

THE HEREFORD FOOD BANK
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

REGISTERED CHARITY NUMBER: 1170826



THE HEREFORD FOOD BANK
YEAR ENDED 31 DECEMBER 2021
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THE HEREFORD FOOD BANK
LEGAL AND ADMINISTRATIVE INFORMATION

2021

Trustees

Lucy Hurds
Fiona Jones
Michael Wilkinson
Marie Rosenthal
Philip King

Secretary

Not appointed

Principal office

41 Monkmoor Street
Hereford
HR1 2DX

Telephone number

01432 607011

Website

<https://herefordfoodbank.co.uk>

Email address

manager@herefordfoodbank.co.uk

Accountants

Anchorage
No. 2 Rydell Mount
37 Bodenham Road
Hereford
HR1 2TP

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Monmouthshire Building Society
John Frost Square
Newport
NP20 1PX

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and the unaudited accounts for the year ended 31 December 2021.

Reference and administration details

Charity name and number

The registered charity name of the charity is The Hereford Food Bank; its charity registration number is 1170826.

Principal office

The address of the principal office of the charity is: 41 Monkmoor Street, Hereford, HR1 2DX.

Charity trustees

The trustees of the charity who served during and since the year ended 31 December 2021, were as follows:

<u>Name</u>	<u>Position</u>	<u>Date appointed</u>	<u>Date resigned</u>
Chris Chappell			18-10-21
Lucy Hurds			
Fiona Jones			
Michael Wilkinson			
Marie Rosenthal	Chair	22-03-21	
Michael Tavinor			22-03-21
Philip King		18-10-21	

The trustees are appointed annually by rotation in general meeting by the board of trustees.

Structure, governance and management

Structure

The charity was established as a Charitable Incorporated Organisation (CIO) on 13 December 2016 and is governed by its constitution (amended 22 October 2019).

Appointment of trustees

Appointment of trustees is by majority election of the board of trustees in general session. New trustees undergo a formal induction process during which they are given a broad outline of the charity's policies and procedures. They are also given a copy of the charity's constitution (and any amendments made to it), and a copy of its latest annual report and statement of accounts. They are expected to familiarise themselves with the details of formal trustee responsibilities as laid down in charity law. Under the charity's constitutional provisions, trustees serve for a maximum period of three years, after which time they cease to hold office, but may be reappointed by the board of trustees at a subsequent general meeting.

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Liability of members

In the event that the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Management of the charity

The trustees exercise overall control of the organisation through attendance at regular management team meetings. Day-to-day running of the CIO is controlled by a manager and a deputy manager.

Risk management

The trustees carry out a regular annual review of the major risks to which the CIO is exposed, and implement changes or adjust policies to mitigate those risks.

Objectives and activities

Objects of the charity

The objects of the CIO - as set out in its governing document - are as follows:-

1. The relief of poverty in Herefordshire and the surrounding area through the provision of emergency food parcels containing basic nutritional foods and other basic amenities, founded on the Christian principle that humanity should "love your neighbour as yourself".

The property of the CIO shall not be applied for purposes which are not charitable.

Public benefit statement

The charity is a public benefit entity. The trustees have complied with their statutory duty to have due regard to the guidance on public benefit published by the Charity Commission in deciding what activities the charity should undertake, and how those activities are made available to the public.

Activities undertaken for the public benefit

The charity's main activity undertaken for the public benefit in relation to its charitable objects during the year, was the provision of emergency food parcels.

These services - in accordance with the charity's objects - are typically restricted to those located within the county of Herefordshire and surrounding areas. This is largely for logistical reasons, but also because the trustees believe that the charity is meeting a particular demand for such services, which is not met by other organisations in the area.

The services are free at the point of need, although certain services are funded by a recharge to the local authority, in order to cover the costs of providing the service, and to maintain quality.

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Foreword to the annual report

Now that the severe effects on health from the pandemic have lessened, the economic effects appear to have become more severe. For much of 2021 many people were protected by furlough provisions and the inability of landlords to evict tenants for non-payment of rent, but which has now ceased, leaving a lot of debt. The uplift on Universal Credit also ceased towards the end of 2021 and these factors appear to have been severely impacting many people in our area, with food parcels being sent out in increasing numbers.

We owe huge thanks to our managers who have been putting in some very long hours to ensure that well-filled food parcels continue to be supplied to the people who need them in a safe and timely manner. Likewise our Team Leaders and volunteers, who during 2021 have packed over 2,100 food parcels, much of the time made more difficult by wearing masks and clocking up an incredible 7,500 voluntary hours.

This year marked the final year of office for our Treasurer, Phil King, who has finally retired and handed over to Fiona Jones, who is one of our Trustees. Phil has been managing our accounts since well before the charity was established in 2016, and the past two years have been exceptionally busy for him, and I would like to mention the fantastic support he has provided.

Finally, I would like to acknowledge all the wonderful people who have donated food and money to us, from Herefordshire and further away. Without their help there would be no Food Bank and we recognise and appreciate the support that we have had over the past year and hope that they know how much of a difference they have made to so many people.

Marie Rosenthal 7 June 2022
(Chair)

Executive summary

The Hereford Food Bank is committed to the relief of poverty in Herefordshire and the surrounding area through the provision of emergency food parcels containing basic nutritional foods and other basic amenities.

The Food Bank operates principally through referrals from agencies, churches and certain individuals who are aware of the needs of the people they are supporting and believe that a food parcel is appropriate.

2021 was another exceptional year, again affected by the Covid-19 pandemic, where the Food Bank supplied 2,107 food parcels supporting 4,750 individuals, including 1,848 children, which represents almost 100,000 meals. In terms of individuals assisted, this was an increase of 17% on 2020. During the Christmas period, 50 hampers containing fresh food and gifts provided by the local community were supplied to 145 adults and 67 children.

What the organisation does

Our vision

The provision of food parcels to those recipients deemed to be in emergency need arising from, for example, homelessness, psychiatric breakdown or delayed benefit payments. In 2020 this was extended to people experiencing particular hardship due to the pandemic, and which has remained in place for 2021. We do not wish to create dependence and we work on the premise that the Food Bank is intended to help individuals or families over the crisis until they can support themselves.

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

What the organisation does *(continued)*

Our activities

A food parcel for up to a maximum of 7 days is supplied according to need.

Referrals come from case workers, social workers, NHS staff and other agencies and individuals and an appropriate food parcel is prepared. Due to the current economic circumstances, the Trustees have continued to allow individuals who have been experiencing hardship to obtain an initial food parcel without the need for a referral.

The Food Bank also provides information to the residents of Herefordshire and the surrounding areas to improve understanding of the concept and impact of poverty.

The Food Bank maintains good working relationships with referring agencies and other food providers by attending meetings and distributing information about its operation on a regular basis.

