

THE MUDCHUTE ASSOCIATION

England & Wales · Charity number 284907

Details

Other names	THE MUDCHUTE ASSOCIATION LIMITED, MUDCHUTE PARK AND FARM
Status	Registered
Legal form	Charitable company
Company number	01613085
Registered	1982-07-28
Register	View on the Charity Commission register

Contact

Address	Mudchute Farm & Park Pier Street Isle of Dogs London E14 3HP
Phone	02075155901
Email	info@mudchute.org
Website	www.mudchute.org

Activities

Objects: TO PRESERVE THE AREA KNOWN AS THE MUDCHUTE, THE ISLE OF DOGS, LONDON, E14 FOR THE BENEFIT OF THE COMMUNITY IN THE LONDON BOROUGH OF TOWER HAMLETS AND IN PARTICULAR THE ISLE OF DOGS AND THE NEIGHBOURHOOD THEREOF IN PERPETUITY. (FOR FURTHER DETAILS SEE CLAUSE 3(A) OF THE MEMORANDUM).

Activities: The Green Heart of East London, managing 32 acres of metropolitan green space as a country park; providing environmental education for children and youth especially the disadvantaged; equestrian centre, rare breeds of farm animals and poultry, childrens nursery; cafe and shop; training opportunities for long term unemployed; volunteering opportunities galore.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Disability, Arts/culture/heritage/science, Amateur Sport, Animals, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** LONDON BOROUGH OF TOWER HAMLETS (THE ISLE OF DOGS)
- Essex
- Greenwich
- Hackney
- Kent
- Lewisham
- Newham
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,959,706	£1,993,365	£803,185	68
2024-03-31	£1,746,842	£1,710,856	£836,844	61
2023-03-31	£1,772,573	£1,510,634	£800,858	58
2022-03-31	£1,661,108	£1,849,665	£532,118	64
2021-03-31	£1,472,657	£1,439,405	£720,675	50

Trustees

Name	Role	Appointed
Susan Mortimer	Chair	2024-05-02
Hussain Almusawa		2025-05-12
James Etherington		2025-05-12
MARGARET ROSE PHILLIPS		2014-01-17
MARY GRAY		2017-11-29
Martin Young		2023-04-27
Nicole Davis		2026-04-20
Pamela Davies		2026-04-20
Paul Sammut		2026-04-20
Peter Gratwick		2025-05-12
Tahira Webb		2022-06-09
Tara Joseph		2024-05-02
Tyrone George		2026-04-20

THE MUDCHUTE ASSOCIATION

England & Wales - Charity number 284907

Accounts

Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2025
for
THE MUDCHUTE ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

Xeinadin Audit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

THE MUDCHUTE ASSOCIATION

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THE MUDCHUTE ASSOCIATION

Chair's Report FOR THE YEAR ENDED 31 MARCH 2025

I took over as Chair in June 2024. Looking back over the last year from 2024 until the end of March 2025, I am delighted to say that Mudchute continues to thrive as a local community asset despite some of the challenges we have been facing. The main challenge is the renewal of the lease from the local council, the London Borough of Tower Hamlets (LBTH). We had no choice but to take legal action against LBTH which continues until we get a satisfactory conclusion.

The fact that Mudchute has continued to thrive is a real tribute to all of the staff and volunteers who have worked tirelessly this year on a number of projects. It has a real community feel to it and it is wonderful to see local families enjoying all that Mudchute has to offer. So many families and children from local schools visit and enjoy all that the farm has to offer at no cost which is amazing. We also offer a whole range of activities for children during the school holidays. It is clear that we have the full support of the local community in our action against LBTH.

The staff are led by a brilliant professional team headed by Margaret and Vicky. Every department has pulled out all the stops to make this place what it is today and to ensure that it is valued by the whole community especially families and indeed people from outside of Tower Hamlets.

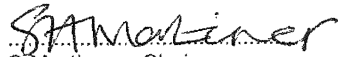
The nursery is as popular as ever and we still have a waiting list which is wonderful as we rely on the nursery to provide a stable revenue source which funds much more than just the nursery.

