



Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2022
for
The Hereford Food Bank

Thorne Widgey Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Contents of the Financial Statements
for the Year Ended 31 December 2022

	Page
Report of the Trustees	1 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 18
Detailed Statement of Financial Activities	19

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Foreword to the annual report

The challenges that have been faced through growing economic hardship over recent years have caused the Hereford Food Bank to evolve into an efficient well-managed organisation and which is only due to the support from some incredible staff and volunteers, and also the wonderful backing from the local community in terms of donations of money and food.

The Food Bank that we operate now is still achieving the same important things - providing food to those people in our area who are facing financial hardship - but the scale of the whole operation has increased enormously. Six years ago we were operating from three small rooms in Aubrey Street and we are now fully utilising our large unit in Monkmoor Street which enables us to manage much better stock control and to pack far more parcels. In 2016 we packed 978 food parcels, and we had exceeded this number by mid-June 2022, totalling 2,149 by the end of the year. Six years ago we had only 35 volunteers and now we have over 100. And six years ago we had only one paid member of staff and now we have four, plus three additional team leaders.

The development of the Food Bank is something that we should all be proud of: our staff, our volunteers, our trustees and our whole community. There are so many people who work hard, some of them behind the scenes, to make sure that the Food Bank is successful and serves its community well. My thanks to all of you and to all the marvellous people who donate food and money to us, from Herefordshire and further away. Without everyone's support our Food Bank could not operate and provide such an important and necessary service to the whole community.

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.

The Hereford Food Bank is a Charitable Incorporated Organisation (CIO) and was registered by the Charity Commission in December 2016, Charity Number 1170826.

2022 was another year of exceptionally high demand, where the Food Bank supplied 2,149 food parcels supporting 4,637 individuals including 1,701 children, providing nearly 100,000 meals. This was similar to the level of demand in 2021. During the Christmas period 72 hampers of seasonal food and gifts were delivered, nearly all of which was provided or funded by the local community.

The Hereford Food Bank

Report of the Trustees for the Year Ended 31 December 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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.

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. 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.

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.

Public benefit

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.

Volunteers

Volunteer number remain high at just over 100, with a regular volunteer base of over 80 people filling the rota supplemented by some very flexible and adaptable reserves. A huge amount of credit is due to the people who make the organisation work so well, day in and day out, providing food to those in need: the volunteers and the team leaders who generously give their time to prepare food parcels, receive and sort donations, collect food from supermarkets and distribute food to clients. They are an amazing asset to the Food Bank and during 2022 volunteers recorded over 7,200 hours of work, with certainly many more hours unrecorded.

The preparation and production of Christmas hampers was undertaken by a separate team who worked extremely hard to increase the number of hampers supplied from 50 in 2021 to 72 in 2022.

An operation of this scale, supporting so many people and maintaining an essential 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 supports the manager, and organises the volunteer rotas. In 2022 the Food Bank continued to operate with a Team Leader in charge of each shift.

OBJECTIVES AND ACTIVITIES

Food donations

We are extremely grateful for the support received from the staff and customers at Morrison's, 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.

We would also like to extend our thanks to the many churches and their parishioners who regularly donate food and other household items, as well as gifts of money and bring it to the Food Bank.

The Hereford community is amazingly generous and during 2022 has donated a very substantial quantity of food but the continuing high demand throughout the year has required us to buy considerable quantities of food to supplement our supplies, totalling some £50.4k. However, the level of financial support that we have received has allowed us to purchase food to supplement any shortfalls in donations and to provide fresh food, including fruit and vegetables, in every food parcel.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Background and Achievements to Date

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 three years, initially in response to the Covid-19 pandemic followed by the cost of living crisis and is now able to effectively utilise remote working and with a substantial increase in volunteer numbers can rapidly respond to peaks in demand. During the past three years, no shifts have been closed and all legitimate requests for food have been fulfilled.

Summary of the year's activities

The core activity of the Food Bank is to supply emergency food parcels - and in 2022 an impressive number of 2,149 were picked, packed, and provided to a total of 4,637 people.