Achievements and performance

Background

Hereford Food Bank has been functioning in one form or another since 2008. Originally it took the shape of a Community Larder established by the Churches in Hereford Diocese Action Team, where individuals having obtained a voucher from a recognised Agency could attend the Larder and receive a bag of food which would enable them to cope with their current problem.

In February 2013 the Food Bank opened in Aubrey Street and the voucher system was abolished, being replaced by a system of referrals from agencies and recognised individuals. At the end of 2016, the Food Bank became an independent registered charity, replacing the previous operation under the auspices of the Hereford Diocesan Church of England Council for Social Aid.

Following a sustained increase in the requests for food support, the premises at Aubrey Street became too small and a move was made to a larger unit in Monkmoor Street in 2019.

The Food Bank has transformed itself over the past two years in response to the Covid-19 pandemic and is now able to effectively utilise remote working and can swiftly change its operating teams to minimise the effect of an outbreak of illness. During the pandemic, no shifts were closed due to health issues and all legitimate requests for food were fulfilled.

Summary of the year's activities

The core activity of the Food Bank is to supply emergency food parcels – and in 2021 an impressive number of 2,107 were picked, packed, and provided to a total of 4,750 people.

But during the past year we also have managed to introduce several new initiatives – we have worked with the Rapid Relief team to provide 3-day emergency food boxes supplying basic nutrition for a family of four and have extended this to produce our own boxes which have been provided to schools and local welfare groups throughout the county. This has been very well received, and we will continue to produce these throughout the coming year.

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Achievements and performance *(continued)*

Summary of the year's activities *(continued)*

In certain circumstances we have been able to provide food vouchers, which can be used to purchase food and other items at supermarkets to supplement food parcels which allows us more flexibility in helping reduce food poverty. We have been working on this method of support with a national affiliation of food banks and continue to look carefully at the methods in use by other food banks and establishing what works well in Hereford. We have also been partnering with another charity who are able to supply vouchers for energy, which allows some of our clients to switch on the cooker and have a hot meal.

The Food Bank van continued to be an essential element of the service in 2021: delivering food parcels to people who did not have transport, or who were isolating, and where necessary, collecting some of the larger donations.

We have also worked with several local groups who provide food aid within the Hereford community and have helped them by supplying them with basic food items such as pasta, beans, soup, and tinned tomatoes from our own stores. In addition, we have approached different agencies and neighbourhood groups to try to find ways to ensure that people in need of food are aware of our service and can get it from us. One project which was established was to provide primary school children in some Hereford schools with a bag containing pasta, a recipe card, and leaflets about how to get help from us, or donate to us, so that awareness of our presence reached many more families.

Distribution: the decision was made to limit the collection of food parcels from the Monkmoor Street premises by agencies and clients, and local taxi firms collected parcels from the Food Bank and delivered it to client's homes. Later in the year this was supplemented by the purchase of a Food Bank van which was used to collect food from supermarkets and deliver to clients.

Sources of funding

Since the charity was established as an independent entity in 2016, the level of monetary donations from individuals, groups and local businesses has increased steadily, but in 2020, in response to the pandemic, this soared to £186,256. In 2021, this reduced to £109,995 but which continued to reflect the generosity of local people and businesses and their strong support for the Food Bank.

In addition, funding from local churches remained relatively high, at £7,482, which does not include the value of the significant amount of food donations which are regularly received.

Due to the exceptional level of support in 2020, the Trustees recommended that grants were not actively sought in 2021. However, several grants were very gratefully received, including the Mumford Memorial Trust, Herefordshire County Council, and Sainsbury's, which allowed the purchase of fresh food items and supported the local 'Healthy Living' initiative.

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Achievements and performance *(continued)*

Volunteers and staff

A large part of the Food Bank's operation is conducted by volunteers who generously give their time to prepare food parcels, receive and sort donations, collect food from supermarkets and distribute food to clients. These people are the real stalwarts of our organisation – our volunteers, led by our team leaders. There are so many people who work for us who are always prepared to turn out, to take on the difficult jobs and to stay for as long as it needs to finish. During 2021 these volunteers recorded over 7,500 hours of work, with certainly many more hours unrecorded.

Volunteer number remain high at just over 100, and although many people returned to work at the end of the furlough period, they have been replaced by new volunteers and we are very pleased to see so many new faces in our organisation.

An operation of this scale, supporting so many people and fulfilling a role within the community requires a very competent Food Bank Manager to ensure that both clients and referring agencies can be assured of regular opening hours and an efficient service. A Deputy Manager, recruited in 2020, continues in post and supports the manager, and organises the volunteer rotas. In 2021 the Food Bank continued to operate with a team leader in charge of each shift.

An off-site donation centre was regularly used in 2021, but as premises re-opened for normal business it became increasingly difficult to acquire suitable locations in the city.

Food donations

We are extremely grateful for the support received from the staff and customers at Morrison's, Lidl, Asda, Sainsbury's, Cooperative Stores, Waitrose, Tesco Bewell Street, Wellington & Ewyas Harold Post Office and Stores and many others in the area. Many of the stores have their own Community Champions and we would like to mention how well they have worked with us to increase donations and acquire grants.

The Hereford community is amazingly generous and during 2021 has donated a very substantial quantity of food. But the unprecedented demand throughout the year rapidly reduced our food stocks and which at times appeared to be very low. The Harvest and Christmas periods of 2021 were not quite as plentiful as in previous years, however, the level of financial support allowed us to purchase additional food to supplement any deficiencies.

In 2021 it was calculated that the value of food donated was approximately £110,000 and an additional £27,000 was purchased.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Plans for the future

In the next year (2022)

- To continue to provide food to people in need
- To continue to develop the model to become self-sustaining from donations
- To increase the role of the Team Leader to allow the Manager to spend more time in developing community relationships
- To monitor staffing and ensure that we can manage the increasing demand on services
- To continue to develop the relationships with other agencies and bodies to ensure that we reach a wider client base (especially the elderly)
- To establish the role of 'Ambassador' who will assist in communicating information inwardly and outwardly
- Provide training to Team Leaders, especially in the area of food handling
- Provide training to Managers to develop skills