We had a number of successful events over the course of the year which proved to be a great hit with families especially over Halloween and Christmas.

We have seen a real increase in the number of corporate volunteers this year coming from a number of organisations. This provides an excellent venue for team building days and helps to support the Mudchute by repairing, planting, erecting and so much more. It must be said that without them we would struggle to get this kind of work done with such a small team of employees.

As Chair, I would like to thank all the staff, Friends of Mudchute, the volunteers and the corporate groups for all their efforts this year and for putting Mudchute on the map yet again.

I am also honoured to chair a brilliant team of trustees that bring a vast number of skills and knowledge to the table each month and provide support to the management team.


S Mortimer - Chairperson

Date: 15th December 2025

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

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 March 2025. The annual report serves the purposes of both Trustees Report and Directors Report under company law. The Trustees confirm that the Annual report and Financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019).

The report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charitable company is to preserve the area known as The Mudchute, The Isle of Dogs, London, E14 for the benefit of the community, in the London Borough of Tower Hamlets and in particular The Isle of Dogs and the neighbourhood thereof in perpetuity.

Significant activities

Details of the significant activities of the charity can be found in the Achievement and Performance section of the Report of the Trustees.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public. We will continue to meet the requirements by ensuring that the nursery & after school club continue to provide affordable childcare for local residents, and alongside other educational activities (including school visits, summer camp programmes etc.), give a unique opportunity in a Central London location for children to experience and learn about the animals and their habitats.

Grantmaking

The charity has no grant making policy. No grants were made during the year.

Principal Risks and Uncertainties

As per prior years, the principal risks facing the organisation relate to cashflow management, day-to-day operational activities and the lease renewal.

As with any charitable organisation our income from year-to-year can be affected by the availability of grants, however in Mudchute's case the potential for volatility is reduced by earned income from the nursery and other activities which we are always looking for opportunities to increase and/or diversify. Income & Expenses are budgeted for the financial year and monitored monthly as part of our Governance framework.

Ongoing Operational risks include Health & Safety risks, public & employee liability and regulatory risk (e.g. Ofsted); they are mitigated by good working practices & procedures, pro-active management and insurance cover where appropriate.

Lastly whilst the lease expired in June 2024 it is subject to the provisions of the 1954 Tenant Act so continues on until terminated in accordance with the Act. The trustees are actively negotiating the renewal terms with Tower Hamlets.

Principal funding sources

Principal funding sources to the charity come from grants, voluntary income and earned income. These funding sources support the charity's key objectives by enabling the continued provision of affordable childcare for local residents, and enable children in Central London to experience & learn about animals & their habitats.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

ACHIEVEMENTS AND PERFORMANCE

Director's Report

Securing the renewal of our Lease has been the central, most demanding challenge of the past year. We have been negotiating the renewal of this with LBTH for approximately 12 years. However, this year, following several unsatisfactory offers from LBTH, the trustees, regretfully decided that they had no alternative other than to initiate legal proceedings against the council.

Support from residents of Tower Hamlets has been extremely encouraging and we believe this strong public support has had a positive influence on council officers, and we are now hopeful that a suitable long-term agreement can be reached. The trustees will of course refuse any agreement that does not guarantee that the Mudchute will remain a valuable community asset for many years.

I would like to take this opportunity to mention the loyalty and commitment shown by staff in all departments. Their tireless work, in spite of low pay and job uncertainty, has been fundamental in maintaining the quality of our services and ensuring Mudchute's long-term viability.

Despite the negativity that has surrounded our quest to obtain a satisfactory Lease, many positive outcomes have been achieved this year. Visitor numbers and those of corporate volunteers have increased dramatically and the nursery, now running at full capacity, are strong indicators of our success.

In September, Mudchute hosted the Federation of City Farms and Gardens Annual Harvest Festival, an event that was so successful, it has been agreed that Mudchute will remain the venue for the next three years. The highlight of the show was the success of our dedicated young farmers, who won several 1st prizes with the animals they had been training to show.

The apprenticeship programme continues to flourish, and I have been successful in securing funding for another year. This will enable us to offer another cohort of young people the opportunity to enter into the employment market.