Last year we introduced some new initiatives and our 3-day emergency food boxes are continuing to be very useful and are regularly supplied to other agencies and bodies across the city. These are particularly helpful at weekends, when many agencies are not working and where the Food Bank is not open either.

We are now regularly providing food vouchers which we offer in specific circumstances and can be used to purchase food and other items at supermarkets which allows us more flexibility in helping reduce food poverty. We also occasionally use vouchers to allow families in temporary accommodation to buy a hot meal.

Each year we try to improve our operation, and in 2022 our back-office processes were updated, allowing us to record referrals directly into our computer system. This has allowed us to streamline the passing of information between the people who take phone calls with requests for food and the people who pack the food parcels and which has really helped us to keep up with demand.

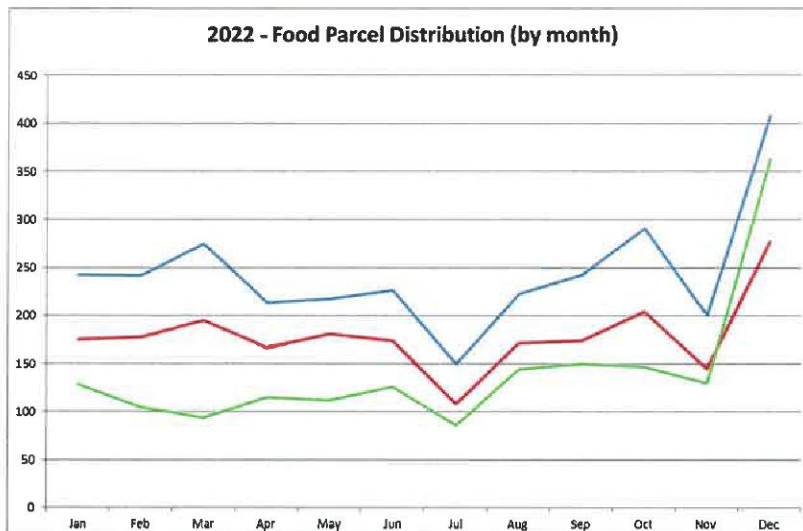
We have also introduced a stock management system into our Monkmoor Street store which again makes us more efficient, and hopefully reduces the number of steps that a volunteer has to take as well as reducing any spoilage.

Over the Christmas period, the Food Bank was kindly given access to premises in Commercial Street which allowed the preparation of the large number of Christmas hampers to be undertaken.