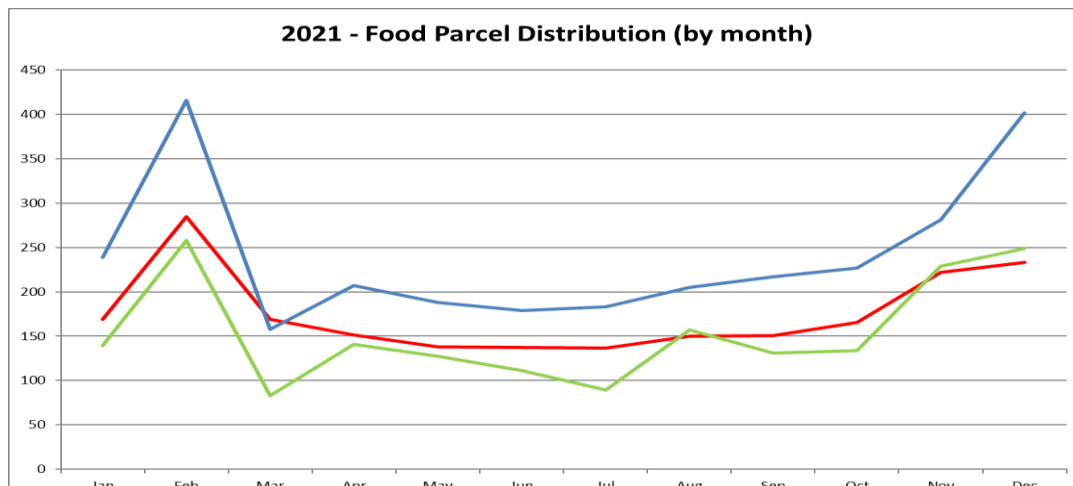
In the next 2-3 years

- To continue to provide food to people in need
- To reach more people who may be experiencing hardship by working with schools and community groups
- To provide a sustainable source of income through grant applications and fundraising activities
- To work with other agencies and bodies to try and alleviate food poverty at source and reduce the need for emergency aid

Recipients of food in 2021

In 2021 the Food bank supplied 2,107 food parcels supporting 4,750 individuals, including 1,848 children, which represents nearly 100,000 meals. In terms of individuals assisted, this was an increase of 17% on 2020 (the number of children helped increased by 22%). During the Christmas period, 50 hampers containing fresh food and gifts provided by the local community were supplied to a further 143 adults and 73 children.

The graph below demonstrates a pattern of demand where there is the greatest need during the winter months when heating costs are high and seasonal work is limited, and influenced by outbreaks of Covid-19.

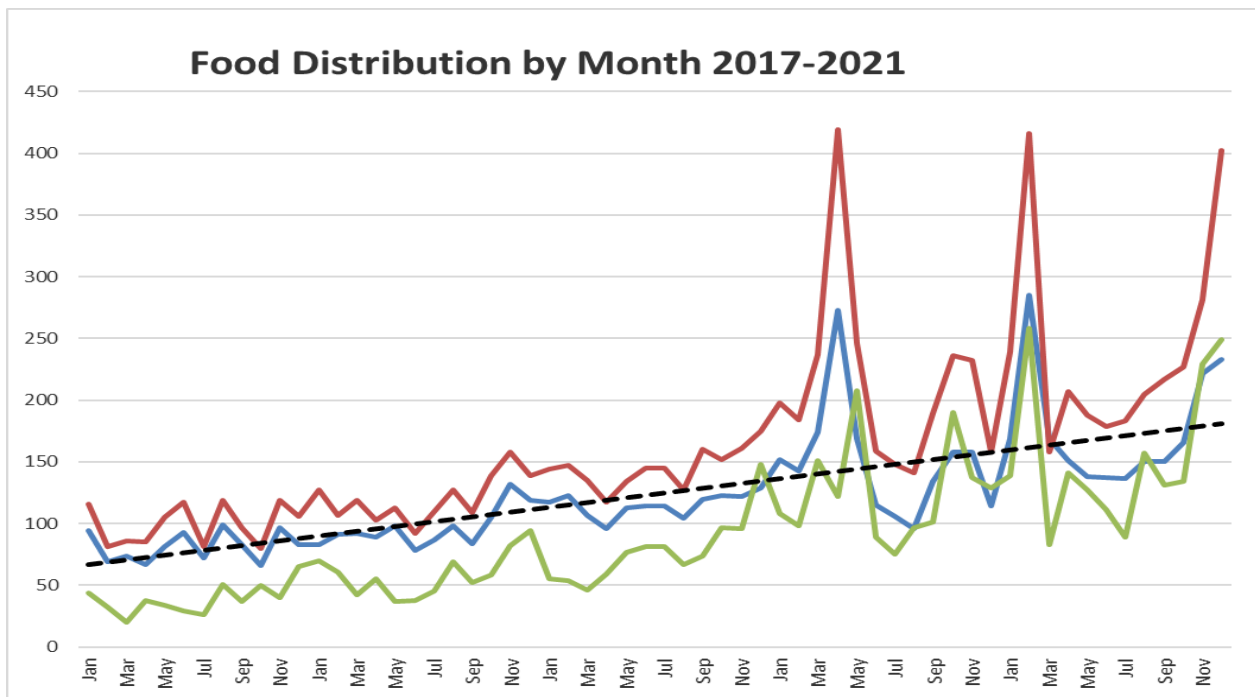


THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

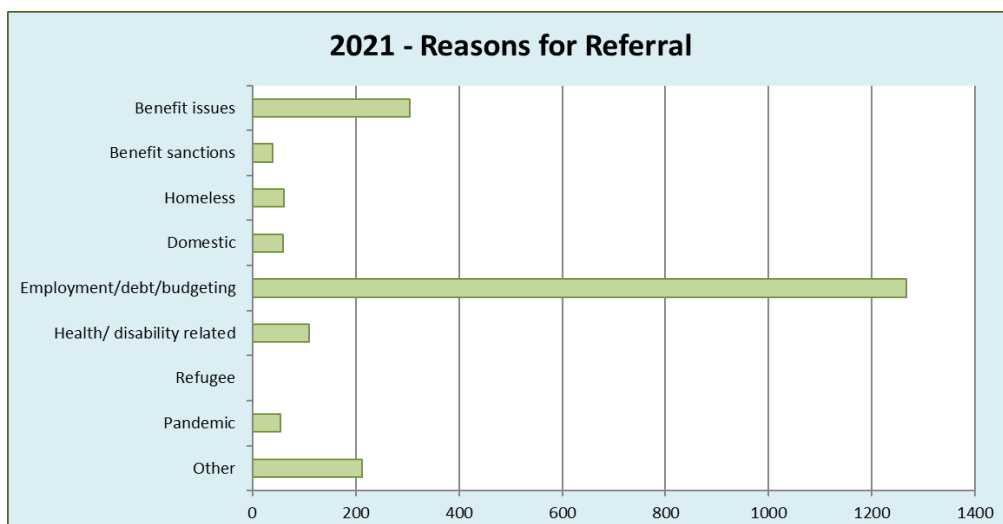
Recipients of food in 2021 (continued)

To put this into perspective, the graph below illustrates the past five years: numbers of food parcels supplied are in blue, the number of adults supported in red, and children supported in green, and the dotted line shows the trend. This really demonstrates the unpredictability of the demand for our services but illustrates that the trend remains on a rapid increase.