I have mentioned the increase in the numbers of corporate volunteers and wish to recognise the valuable benefits that these provide for Mudchute. The corporate volunteers are essential, bridging the gap left by our limited staff by executing much-needed maintenance work on the farm and open space.

In addition to providing us with the necessary labour that has enabled us to carry out major refurbishments, site clearance and maintenance, they have also provided essential income allowing us to purchase equipment and tools necessary to complete the tasks.

Whilst recognising the benefits that corporate volunteers provide, I have to mention the valuable individuals who support Mudchute throughout the year. These include, handy men, farm workers, and those who assist with events and group supervision. A special mention must go to the volunteer marketing team who have succeeded in promoting Mudchute through social media platforms and introducing modern digital marketing procedures that have been extremely useful and effective.

I am hopeful that we will secure a suitable long-term lease before the end of the year which will ensure the Mudchute remains as it is today, **"A unique natural resource in the midst of a concrete jungle"**.

Nursery

It's been another successful year at Mudchute Children's Nursery, the setting running to full capacity with a waiting list that reflects the demand for the Nursery.

I am aware that fee increases will result in many families feeling the pinch. However, to keep in line with inflation and to cope with the extra national insurance and minimum wage rise, our fees have been increased.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

In September the Government introduced 15 hours free funding per week, for 9-month-old babies and children upwards. The demand for places has been phenomenal, with parents taking up the offer if they are eligible.

There is a vast shortage of childcare places throughout the country and with the free funding expanding in September 2025, we are anticipating an even higher demand for the nursery.

A big issue the nursery has faced, not just this year but in previous years is the recruitment of qualified staff, with staff leaving, it's been difficult to replace them. Again, this is something affecting the entire childcare sector.

Our apprentice scheme is working well, the apprentices making up a big part of our work force. One apprentice has gained her level 3 in Education and Childcare, and another is working towards the same qualification.

With the commitment of a strong staff team dedicated to providing quality childcare, the nursery will continue to grow and move forward.

I thank them most sincerely for their hard work and dedication which has made Mudchute Nursery the success it is today.

The Education Project

The Education Project has recorded upwards of 12,000 school age children attendance's during the course of the last year. It is as ever very rewarding delivering this work.

The wonderful working relationship with the farm staff team has been great in assisting the education team deliver the farm tours, workshops etc.

We have a number of groups that attend regularly from George Greens School (SEND department), Phoenix School and Phoenix College who undertake various tasks on the open space and farm. This in itself is a challenge to the participants as most have additional needs with the students from Phoenix School and College having high level needs with most being non-verbal. Some of the work undertaken by them includes fighting the endless rubbish that is discarded by visitors.

Our green fingered gardeners have again been growing a vast array of vegetables from potatoes and carrots and chillies, all of which have been harvested and made into tasty meals which have been enjoyed by all. This broadens the students' tastes, and also provides a hot meal for some of the more vulnerable attendees, when access to fresh home grown vegetables at home can be limited.

The meals are eaten in our classroom at a table without any computer, television or phone screens which encourages the natural flow of conversation whilst eating a healthy meal.

Our children have made cake's, jam's, chutney's and other preserves all with home grown produce.

All of the student's work towards a certificate of achievement for different tasks with these tasks giving them essential life skills that they take away with them.

We also facilitate independent school visits (3,500 attendances July 24-January 25).

The education and farm teams continue to provide an educational, fun and affordable time at Mudchute.

The Park and Farm

The period under review has seen constant activity on the farm with staff and volunteers once again working to improve our facilities and enhance our fabulous setting.

The animals again have kept us busy, with the changing of the seasons always a constant, with the welcoming of new arrivals in the spring, further helping to conserve our native rare breeds.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

Alongside all of our usual goings on such as attending agricultural shows, conservation grazing and providing animals and sometimes a farmer for film and T.V work, we have also sold all varieties of livestock to other flocks and herds around the U.K as the genetic base that is held here within our breeds is much sort after by other farmers and rare breed keepers. This again solidifies the importance of the conservation work that we undertake here at Mudchute.