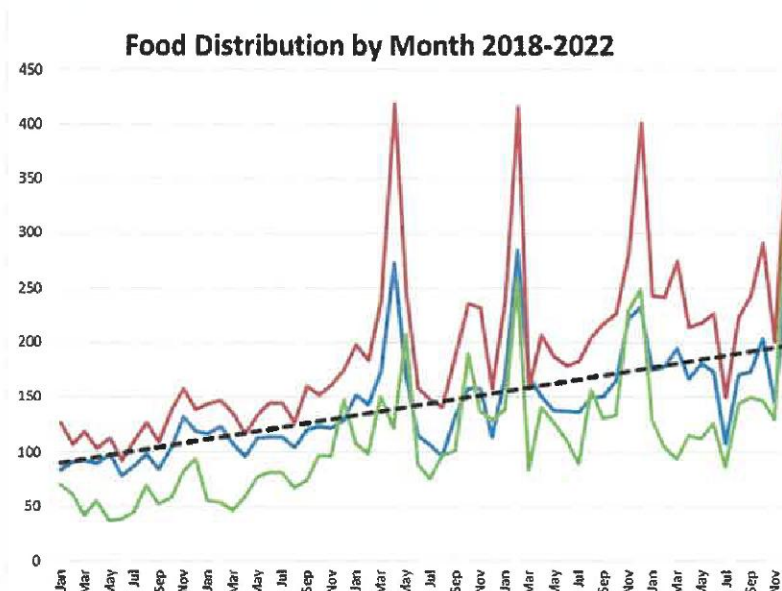
ACHIEVEMENT AND PERFORMANCE

Recipients of Food in 2022

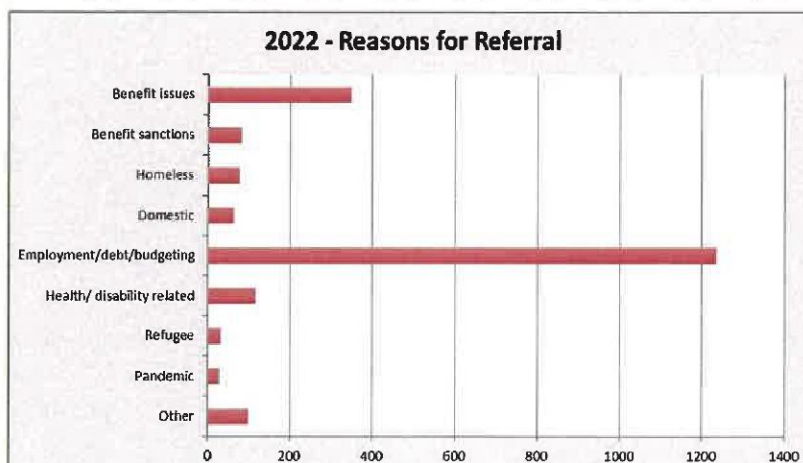
In 2022 the Food Bank supplied 2,149 food parcels supporting 4,637 individuals, including 1,701 children, which represents nearly 100,000 meals. These figures were very similar to 2021. During the Christmas period 72 hampers containing fresh food and gifts provided by the local community were supplied to further 110 adults and 178 children.



The graph 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. During July 2022, people receiving Universal Credit or other benefits were given a special cost of living payment and it is believed that this, in addition to some of the school holiday meal clubs, reduced the demand for food parcels.



To put this into perspective the graph 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.

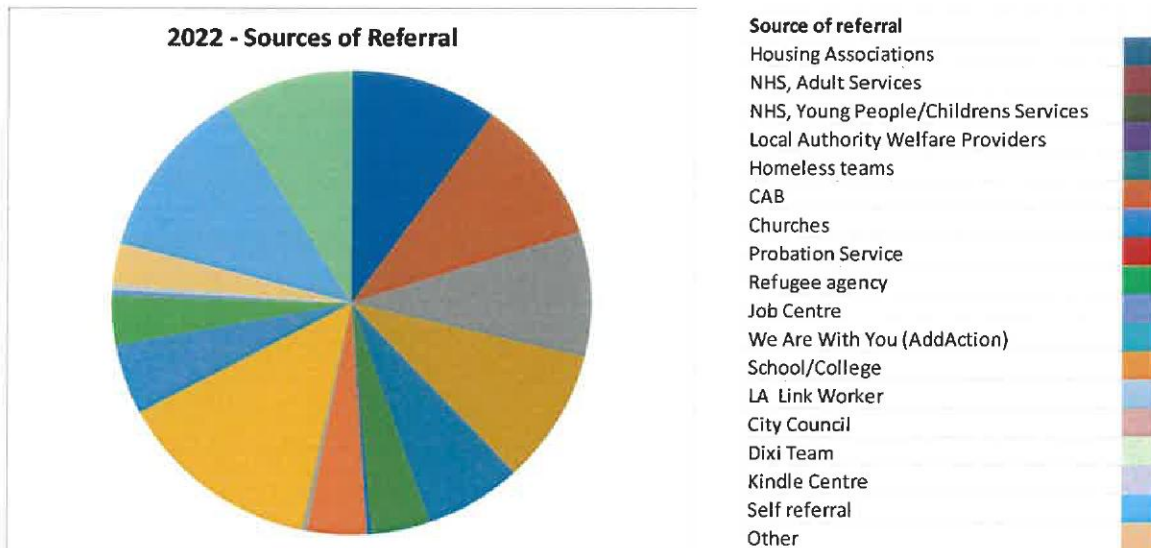


It is difficult to make comparisons between the years but there remains an underlying trend of increased food poverty with the greatest spikes being caused by difficulties being experienced in the most severe waves of the Covid pandemic and more recently during winter months, probably linked the cost of heating.

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.