It is difficult to make comparisons with previous years – but there remains an underlying trend of increased food poverty with the greatest spikes being caused by difficulties being experienced in the most severe waves of the pandemic.

The reasons why people need help from the Food Bank continued to be monitored. This shows that the most significant issue continues to be problems with debt, budgeting or employment.

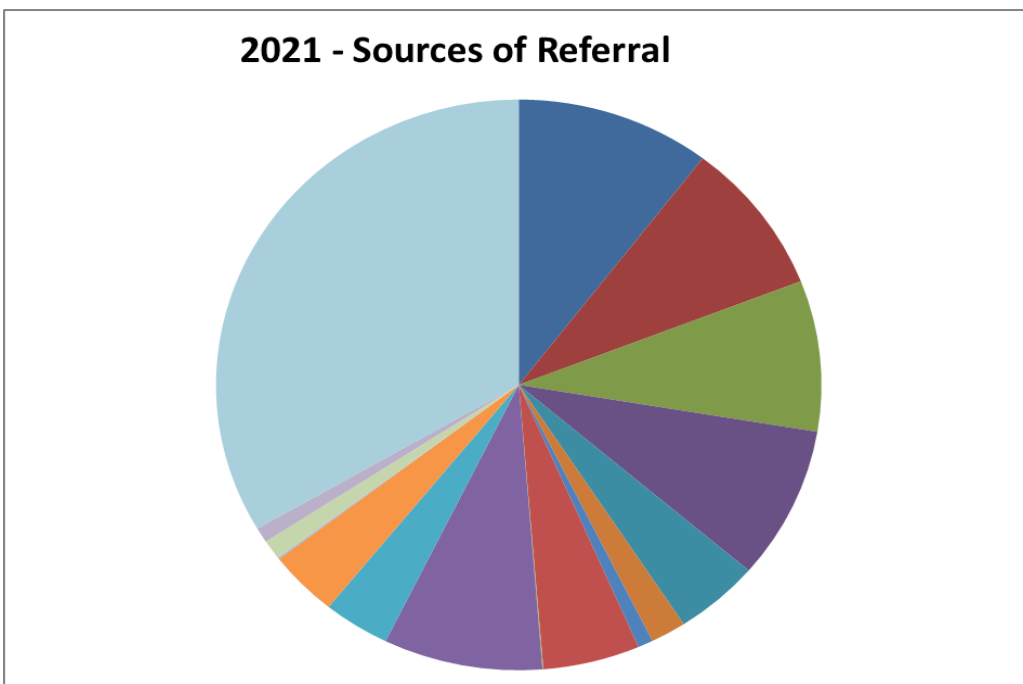
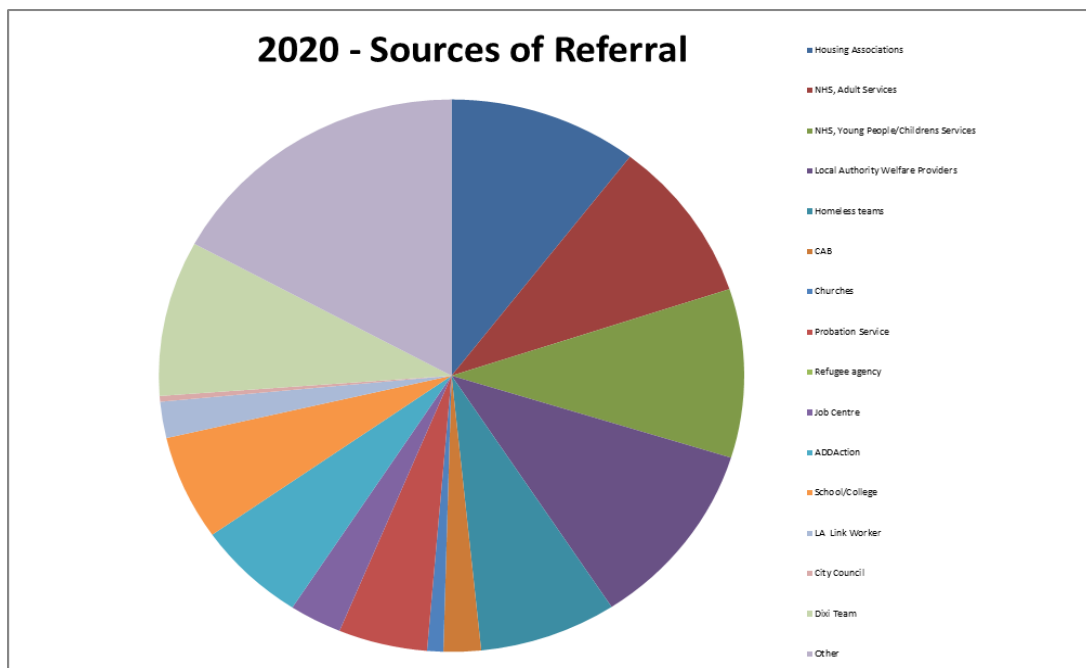


THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Recipients of food in 2021 (continued)

The final graph below indicates the people and agencies who refer clients to the Food Bank. There is a marked difference between 2020 and 2021, where in 2021 a pale blue division represents people who are self-referring for a food parcel. In 2021 the Trustees temporarily allowed the Food Bank to accept referrals from individuals on a one-off basis, rather than via the normal route of agencies. The reason for this was because many people had not found themselves in food poverty before and were reluctant to seek help until they were desperate, and rather than ask them to get a referral via an agency which could delay getting help to them and their families, a food parcel was provided immediately. They were then asked to seek advice from the appropriate agency.



THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Recipients of food in 2021 *(continued)*

These statistics have helped contribute to the national picture and demonstrate the significant level of food poverty and assist those lobbying the government for more welfare assistance. The statistics are updated monthly to show emerging trends and to try to predict the future demand for the service.

During 2021, an initiative commenced where in certain circumstances food vouchers were provided, which could be used to purchase food and other items at supermarkets to supplement food parcels, allowing more flexibility in helping to reduce food poverty. The Food Bank has been working on this method of support with a national affiliation of food banks and has looked carefully at the methods in use by other food banks to establish what could work well in Hereford. We have also partnered with another charity who supply vouchers for energy, allowing some of the Food Bank's clients to switch on the cooker and have a hot meal.

The Food Bank has worked with several local groups who have been providing food aid within Hereford and have helped them by supplying basic food items such as pasta, beans, soup, and tinned tomatoes from our stores for them to distribute to their clients. These groups are community based and make a very valuable contribution by providing a direct channel from the short-life dated food from supermarkets to the public.