Our visitor numbers continue to increase as families' battle with the cost of living crisis and are unable to afford the days out to expensive attractions as they strive to save money.

I would like to thank all of our hardworking staff and volunteers for another great year at the Mudchute.

FINANCIAL REVIEW

Reserves policy

The trustees deem it prudent to hold 3 months running costs in unrestricted funds not allocated against fixed assets. As of 31st March 2025 the unrestricted reserves of £301,666 is equal to approximately 2 months running costs and we will look to build this back up again during the next financial periods. These funds are held to ensure that in the event of a major incident preventing revenue generating activity, our running costs (excluding avoidable external costs) could continue to be met.

The balance on all restricted and unrestricted funds and explanation of why held can be found in note 19 to the financial statements.

Overview

The Statement of Financial Activities shows a deficit (2024: surplus) for the year of £(33,659) (2024: £35,986).

Overall during the year there was a slight deficit in net income but a modest operating surplus after adding back depreciation.

Our reserves stand at £803,185 (2024: £836,844).

Going concern

Accounting standards require the Trustees to consider the appropriateness of the going concern basis when preparing the financial statements. After reviewing forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

Tax status

The charitable company is exempt from taxation on charitable activities.

Key performance indicators

Regular management accounts (monthly) are used to inform and guide the executive team and flag incidences of underperformance early, to allow in year resolution or changes to operational plans accordingly. These financial indicators are included in the trustee's report with every monthly management accounts pack, alongside other key metrics linked to income, such as nursery attendance figures.

FUTURE PLANS

We have rented out some of the units in the courtyard and will be looking at how we can increase take up once we have a lease in place. We will also be looking to increase the number of corporate events/team days. We have seen a real increase this year and hope that continues next year.

We refurbished the café last year and re-opened with a new team & menu. As well as an everyday cafe, we have been using these facilities to run various community themed events throughout the year.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The Mudchute is governed by a board of trustees consisting of members of the local community who are elected at the annual general meeting.

The board of trustees has overall responsibility for ensuring that the finances at Mudchute are administered accordingly, in order to meet its legal and other obligations, e.g., Charities Act, Income Tax, VAT, Companies Act and Common Law.

The role of the treasurer, appointed from the board of trustees, is to understand accounting procedures and key internal controls, so as to be able to assure the board of Mudchute's financial integrity.

The charitable company is managed on a day to day basis by Margaret Tracey, who reports to the board of trustees.

Induction and training of new trustees

The Trustee Board continues to be strong, with all key skills being filled. The trustees of the Mudchute Association are selected in accordance with the various categories set out in our Articles of Association, the maximum permitted being fifteen.

We continue to ensure that meetings and trustee involvement takes place in a transparent and engaged manner, and ensure training is provided as required.

Administration, Finance and Staffing

A combination of Margaret Tracey, Vicky Strong and finance officer Zemichael Abrha, supported by other team members has ensured the smooth running of the administration & finances of the association.

Warren Bunce has continued to play a much appreciated role as IT manager, and also assisted on brand promotion and recruiting long term volunteers.

Remuneration

The finance sub committee made up of the chairperson, treasurer, HR trustee, the director and finance officer, in addition to the overall finances of Mudchute, focuses on the establishment of good employer practices. The committee is responsible for the review of staff salaries each year as part of the annual budgetary process.

Trustees indemnity

The charitable company has arranged qualifying indemnity insurance for the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01613085 (England and Wales)

Registered Charity number

284907

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

Registered office

Mudchute Park & Farm
Pier Street
Isle of Dogs
London
E14 3HP

Trustees

M D Humber (resigned 12.5.25)
M R Phillips
M Barraclough (resigned 27.1.25)
R J Swindells
M Gray
T Webb
T J Roper Mead (resigned 12.5.25)
S Chen (resigned 27.1.25)
L Cavanagh (resigned 4.7.24)
M Young
T Joseph (appointed 2.5.24)
S A Mortimer (appointed 2.5.24)
D Clark (appointed 2.5.24) (resigned 31.7.25)
H Almusawa (appointed 12.5.25)
J Etherington (appointed 12.5.25)
P Gratwick (appointed 12.5.25)