ACHIEVEMENT AND PERFORMANCE

The final graph below indicates the people and agencies who refer clients to the Food Bank. From 2021 the Trustees 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.



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, including hot meals, allowing more flexibility in helping to reduce food poverty. This was continued during 2022 and vouchers to the total of £2,980 were issued. The Food Bank worked 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 continued to work with several local groups who provide food aid within Hereford and where stocks have allowed, have helped them by supplying basic food items such as pasta, beans, soup, and tinned tomatoes 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.

Donations and Grants in 2022

Cash Donors

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 has been truly amazing and this year donations to the value of £142,238 was donated (£116,089 in 2021). This includes donations from the public via Facebook and Give as You Live of £14,242. This is in addition to donations of fresh produce and tinned goods.

A large number of donations are received anonymously, some for significant amounts, and the Food Bank would like to take this opportunity to acknowledge and thank all those people who support its work.

It is also very pleasing that a number of our donors are registered for Gift Aid, which added £7,632 in 2022.

Grants

In addition to all the donations mentioned above, the Trustees would like to acknowledge and to thank the following organisations for their support in 2022:

Herefordshire County Council - £4000

Herefordshire County Council / Government Household Support Fund - £79596

The Alan Brailsford Trust - £8044

The Hereford Food Bank

Report of the Trustees for the Year Ended 31 December 2022

ACHIEVEMENT AND PERFORMANCE

Woody's Good Causes - £3000
Rathbone Moral Aid Charity - £4686
NFU Mutual - £6379
Mumford Memorial Trust - £10000
Hereford Infosec - £5000
Hereford Lions Club - £4200

FINANCIAL REVIEW

Financial position

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 increased from £109k in 2021 to over £186k in 2022, reflecting public concern about the significant increases in the cost of living adversely affecting the poorest members of the community.

At the start of the year, there was an opening balance of £180k held in two accounts: the Charities Aid Foundation and the Monmouthshire Building Society.

Due to the continuing high level of demand, even though the donation of food by the public had an estimated value of over £114k, expenditure on food reached over £50k (an increase from £27k in 2021), allowing us to supply food to 4,637 people: a similar number to 2021. The total expenditure for the year 2022 increased to £140k (excluding donated goods), up from £104k in 2021. Administration and management costs were over £53k however an operation supplying food parcels to this number of people and managing over 100 volunteers requires a significant amount of supervision and coordination.

Income increased substantially in 2022 to £273.8k, which included £79.5k from the Government Household Support Fund. The generosity of the local community and businesses remained outstanding at over £142k, and if totalled with the estimated value of donated food, reached over £256k.

In consequence the Food Bank had a closing balance at the end of the year of £326k, which was a very satisfactory position. Of this, the trustees have now set aside £30k as a general reserve. Overall, this placed the Food Bank in an excellent position for supporting people in need throughout 2023.

Principal funding sources

Since the charity was established as an independent entity in 2016, the level of donations from individuals, groups and local businesses has increased steadily, but in 2022, in response to the concerns over the cost of living this soared to £142,238, up from £69,707 in 2021. This demonstrates the generosity of local people and businesses and their strong support for the Food Bank.

Support from local churches remains important with regular donations of money and food.

As in the previous year, the Trustees recommended that grants were not actively sought in 2022, however, several grants were very gratefully received, including the Mumford Memorial Trust, The Alan Brailsford Trust, Hereford Infosec and NFU Mutual.

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 2022, the charity's unrestricted reserves stood at £383,768 (2021: £250,317), which was equivalent to 32.8 months (2021: 28.8 month) 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.

At the yearend there was restricted reserves of £131 (2021: £nil).

The Hereford Food Bank

Report of the Trustees for the Year Ended 31 December 2022

FUTURE PLANS

In the next year (2023)

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)

Provide training to Team Leaders

Provide training to Managers to develop skills

Understand and where possible mitigate the risk to the organisation of individuals who have a unique role without a deputy in place

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new 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.

