,000)	–
<b>General funds</b>	<b>847,159</b>	<b>2,893,944</b>	<b>(3,118,253)</b>	<b>–</b>	<b>622,849</b>
<b>Total funds</b>	<b>2,635,356</b>	<b>5,431,357</b>	<b>(4,649,807)</b>	<b>(350,000)</b>	<b>3,066,906</b>

\* The negative balances shown in this table are due to the revenue being spread over the life of the grant as per FRS102.

The narrative to explain the purpose of each fund is given at the foot of the note below.

16b Movements in funds (prior year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
<b>Restricted funds:</b>					
10G – small grants	–	12,436	(2,500)		9,936
CAF Resilience Fund	–	–	–		–
Comic Relief Grant	–	500,000	(62,500)		437,500
Cummins	–	26,734	–		26,734
DEFRA	370,533	–	(58,056)		312,477
First Choice Homes	–	2,500	(625)		1,875
Karbon Homes Grant	–	75,000	(17,293)		57,707
Kellogg's	11,398	–	(5,999)		5,399
Local Authority	506,498	1,131,548	(1,083,670)		554,376
Morrisons Trust	10,663	25,000	(31,600)		4,063
Other income	3,454	–	–		3,454
Our Manchester	9,996	–	(5,999)		3,997
Purslow Trust and Lyons Trust	38,983	45,530	(78,836)		5,677
Sainsburys	–	39,600	(39,598)		2
Salford families in need	–	–	(10,000)		(10,000)
Sodexo grant	–	10,000	(10,000)		–
Wagamama	–	25,000	–		25,000
<b>Total restricted funds</b>	<b>951,525</b>	<b>1,893,348</b>	<b>(1,406,676)</b>	<b>–</b>	<b>1,438,197</b>
<b>Unrestricted funds:</b>					
Designated funds	295,000	–	(263,182)	318,182	350,000
<b>General funds</b>	<b>346,043</b>	<b>1,827,212</b>	<b>(1,007,914)</b>	<b>(318,182)</b>	<b>847,159</b>
<b>Total funds</b>	<b>1,592,568</b>	<b>3,720,560</b>	<b>(2,677,772)</b>	<b>–</b>	<b>2,635,356</b>

Purposes of restricted funds

**10G – small grants** – A number of small grants under £5k grouped together

**Comic Relief grant**– providing grant funding for two new warehouses in two new regions plus staff

**Cummins** – The grant was given to support the partnership co-ordinator in the north east region.

**DEFRA**

During the Covid crisis, DEFRA provided funding to purchase additional food to deal with the huge demand created by the crisis. Defra have provided funding for a pilot to trial a back of store collection project, working across retailers to generate new food for redistribution. Funding was also provided to support the purpose of Freezers and chillers for the warehouses in addition to further vans.

**First Choice Homes**

A grant was provided to cover delivery costs, for a van in Oldham operating 5 days a week, including a driver's salary.

**Karbon Homes** – providing a grant for the opening of more hubs and all associated costs ( Van , staff , training )

**Kellogg's**

Kellogg's provided a grant to enable a van to be purchased and to cover the salary for a driver.

**Local authorities** – have provided grants for the opening of more hubs, associated costs (van, staff, training). Local authorities have also provided support funding for fuel vouchers, prepaid meters and food.

**Morrisons Trust** – Morrisons supported us with the upgrade of Vans.

**Other funds** – restricted funding for a specified project.



Purposes of restricted funds (continued)

Our Manchester

The grant was given to support the purchase of a van and driver to work in North Manchester.

**The Purslow and Lyons Trusts** – have joined together to fund the expansion of our services in to Warrington. 2021 has seen the Trust fund a van.

**Regen** – Regen provided a grant to set up 1 additional Hub per week.

**Sainsburys**–Grant for a mobile food pantry from Sainsbury's Helping Everyone Eat Better community Grants fund – covering costs for food planner, CDDO and transport food costs

**Sodexo grant**–Grant for promotion of Healthy start vouchers , and Women Empowerment

**Wagamama** – to support logistics of redistribution one million meals in January 2023.

Purposes of designated funds

In the 2022 accounts, we set aside £350k as a designated fund to invest in strengthening the charity’s infrastructure making it ready for the next stage of growth. The spend is planned over an 18 month period. Food Acquisition and development of low energy meals – £250,000 and Community Resilience and volunteer management – £100,000. The Trustees have reviewed the purposes of the fund, and consider that these activities are part of the charity's objectives and therefore have released the designated fund into general funds as at 31.12.2023.

17 Operating and finance lease commitments payable as a lessee

The charity's total future lease payments under an operating lease is as follows for each of the following periods

	Property 2023 £	2022 £
Less than one year	92,838	42,524
One to five years	223,353	–
Over five years	59,430	–
	<u>375,621</u>	<u>42,524</u>

18 Legal status of the charity

The Bread and Butter Thing is a Charitable Incorporated Organisation, governed by a Constitution and has no share capital. The charity registered in England and Wales (Charity Number 1169383).