Auditors

Xeinadin Audit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Mudchute Association for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 15 December 2025 and signed on its behalf by:



S A Mortimer - Trustee

Opinion

We have audited the financial statements of The Mudchute Association (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion. These procedures included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

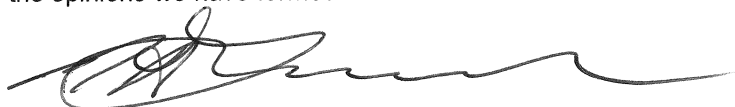
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Friend BSc FCA (Statutory Auditor)
for and on behalf of Xeinaudit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

15 December 2025

THE MUDCHUTE ASSOCIATION

Statement of Financial Activities (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	101,445	44,640	146,085	218,939
Charitable activities	6				
Operation of park and farm		1,705,670	-	1,705,670	1,371,597
Other trading activities	4	104,742	-	104,742	153,495
Investment income	5	3,209	-	3,209	2,811
Total		<u>1,915,066</u>	<u>44,640</u>	<u>1,959,706</u>	<u>1,746,842</u>
EXPENDITURE ON					
Raising funds	7	14,994	-	14,994	40,433
Charitable activities	8				
Operation of park and farm		1,894,647	83,724	1,978,371	1,670,423
Total		<u>1,909,641</u>	<u>83,724</u>	<u>1,993,365</u>	<u>1,710,856</u>
NET INCOME/(EXPENDITURE)		5,425	(39,084)	(33,659)	35,986
RECONCILIATION OF FUNDS					
Total funds brought forward		296,241	540,603	836,844	800,858
TOTAL FUNDS CARRIED FORWARD		<u><u>301,666</u></u>	<u><u>501,519</u></u>	<u><u>803,185</u></u>	<u><u>836,844</u></u>

CONTINUING OPERATIONS

There were no unrecognised gains or losses other than the surplus/deficit for the year. The accompanying accounting policies and notes form an integral part of these financial statements.

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)

Balance Sheet
31 MARCH 2025

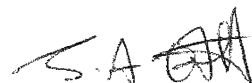
	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	14	112,168	499,918	612,086	662,266
CURRENT ASSETS					
Stocks	15	716	-	716	916
Debtors	16	32,953	-	32,953	52,450
Cash at bank and in hand		404,468	1,601	406,069	315,673
		<u>438,137</u>	<u>1,601</u>	<u>439,738</u>	<u>369,039</u>
CREDITORS					
Amounts falling due within one year	17	(167,222)	-	(167,222)	(109,998)
NET CURRENT ASSETS		<u>270,915</u>	<u>1,601</u>	<u>272,516</u>	<u>259,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>383,083</u>	<u>501,519</u>	<u>884,602</u>	<u>921,307</u>
ACCRUALS AND DEFERRED INCOME	18	(81,417)	-	(81,417)	(84,463)
NET ASSETS		<u>301,666</u>	<u>501,519</u>	<u>803,185</u>	<u>836,844</u>
FUNDS	19				
Unrestricted funds				301,666	296,241
Restricted funds				501,519	540,603
TOTAL FUNDS				<u>803,185</u>	<u>836,844</u>

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 15 December 2025 and were signed on its behalf by:



S A Mortimer - Trustee



J Etherington - Trustee

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION

Cash Flow Statement FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	96,591	113,675
Interest paid		(4,805)	(3,227)
Net cash provided by operating activities		<u>91,786</u>	<u>110,448</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,399)	(65,712)
Sale of tangible fixed assets		800	-
Interest received		3,209	2,811
Net cash used in investing activities		<u>(1,390)</u>	<u>(62,901)</u>
Change in cash and cash equivalents in the reporting period		<u>90,396</u>	<u>47,547</u>
Cash and cash equivalents at the beginning of the reporting period		<u>315,673</u>	<u>268,126</u>
Cash and cash equivalents at the end of the reporting period		<u><u>406,069</u></u>	<u><u>315,673</u></u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION

Notes to the Cash Flow Statement FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(33,659)	35,986
Adjustments for:		
Depreciation charges	54,165	61,381
Loss on disposal of fixed assets	614	-
Interest received	(3,209)	(2,811)
Interest paid	4,805	3,227
Decrease in stocks	200	1,822
Decrease/(increase) in debtors	19,497	(2,741)
Increase in creditors	54,178	16,811
Net cash provided by operations	96,591	113,675

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/24 £	Cash flow £	At 31/3/25 £
Net cash			
Cash at bank and in hand	315,673	90,396	406,069
	<u>315,673</u>	<u>90,396</u>	<u>406,069</u>
Total	315,673	90,396	406,069

The notes form part of these financial statements

1. STATUTORY INFORMATION

The Mudchute Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The company is registered in England and Wales, Registered Number 01613085 and its registered office is
Mudchute Farm & Park, Pier Street, Isle of Dogs, London, E14 3HP.

The presentation currency of the financial statements is the Pound Sterling (£). Figures are rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparation

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)', the 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

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

See note 21 which refers to the ongoing negotiations between The Mudchute Association and The London Borough of Tower Hamlets to agree the terms of the lease renewal of Mudchute Farm. As at the date of the signing of the accounts, there are no factors the trustees are aware of that would indicate that the lease is not going to be renewed.

Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

In addition, income from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

For the rendering of services the percentage of completion method is used to calculate the income recognised at the period end unless services are performed by an indeterminate number of acts over a specified period of time, in which circumstance income is recognised on a straight-line basis over the specified period.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met.

2. ACCOUNTING POLICIES - continued

Recognition of income

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditor as deferred income. Where entitlement occurs before income is received, the income is accrued.

Expenditure and liabilities

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.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs, it is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 6% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Fixed assets costing less than £1,000 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based on the cost of purchase on a first in, first out basis.

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific trusts, which may only be expended in accordance with the conditions imposed by the donors.

Pension costs and other post-retirement benefits

The charity operates defined benefit contribution schemes covering the majority of its permanent employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds.

Financial instruments

Basic financial assets/liabilities including trade and other receivables/payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets/liabilities are subsequently carried at amortised cost using the effective interest method.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Known bad debts are written off and provision is made for any considered to be doubtful. Trade debtors relates to income owed for charitable services provided.

Key judgements

In preparing these financial statements, the trustees have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Employee benefits

All employee benefit costs to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised as an expense, unless the financial reporting standard requires the cost to be recognised as part of the cost of an asset, or as a liability, after deducting amounts that have been paid either directly to the employees or as a contribution to an employee benefit fund. If the amount paid exceeds the obligation arising from service before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

2. ACCOUNTING POLICIES - continued

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

Hire purchase and leasing commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Voluntary income	41,298	38,282
Gift aid	3,516	3,033
Grants	101,271	177,624
	<u>146,085</u>	<u>218,939</u>

4. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Rents received	48,527	94,776
Hire of facilities	46,960	49,981
Sale of christmas trees	9,255	8,738
	<u>104,742</u>	<u>153,495</u>

5. INVESTMENT INCOME

	2025	2024
	£	£
Bank interest received	<u>3,209</u>	<u>2,811</u>

THE MUDCHUTE ASSOCIATION

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2025

6. INCOME FROM CHARITABLE ACTIVITIES

		2025 £	2024 £
Incoming resources from	Activity		
charitable activities	Operation of park and farm	<u>1,705,670</u>	<u>1,371,597</u>

An analysis of incoming resources from charitable activities by class of business is given below:

	2025 £	2024 £
Sale of goods	98,022	74,440
Rendering of services	<u>1,607,648</u>	<u>1,297,157</u>
	<u>1,705,670</u>	<u>1,371,597</u>

7. RAISING FUNDS

	2025 £	2024 £
Other trading activities		
Rental expenditure	8,278	11,280
Purchase of christmas trees	6,596	7,235
Bad debts	120	21,918
	<u>14,994</u>	<u>40,433</u>