A new project was started with the aim of ensuring that more people in need of food would be better aware of how to get help from the Food Bank: the Food Bank provided primary school children in several Hereford schools with a bag containing pasta, a recipe card, and some leaflets about the Food Bank, so that this message reached many more families. This will continue in 2022.

Grants and donations received in 2021

Grants and donations

The Food Bank has always been well supported by the local community but from the onset of the pandemic the response from individuals, churches and local organisations was truly magnificent and this year again, cash to the value of £109,086 was donated (£180,825 in 2020 and £32,132 in 2019). This is in addition to donations of fresh produce and tinned goods. The Food Bank was so very grateful to receive these gifts and to pass them on to the people in our community who were less fortunate.

A large number of donations were received anonymously, some for significant amounts, and the Food Bank would like to take this opportunity to thank all those people who silently support its work. This included donations via Facebook where we received £7,327, with £408 from Amazon Smile, and £1,400 via Give as you Live.

It is also very pleasing that a number of our donors are registered for Gift Aid, which added £8,391 in 2021.

The Trustees would like to acknowledge and to thank the following organisations for their support in 2021:

- | | |
|--|--------------------------|
| • Herefordshire Council Emergency Assistance Grant | • Amcor Flexibles |
| • Mumford Memorial Trust | • The Jerusalem Trust |
| • Sainsbury's Community Grants | • Seventh Day Adventists |
| • Asda Foundation | • Platform Housing |
| • The Barrels Beer Festival | • Ned Potter |
| • The Dean and Chapter, Hereford Cathedral | |

THE HEREFORD FOOD BANK
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

Managing Risk

A range of policy documents and procedures have been produced that are intended to manage and minimise risk.

The following Policies & Procedures are in place. (The date following each title is the date of the latest revision.)

- Staff and Volunteer Handbook (Jan 2021)
- Volunteer Policy (Feb 2020)
- Health and Safety Policy including Fire Safety Management Procedures (Jan 2021/June 2019)
- Lone Worker Policy (Jan 2021)
- Grievance and Disciplinary Procedure (January 2021)
- Equal Opportunities Policy (January 2021)
- Code of Practice on Harassment, Bullying and Victimisation (January 2021)
- Data Protection Policy (August 2020)
- Privacy & Confidentiality Policy (August 2020)
- Safeguarding Vulnerable Adults (April 2020)
- Food Handling (Dec 2019)
- Manual Handling Policy and Procedure (2 docs) (January 2021)
- Guidelines for Requesting food parcels (February 2022)

Financial review

The Hereford Food Bank again benefitted from the outstanding generosity from the public and this enabled it to provide food to people in need throughout the year. The level of donations dropped from the previous year, however this had been unprecedentedly high due to the pandemic. The Food Bank had also discouraged grants because of the amount of cash available, with the hope that it would be distributed to other causes.

At the start of the year, there was an opening balance of £161,920 held in an account with the Charities Aid Foundation.

Due to a very high level of demand, even though the donation of food by the public had an estimated value of £110k, expenditure on food reached just over £20k, allowing us to supply food to 4,750 people, which was an increase of 17%. Nevertheless, the total expenditure for the 2021 year increased by £64k to £214k, up from £149.9k in 2020 (with the pre-pandemic level being £65.8k in 2019). Administrative and management staff costs were significant at £45.8k, however an operation supplying food parcels to this number of people and managing 100 volunteers requires a significant amount of supervision and coordination.

Income decreased in 2021 to £238.6k, but the amount donated in 2020 of £339.9k had been incredibly high, compared to a level of £69.4k in 2019. The generosity of the local community remained outstanding: the income figure for 2021 included an estimated value for donated food of £109.7k.

In consequence, the Food Bank had cash reserves at the end of the year of £179.9k, which represented an increase of £17.9k on 2020, which was a very satisfactory position. Of this, the trustees set aside £20k as a general reserve, and at the end of the year there were no restricted funds, £23.9k having been disbursed in 2021. Overall, this placed the Food Bank in a very good position for supporting people in need throughout the subsequent year.

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TRUSTEES' REPORT
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(continued)

Financial review (continued)

Summary Financial Statement

Year ended 31 December 2021

<u>Income</u>	<u>£</u>
Individual Donations	64,066
Church Donations	7,482
Other Donations	37,538
Fund-raising	88
Grants	6,750
LWP payments	4,278
Gifts in kind	109,720
Gift Aid	8,391
Investment income	320
<u>Total income for the year</u>	<u>238,633</u>

<u>Expenditure</u>	<u>£</u>
Food Purchases (net of stock movement)	120,052
Delivery	660
Food vouchers	2,945
Operational staff costs	39,147
Office Expenses	2,007
Telephone/Broadband	615
Rent	13,784
Electricity	2,208
Water	159
Administration-management	14,186
- Workplace pensions	400
Bank charges	264
Repairs, equipment, maintenance	1,291
Insurance	1,177
Fund-raising expenses	43
Van - operating costs	2,321
Depreciation charges	5,440
Accountancy and independent examiner's fees	1,600
Meeting costs	144
Charitable donations	4,050
Other	1,482
<u>Total expenditure for the year</u>	<u>213,975</u>

<u>Surplus for the year</u>	<u>24,658</u>
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THE HEREFORD FOOD BANK
TRUSTEES' REPORT
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(continued)

Financial review *(continued)*

Reserves policy

The trustees review the reserves policy annually, in the light of future plans, and on the basis of the most recent accounts information. They aim to maintain a level of reserves sufficient to enable the charity to take advantage of new opportunities, and to cover the expected and unexpected costs of pursuing its objectives during periods of reduced funding. Due to the current economic uncertainties, the trustees consider that the required reserves level should be between 6 and 9 months of normal expenditure. In addition to this, the trustees aim to maintain a reserve of £20,000 to cover the charity's liabilities that would arise if it were to cease to operate.

At 31 December 2021, the charity's reserves stood at £231,352, which was equivalent to 13.6 months of normal expenditure. This is in excess of the required level, and the trustees will take steps to reduce the amount during the next financial year.

Basis of accounts

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Trustees and staff

The trustees on 31 December 2021 were:

- Marie Rosenthal (Chairman)
- Mike Wilkinson
- Lucy Hurds
- Fiona Jones
- Phil King

The Dean of Hereford resigned in March 2021, and Marie Rosenthal joined the board of trustees and accepted the position of chair.

The trustees employ a Manager and a Deputy Manager for the Food Bank, who control the day-to-day operations. A management team, which includes four of the Trustees, meet regularly throughout the year.