Organisational structure

The trustees exercise overall control of the organisation through attendance at regular management team meetings.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE009433 (England and Wales)

Registered Charity number

1170826

Registered office

41 Monkmoor Street

Hereford

HR1 2DX

Trustees

M Rosenthal (Chair)

G Mills (appointed 17.3.22)

P E King

M J Wilkinson

F C Jones

L Hurds

The Hereford Food Bank

Report of the Trustees
for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS
Company Secretary

Independent Examiner

Thorne Widgey Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

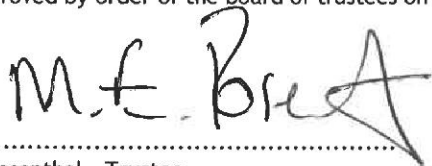
Banker

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

Monmouthshire Building Society
John Frost Square
Newport
NP20 1PX

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

26th July 2023



.....
M Rosenthal - Trustee

Independent Examiner's Report to the Trustees of
The Hereford Food Bank

Independent examiner's report to the trustees of The Hereford Food Bank ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



Lisa Weaver FCCA
The Association of Chartered Certified Accountants

Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 26th July 2023

The Hereford Food Bank

Statement of Financial Activities
for the Year Ended 31 December 2022

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		301,284	1,044	302,328	227,197
Charitable activities					
Emergency food parcels		84,824	-	84,824	11,028
Other trading activities	2	3	-	3	88
Investment income	3	<u>678</u>	<u>-</u>	<u>678</u>	<u>320</u>
Total		<u>386,789</u>	<u>1,044</u>	<u>387,833</u>	<u>238,633</u>
EXPENDITURE ON					
Charitable activities					
Emergency food parcels		<u>253,338</u>	<u>913</u>	<u>254,251</u>	<u>213,975</u>
NET INCOME		133,451	131	133,582	24,658
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>250,317</u>	<u>-</u>	<u>250,317</u>	<u>225,659</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>383,768</u></u>	<u><u>131</u></u>	<u><u>383,899</u></u>	<u><u>250,317</u></u>

The notes form part of these financial statements

The Hereford Food Bank

Balance Sheet
31 December 2022

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	8	15,274	-	15,274	18,965
CURRENT ASSETS					
Stocks	9	37,715	-	37,715	43,200
Debtors	10	8,238	-	8,238	11,136
Cash at bank and in hand		325,604	131	325,735	180,126
		<u>371,557</u>	<u>131</u>	<u>371,688</u>	<u>234,462</u>
CREDITORS					
Amounts falling due within one year	11	(3,063)	-	(3,063)	(3,110)
NET CURRENT ASSETS		<u>368,494</u>	<u>131</u>	<u>368,625</u>	<u>231,352</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>383,768</u>	<u>131</u>	<u>383,899</u>	<u>250,317</u>
NET ASSETS		<u>383,768</u>	<u>131</u>	<u>383,899</u>	<u>250,317</u>
FUNDS	13				
Unrestricted funds				383,768	250,317
Restricted funds				131	-
TOTAL FUNDS				<u>383,899</u>	<u>250,317</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

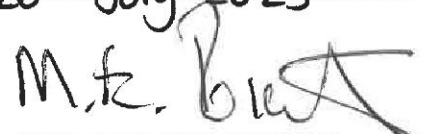
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26th July 2023 and were signed on its behalf by:


.....
M Rosenthal - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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.

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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. OTHER TRADING ACTIVITIES

	31.12.22	31.12.21
	£	£
Other income	<u>3</u>	<u>88</u>

3. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Deposit account interest	<u>678</u>	<u>320</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	4,489	5,310
Other operating leases	12,540	13,784
Independent examiners fees	<u>1,680</u>	<u>1,600</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
Average staff numbers	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

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.

Key management

Remuneration for key management for the year totalled £21,297 (2021: £14,586).