THE MUDCHUTE ASSOCIATION

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2025

8. CHARITABLE ACTIVITIES COSTS

	2025 £	2024 £
Operation of park and farm		
Staff costs	1,370,148	1,186,127
Hire of plant and machinery	5,008	6,014
Rates and water	19,736	14,596
Insurance	30,957	25,800
Light and heat	53,994	38,740
Telephone	1,831	2,135
Postage and stationery	9,426	12,631
Play activities	51,089	35,726
Training	2,210	832
Repairs and renewals	44,485	38,874
Motor expenses	6,470	3,647
Refreshments and entertainment	3,118	2,827
Farm & nursery consumables	158,816	119,189
Subscriptions	20,535	13,605
Cleaning	67,039	53,356
Catering	37,308	32,348
Legal & professional fees	21,402	4,878
Depreciation	54,165	61,381
Loss on sale of tangible fixed assets	614	-
Bank interest	4,805	3,227
Auditor's remuneration	7,828	7,455
Auditor's remuneration for non-audit services	7,387	7,035
	<u>1,978,371</u>	<u>1,670,423</u>

9. SUPPORT COSTS

	Governance costs
	£
Charitable activities	<u>15,215</u>

Activity	Basis of allocation
Governance costs	All support costs are allocated to charitable activities.

Support costs, included in the above, are as follows:

Governance costs	2025	2024
	£	£
Auditor's remuneration	7,828	7,455
Auditor's remuneration for non-audit work	7,387	7,035
	<u>15,215</u>	<u>14,490</u>

10. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2025	2024
	£	£
Depreciation - owned assets	54,165	61,381
Hire of plant and machinery	5,008	6,014
	<u>59,173</u>	<u>67,395</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

Total salary and corresponding pension contributions paid by the charity to the trustee Mary Gray during the year were as follows:

	2025	2024
	£	£
Wages and salaries	4,770	1,052
Pension costs	50	4
	<u>4,820</u>	<u>1,056</u>

These transactions were in the normal course of the charity's operations and approval was obtained from The Charities Commission for these services.

Trustees' expenses

During the year ended 31 March 2025 the trustees made total donations to the charity of £nil. (2024: £120).

The charitable company reimbursed expenses of £845 (2024: £367) to Tahira Webb and Tara Joseph, trustees of the charity. These transactions were in the normal course of the charity's operations.

12. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	1,255,819	1,090,870
Social security costs	93,318	77,630
Pension costs	21,011	17,627
	<u>1,370,148</u>	<u>1,186,127</u>

The average monthly number of employees in the year was:

	2025	2024
Charitable activities	64	57
Office	4	4
	<u>68</u>	<u>61</u>

12. STAFF COSTS - continued

There were no employees who received emoluments (excluding pension contributions) in excess of £60,000 for the year ended 31 March 2025 nor the year ended 31 March 2024.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	114,269	104,670	218,939
Charitable activities			
Operation of park and farm	1,371,597	-	1,371,597
Other trading activities	153,495	-	153,495
Investment income	2,811	-	2,811
Total	<u>1,642,172</u>	<u>104,670</u>	<u>1,746,842</u>
EXPENDITURE ON			
Raising funds	40,433	-	40,433
Charitable activities			
Operation of park and farm	<u>1,568,552</u>	<u>101,871</u>	<u>1,670,423</u>
Total	<u>1,608,985</u>	<u>101,871</u>	<u>1,710,856</u>
NET INCOME	33,187	2,799	35,986
RECONCILIATION OF FUNDS			
Total funds brought forward	263,054	537,804	800,858
TOTAL FUNDS CARRIED FORWARD	<u><u>296,241</u></u>	<u><u>540,603</u></u>	<u><u>836,844</u></u>

14. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2024	1,331,497	163,138	119,555	10,178	1,624,368
Additions	-	4,770	-	629	5,399
Disposals	-	-	(35,000)	-	(35,000)
At 31 March 2025	1,331,497	167,908	84,555	10,807	1,594,767
DEPRECIATION					
At 1 April 2024	741,587	140,624	72,210	7,681	962,102
Charge for year	35,392	6,820	11,484	469	54,165
Eliminated on disposal	-	-	(33,586)	-	(33,586)
At 31 March 2025	776,979	147,444	50,108	8,150	982,681
NET BOOK VALUE					
At 31 March 2025	554,518	20,464	34,447	2,657	612,086
At 31 March 2024	589,910	22,514	47,345	2,497	662,266

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the introduction of FRS 15 - Tangible Fixed assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the directors will not be required to carry out periodic valuation of these land and building assets.