Approved by order of the board of trustees, and signed on its behalf by:

.....
(Marie Rosenthal - Trustee)

23 June 2022
.....
(Date)

THE HEREFORD FOOD BANK
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>Total Funds</u>	
	<i>Note</i>			<u>2021</u>	<u>2020</u>
				£	£
<u>Income and endowments from</u>					
Donations and legacies	4	227,447	6,500	233,947	333,371
Charitable activities	5	4,278	-	4,278	5,548
Other trading activities	6	88	-	88	1,034
Investments	7	320	-	320	-
Total income		232,133	6,500	238,633	339,953
<u>Expenditure on</u>					
Raising funds	8	43	-	43	35
Charitable activities	9	190,056	23,876	213,932	149,864
Total expenditure		190,099	23,876	213,975	149,899
Net income for the year and net movement in funds	12	42,034	(17,376)	24,658	190,054
<u>Reconciliation of funds:</u>					
Total funds brought forward	20	208,283	17,376	225,659	35,605
Total funds carried forward		250,317	-	250,317	225,659

The notes on pages 18 to 28 form part of these accounts.

THE HEREFORD FOOD BANK

BALANCE SHEET

AS AT 31 DECEMBER 2021

				<u>2020</u>
		<i>Note</i>	£	£
Fixed assets				
Tangible assets	<i>Total fixed assets</i>	<i>17</i>	<u>18,965</u>	<u>18,053</u>
Current assets				
Stocks			43,200	33,500
Debtors		<i>18</i>	11,136	15,309
Cash at bank and in hand			<u>180,126</u>	<u>163,190</u>
	<i>Total current assets</i>		<u>234,462</u>	<u>211,999</u>
Liabilities				
Creditors: amounts falling due within one year		<i>19</i>	<u>(3,110)</u>	<u>(4,393)</u>
Net current assets			<u>231,352</u>	<u>207,606</u>
Total assets less current liabilities			<u>250,317</u>	<u>225,659</u>
	<i>Total net assets</i>		<u><u>£ 250,317</u></u>	<u><u>£ 225,659</u></u>
The funds of the charity				
Unrestricted funds		<i>20</i>	250,317	196,283
Restricted income funds		<i>20</i>	-	17,376
	<i>Total charity funds</i>		<u><u>£ 250,317</u></u>	<u><u>£ 225,659</u></u>

The financial statements were approved by the board of trustees and authorised for issue on the date given below, and were signed on its behalf by:

.....
(Marie Rosenthal - Trustee)

23 June 2022
.....
(Date)

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Charity information

Hereford Food Bank is a Charitable Incorporated Organisation (CIO), established under an 'association model constitution' on 13 December 2016 in England and Wales, and registered as a charity with the charity registration number 1170826. A CIO is a charity registered as a body corporate under Part 11 of the Charities Act 2011.

The charity's principal office is 41 Monkmoor Street, Hereford HR1 2DX.

2. Basis of preparation

Accounting basis

The accounts (financial statements) have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Although the Covid-19 pandemic increased demand for the charity's services, it also led to a large increase in donations that more than covered the additional service costs. As a result, the pandemic did not affect the charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

Hereford Food Bank meets the definition of a Public Benefit Entity under FRS 102.

The financial statements have been prepared on the historical cost basis, unless otherwise stated in the relevant accounting policy notes.

These financial statements are presented in Sterling.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

3. Principal accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below, and have been consistently applied.

Incoming resources

Incoming resources comprise the invoiced value of services provided during the year, excluding value added tax, and net of trade discounts. The charity's policy is to recognise a sale when substantively all the risks and rewards in connection with the services have passed to the buyer. Incoming resources also reflect the value of unbilled work at the year end, where a right to consideration exists. Incoming resources include the value of services provided under contracts, to the extent that there is a right to consideration, and is recorded at the value of the consideration due. Where payments or donations are received in advance of services provided, those amounts are recorded as deferred income and included as part of 'Creditors due within one year'.

Income is included in the SOFA when a right to entitlement exists, when its receipt is virtually certain, and when the monetary value can be measured with sufficient reliability.

Where income and expenditure are related, both are reported gross in the SOFA.

Grants which are conditional upon the delivery of a specific performance by the charity, are only included in the SOFA when the charity has obtained unconditional entitlement to the income. Grants which are related to specific performance are included in the SOFA as the charity earns the right to consideration from its performance. Government grants are treated in accordance with the accruals model of FRS 102. Where they relate to revenue expenditure, they are credited to the SOFA as they are received; where they relate to capital expenditure, the grant is deferred, and subsequently released to the SOFA over the useful life of the related asset.

Grants which are subject to a condition which allows for the recovery by the donor of any unexpended part of a grant, are recognised in full when receivable. Any related liability for repayment is included when repayment is probable.

Incoming resources are deferred when the charity receives income that is subject to a condition that prohibits expenditure until a future specified event or accounting period, or when it receives contractual income in advance of the provision of services to which the income relates. In such circumstances, the relevant amount is accounted for as deferred income, and recognised as a liability until the accounting period in which the charity is allowed to expend the resource, or provides the related services.

Grants are classified in the SOFA according to their nature. Grants of a general nature, or for the purposes of core funding, are included in 'Voluntary income'; grants relating to the provision of goods or services - either to beneficiaries, or as a part of charitable activities - are included in 'Incoming resources from charitable activities'.

Where the charity receives incoming resources specifically to provide a fixed asset, or if a fixed asset is donated, the relevant amount or valuation is recognised in the SOFA in full, when receivable. Where the use of the asset is unrestricted, a designated fund is established (where material) to reflect the book value of the asset, and is reduced over the asset's useful economic life by the amount of the depreciation applied in each accounting period.

Tax reclaims are included in the SOFA at the same time (and in the same category) as the gift to which they relate. Where receipt occurs after the year end, there is a corresponding entry to debtors.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

3. Principal accounting policies *(continued)*

Incoming resources *(continued)*

Gifts in kind are included at a reasonable estimate of their value to the charity, or the amount realised. They are included in the SOFA when receivable.

Donated services and facilities are included in incoming resources (with an equivalent entry to resources expended), where the benefit to the charity is reasonably quantifiable, measurable, and material. The amount recorded is the estimated value to the charity of the service or facility received.

The value of volunteer help received is not included in the accounts, but is described in the trustees' annual report, where material.

Investment income is included in the SOFA when receivable.

Gains or losses arising on disposal, revaluation or impairment of fixed assets - whether held for the charity's own use, or for investment purposes - will be included in the fund which held the related asset prior to the disposal, revaluation or impairment.

Impairment losses, or losses on disposal, of assets held for the charity's own use (i.e. not investment assets), will be treated as additional depreciation of the relevant asset, and charged appropriately to the resources expended section of the SOFA.

Gains on the disposal of fixed assets held for the charity's own use, will be included in the SOFA under the heading 'other incoming resources'.