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	227,197	-	227,197
Charitable activities			
Emergency food parcels	4,528	6,500	11,028
Other trading activities	88	-	88
Investment income	320	-	320
Total	<u>232,133</u>	<u>6,500</u>	<u>238,633</u>
EXPENDITURE ON			
Charitable activities			
Emergency food parcels	<u>190,099</u>	<u>23,876</u>	<u>213,975</u>
NET INCOME/(EXPENDITURE)	42,034	(17,376)	24,658
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>208,283</u>	<u>17,376</u>	<u>225,659</u>
TOTAL FUNDS CARRIED FORWARD	<u>250,317</u>	<u>-</u>	<u>250,317</u>

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2022	4,805	7,514	11,994	1,099	25,412
Additions	-	204	-	594	798
At 31 December 2022	<u>4,805</u>	<u>7,718</u>	<u>11,994</u>	<u>1,693</u>	<u>26,210</u>
DEPRECIATION					
At 1 January 2022	695	2,038	3,420	294	6,447
Charge for year	<u>240</u>	<u>1,546</u>	<u>2,144</u>	<u>559</u>	<u>4,489</u>
At 31 December 2022	<u>935</u>	<u>3,584</u>	<u>5,564</u>	<u>853</u>	<u>10,936</u>
NET BOOK VALUE					
At 31 December 2022	<u>3,870</u>	<u>4,134</u>	<u>6,430</u>	<u>840</u>	<u>15,274</u>
At 31 December 2021	<u>4,110</u>	<u>5,476</u>	<u>8,574</u>	<u>805</u>	<u>18,965</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

9. STOCKS

	31.12.22	31.12.21
	£	£
Finished goods	<u>37,715</u>	<u>43,200</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Other debtors	6,033	3,334
Prepayments and accrued income	<u>2,205</u>	<u>7,802</u>
	<u>8,238</u>	<u>11,136</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	1,233	1,345
Accruals and deferred income	<u>1,830</u>	<u>1,765</u>
	<u>3,063</u>	<u>3,110</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.22	31.12.21
	£	£
Within one year	10,500	10,500
Between one and five years	<u>3,500</u>	<u>14,000</u>
	<u>14,000</u>	<u>24,500</u>

13. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	At 31.12.22
	£	£	£
Unrestricted funds			
General funds	250,317	133,451	383,768
Restricted funds			
Restricted funds	-	131	131
TOTAL FUNDS	<u>250,317</u>	<u>133,582</u>	<u>383,899</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	386,789	(253,338)	133,451
Restricted funds			
Restricted funds	1,044	(913)	131
TOTAL FUNDS	<u>387,833</u>	<u>(254,251)</u>	<u>133,582</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General funds	208,283	42,034	250,317
Restricted funds			
Restricted funds	17,376	(17,376)	-
TOTAL FUNDS	<u>225,659</u>	<u>24,658</u>	<u>250,317</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	232,133	(190,099)	42,034
Restricted funds			
Restricted funds	6,500	(23,876)	(17,376)
TOTAL FUNDS	<u>238,633</u>	<u>(213,975)</u>	<u>24,658</u>

14. EMPLOYEE BENEFIT OBLIGATIONS

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 £1,134 (2021: £1,259). The outstanding contributions at the balance sheet date amounted to £Nil (2021: £Nil).

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

The Hereford Food Bank

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	186,568	109,086
Gift aid	1,760	8,391
Donated services and facilities	<u>114,000</u>	<u>109,720</u>
	302,328	227,197
Other trading activities		
Other income	3	88
Investment income		
Deposit account interest	678	320
Charitable activities		
Grants	<u>84,824</u>	<u>11,028</u>
Total incoming resources	387,833	238,633
EXPENDITURE		
Charitable activities		
Wages	44,616	52,474
Pensions	1,134	1,259
Rent	12,540	13,784
Provisions and supplies	171,248	125,139
Light and heat	1,674	2,208
Motor expenses	4,913	2,321
Office costs	3,565	3,986
Waste removal	1,138	-
Sundries	261	-
Premises costs	1,246	1,450
Casual staffing	4,609	-
Charitable donation	-	4,050
Depreciation of tangible fixed assets	<u>4,488</u>	<u>5,440</u>
	251,432	212,111
Support costs		
Finance		
Bank charges	233	264
Governance costs		
Accountancy and legal fees	<u>2,586</u>	<u>1,600</u>
Total resources expended	<u>254,251</u>	<u>213,975</u>
Net income	<u>133,582</u>	<u>24,658</u>