Exceptional items are those which fall within the charity's ordinary activities, but which are material in terms of their size or incidence. They are included within the income category to which they relate, but are disclosed on a separate line in order to provide a true and fair view. A full explanation of the nature of such items will be provided in the notes to the accounts.

Resources expended and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Expenditure is recorded in the SOFA at cost, net of trade discounts. Irrecoverable VAT is included with the expenditure to which it relates.

Expenditure is classified under the following activity headings:

- Raising funds - These comprise the costs of fundraising activities.
- Charitable activities - These comprise all costs associated with furthering the charity's objects.

Support costs include governance costs (the costs of preparing and examining the annual accounts, the costs of trustee meetings, and the costs of any legal advice to trustees on governance or constitutional matters), as well as IT costs and finance costs. Support costs are apportioned between expenses relating to charitable activities, and those relating to fundraising activities on the basis disclosed in the notes to these accounts.

Grants payable are included in the SOFA when a commitment has been made, and there are no conditions (within the control of the charity) that are still to be met, relating to the grant.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

3. Principal accounting policies *(continued)*

Funds accounting

The charity's income, expenditure, and net assets are analysed between the following funds (where applicable):

- Unrestricted funds: those which are freely available to the trustees, and which can be applied to any of the charity's purposes, without restriction.
- Designated funds: legally defined as unrestricted funds, but reserved for a particular purpose by the trustees.
- Restricted funds: those which are typically subject to an external restriction, and which the trustees may only apply to specific purposes of the charity.

Tangible fixed assets

Fixed assets are initially recorded at cost, and capitalised where cost exceeds £100 and the asset is expected to provide an economic benefit beyond one accounting period.

Fixed assets (other than those held for investment purposes), are shown after making deductions for accumulated depreciation and impairment provisions. Residual values are assessed at the end of each accounting period, and assets are reviewed on an annual basis for any indicators of impairment.

Depreciation is calculated so as to write off the cost of an asset (less its estimated residual value), over the useful economic life of the asset. No depreciation is charged in the year of disposal. The rates used were as follows:-

- Leasehold property - equal instalments over the period of the lease.
- Motor vehicle - 25% reducing balance.
- Plant and machinery - 20% straight line.
- Computer equipment - 33% straight line.

Leased assets

Leases are classified as finance leases when substantially all the risks and rewards of ownership of the asset have transferred to the charity; all other leases are classified as operating leases. Operating lease rentals are charged to the SOFA in equal annual amounts over the period of the lease.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered, and after any provision for doubtful debts. Prepayments are valued at the amount that relates to future accounting periods.

Cash at bank and in hand

This includes cash, vouchers and any short-term highly liquid investments, with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

3. Principal accounting policies *(continued)*

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 can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Stock

Purchased stock is valued at cost, after making due allowance for obsolete and slow-moving items. Cost is calculated using the first-in, first-out basis of valuation.

Donated stock is grouped according to product type, and valued at an estimate of the average unit cost that would have been incurred by the organisation if it had purchased those goods itself.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. Contributions are charged to the statement of financial activities as they become payable, in accordance with the rules of the scheme.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

	<u>2021</u>	<u>2020</u>
	£	£
4. <u>Donations and legacies</u>		
Grants and donations	109,086	180,825
Gift aid	8,391	15,571
General-purpose and core-funding grants	6,750	71,000
<i>(Included £40,000 of government grant funding in 2020)</i>		
Gifts in kind	109,720	65,975
	<u>233,947</u>	<u>333,371</u>
5. <u>Income from charitable activities</u>		
Food parcel fees	<u>4,278</u>	<u>5,548</u>
6. <u>Income from other trading activities</u>		
Fundraising activities	<u>88</u>	<u>1,034</u>
7. <u>Income from investments</u>		
Interest received	<u>320</u>	<u>-</u>
8. <u>Expenditure on raising funds</u>		
Storage expenses	-	35
Sundry	43	-
	<u>43</u>	<u>35</u>
9. <u>Expenditure on charitable activities</u>		
<u>Direct costs</u>		
Stock movement	(9,700)	(33,500)
Purchases	129,752	105,590
Packaging and consumables	-	301
Protective equipment	-	1,425
Delivery charges	660	7,842
Operational staff fees	39,147	34,787
Food vouchers	2,945	-
<u>Overhead expenses</u>		
Establishment expenses	18,789	18,041
Motor and equipment expenses	7,721	3,016
Administrative expenses	22,306	11,061
Governance costs	1,744	1,200
Advertising and marketing costs	568	101
	<u>213,932</u>	<u>149,864</u>

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

10. Analysis of expenditure by charitable activity

<u>Programme</u>	<u>Activities undertaken directly</u> £	<u>Support costs</u> £	<u>Grant funding of activities</u> £	<u>Total</u> £
Provision of emergency food parcels	<u>212,188</u>	<u>1,744</u>	<u>-</u>	<u>213,932</u>

11. Analysis of support costs

Governance and other support costs are identified by the charity and then apportioned between the cost centres of expenditure for 'raising funds', and expenditure on 'charitable activities'. For the year ended 31 December 2021 the charity apportioned its costs on the following basis:

<u>Support cost</u>	<u>Raising funds</u> £	<u>Charitable activities</u> £	<u>Total</u> £	<u>Basis of allocation</u>
Governance	<u>-</u>	<u>1,744</u>	<u>1,744</u>	Nature of the expense

12. Net income for the year

	<u>2021</u> £	<u>2020</u> £
This is stated after charging:		
Fees relating to independent examination of the accounts	500	500
Accountancy fees relating to the preparation of the annual accounts	1,100	700
	<u>1,600</u>	<u>1,200</u>

13. Trustee expenses

No expenses were paid to, or on behalf of, the trustees during the year (2020: £Nil).

14. <u>Staff costs</u>	<u>2021</u> £	<u>2020</u> £
Gross wages and salaries	52,474	38,637
Employer's national insurance costs	-	3,204
Employer's contributions to a defined contribution pension scheme	1,259	585
	<u>53,733</u>	<u>42,426</u>

No employee received emoluments in excess of £60,000. No remuneration or benefits were payable to the trustees during the year (2020: £Nil). Remuneration and benefits payable to the charity's other key management personnel are given at note 23.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

15. Staff numbers

The average head count of staff employed during the year (analysed by area of activity) was as follows:

	<u>2021</u>	<u>2020</u>
	No.	No.
Charitable activities	3	2
Administrative and support services	1	1
	<u>4</u>	<u>3</u>

Volunteer staff

Volunteers regularly contribute towards the provision of the charity's food parcel service and the day-to-day administration of the charity, but those costs are not included in these accounts.

16. Corporation tax

The charity's income and gains are exempt from corporation tax as they are applied for charitable purposes.

17. Tangible fixed assets

	<u>Leasehold property</u>	<u>Motor vehicle</u>	<u>Plant and machinery</u>	<u>Computer equipment</u>	<u>Total</u>
	£	£	£	£	£
<u>Cost</u>					
At 1 January 2021	-	11,994	6,787	469	19,250
Additions	4,805	-	727	820	6,352
Disposals	-	-	-	(190)	(190)
At 31 December 2021	<u>4,805</u>	<u>11,994</u>	<u>7,514</u>	<u>1,099</u>	<u>25,412</u>
<u>Depreciation</u>					
At 1 January 2021	-	562	563	72	1,197
Charge for the year	695	2,858	1,475	282	5,310
Disposals	-	-	-	(60)	(60)
At 31 December 2021	<u>695</u>	<u>3,420</u>	<u>2,038</u>	<u>294</u>	<u>6,447</u>
<u>Net book value</u>					
At 31 December 2021	<u>4,110</u>	<u>8,574</u>	<u>5,476</u>	<u>805</u>	<u>18,965</u>
At 1 January 2021	<u>-</u>	<u>11,432</u>	<u>6,224</u>	<u>397</u>	<u>18,053</u>

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

18. Debtors

	<u>2021</u>	<u>2020</u>
	£	£
<u>Amounts falling due within one year</u>		
Trade debtors	-	315
Prepayments and accrued income	7,802	14,994
Other debtors	3,334	-
	<u>11,136</u>	<u>15,309</u>

Other debtors comprise reclaimable National Insurance payments.

19. Creditors: amounts falling due within one year

Trade creditors	1,345	3,108
Accruals	1,765	1,285
	<u>3,110</u>	<u>4,393</u>

20. Funds of the charity

Analysis of movements in funds	<u>B/fwd at</u> <u>01-01-21</u>	<u>Incoming</u> <u>resources</u>	<u>Resources</u> <u>expended</u>	<u>C/fwd at</u> <u>31-12-21</u>
	£	£	£	£
<u>Unrestricted funds</u>				
Undesignated funds	<u>208,283</u>	<u>232,133</u>	<u>(190,099)</u>	<u>250,317</u>
<u>Restricted funds</u>				
Food purchases	<u>17,376</u>	<u>6,500</u>	<u>(23,876)</u>	<u>-</u>
<u>Total funds</u>	<u>225,659</u>	<u>238,633</u>	<u>(213,975)</u>	<u>250,317</u>

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

20. Funds of the charity (continued)

Comparative Analysis of movements in funds	<u>B/fwd at 01-01-20</u>	<u>Incoming resources</u>	<u>Resources expended</u>	<u>C/fwd at 31-12-20</u>
	£	£	£	£
<u>Unrestricted funds</u>				
Undesignated funds	<u>30,980</u>	<u>278,953</u>	<u>(101,650)</u>	<u>208,283</u>
<u>Restricted funds</u>				
Food purchases	-	21,000	(3,624)	17,376
Rent	4,625	-	(4,625)	-
Running costs	-	5,000	(5,000)	-
Covid-19 emergency food purchases and deputy manager	-	10,000	(10,000)	-
Covid-19 emergency food purchases	-	25,000	(25,000)	-
	<u>4,625</u>	<u>61,000</u>	<u>(48,249)</u>	<u>17,376</u>
<u>Total funds</u>	<u>35,605</u>	<u>339,953</u>	<u>(149,899)</u>	<u>225,659</u>

Description of undesignated funds

<u>Fund name</u>	<u>Purpose</u>
General fund	The 'free reserves' after allowing for any designated funds.

Description of restricted funds

<u>Fund name</u>	<u>Purpose</u>
Food purchases	To help fund the charity's food purchases. To be applied to the charity's food purchase costs, after which the restriction ceases.
Rent	To help to fund the charity's cost of renting property. To be applied to the charity's property rental costs, after which the restriction ceases.
Running costs	To help to fund the charity's general running costs. To be applied to the charity's general running costs, after which the restriction ceases.
Covid-19 emergency food purchases and deputy manager	To assist in meeting the costs of food purchases and managerial staff during the Covid-19 pandemic. To be applied to the charity's food purchase costs and managerial expenses during the pandemic, after which the restriction ceases.
Covid-19 emergency food purchases	To assist in meeting the costs of food purchases during the Covid-19 pandemic. To be applied to the charity's food purchase costs during the pandemic, after which the restriction ceases.

THE HEREFORD FOOD BANK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

20. Funds of the charity (continued)

Net assets between funds as at 31 December 2021

<u>Fund type</u>	<u>Tangible</u> <u>Fixed assets</u> £	<u>Net current</u> <u>assets</u> £	<u>Total</u> £
<u>Unrestricted funds</u>			
Undesignated funds	18,965	231,352	250,317
<u>Restricted funds</u>	-	-	-
<u>Total funds</u>	<u>18,965</u>	<u>231,352</u>	<u>250,317</u>

21. Leasing commitments

At the balance sheet date, the charity had the following total commitments under non-cancellable operating leases:

	<u>2021</u> £	<u>2020</u> £
Later than one year and not later than five years	<u>24,500</u>	<u>35,000</u>
Included above are the following commitments in respect of leases of land and buildings:	<u>24,500</u>	<u>35,000</u>
Lease payments recognised as an expense	<u>13,784</u>	<u>13,810</u>

22. Pensions

During the year, the charity operated a defined contribution scheme for its officers and employees. The cost for the year (recognised in the SOFA) was £1,259 (2020: £585). The outstanding contributions at the balance sheet date amounted to £Nil (2020: £Nil).

The pension costs are allocated to the relevant fund and activity cost centre, in accordance with the nature of the work undertaken by the employee or officer to whom the benefit accrued. In the year under review, all costs were allocated to unrestricted funds, and to expenditure on charitable activities.

23. Related party transactions

Key management personnel

During the year, remuneration and benefits totalling £14,586 were paid to the charity's key administrative staff (2020: £7,639). The trustees received no remuneration or benefits.

25. Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE HEREFORD FOOD BANK ('THE CHARITY')

I report to the charity's trustees on my examination of the unaudited accounts of the charity for the year ended 31 December 2021, which are set out on pages 16 to 28.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that the accounts of the charity are not required by charity law to be audited and have chosen instead to have an independent examination.

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

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

1. the accounting records were not kept in accordance with section 130 of the Charities Act 2011; or
2. the accounts did not accord with the accounting records; or
3. the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Vaughan Barnacle FCA
(Relevant professional body: ICAEW)
(Anchorage- 2 Rydel Mount, 37 Bodenham Road, Hereford, HR1 2TP.)

24 June 2022

.....
(Date signed)