15. STOCKS

	2025 £	2024 £
Stocks	716	916

Included in the amount shown above for stocks are items valued at cost calculated on a first in, first out basis. The replacement cost of these items at the year-end is equal to historical cost.

THE MUDCHUTE ASSOCIATION

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2025

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	27,393	45,980
Other debtors	1,123	1,487
Prepayments and accrued income	4,437	4,983
	<u>32,953</u>	<u>52,450</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	34,822	15,716
Social security and other taxes	23,734	21,453
Other creditors	108,666	72,829
	<u>167,222</u>	<u>109,998</u>

18. ACCRUALS AND DEFERRED INCOME

	2025	2024
	£	£
Accruals and deferred income	<u>81,417</u>	<u>84,463</u>

Deferred income of £60,895 (2024: £67,393) is included within the above figures. This relates to grants received, income for the hire of facilities, rents received and incoming resources from charitable activities, that relate to future years.

19. MOVEMENT IN FUNDS

	At 1/4/24 £	Net movement in funds £	At 31/3/25 £
Unrestricted funds			
General fund	296,241	5,425	301,666
Restricted funds			
Building Fund	446,938	(26,816)	420,122
Minibus Fund	36,392	(9,758)	26,634
Nature Trail Fund	16,245	(975)	15,270
Treehouse Project Fund	9,021	(541)	8,480
Arena Refurbishment Project Fund	31,289	(1,877)	29,412
Nursery Inclusion Fund	718	883	1,601
	<u>540,603</u>	<u>(39,084)</u>	<u>501,519</u>
TOTAL FUNDS	<u>836,844</u>	<u>(33,659)</u>	<u>803,185</u>

THE MUDCHUTE ASSOCIATION

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2025

19. 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 fund	1,915,066	(1,909,641)	5,425
Restricted funds			
Building Fund	-	(26,816)	(26,816)
Minibus Fund	-	(9,758)	(9,758)
Nature Trail Fund	-	(975)	(975)
Treehouse Project Fund	-	(541)	(541)
Arena Refurbishment Project Fund	-	(1,877)	(1,877)
East End Community Foundation			
Apprenticeship Fund	30,000	(30,000)	-
Nursery Inclusion Fund	2,639	(1,756)	883
London Borough of Tower Hamlets			
Summer Playscheme Fund	1,500	(1,500)	-
Canary Wharf Group Natural World of Mudchute Fund	10,501	(10,501)	-
	<u>44,640</u>	<u>(83,724)</u>	<u>(39,084)</u>
TOTAL FUNDS	<u><u>1,959,706</u></u>	<u><u>(1,993,365)</u></u>	<u><u>(33,659)</u></u>

Comparatives for movement in funds

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	263,054	33,187	296,241
Restricted funds			
Building Fund	475,466	(28,528)	446,938
Minibus Fund	1,173	35,219	36,392
Nature Trail Fund	17,282	(1,037)	16,245
Treehouse Project Fund	9,597	(576)	9,021
Arena Refurbishment Project Fund	33,286	(1,997)	31,289
Nursery Inclusion Fund	1,000	(282)	718
	<u>537,804</u>	<u>2,799</u>	<u>540,603</u>
TOTAL FUNDS	<u><u>800,858</u></u>	<u><u>35,986</u></u>	<u><u>836,844</u></u>

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,642,172	(1,608,985)	33,187
Restricted funds			
Building Fund	-	(28,528)	(28,528)
Minibus Fund	47,350	(12,131)	35,219
Nature Trail Fund	-	(1,037)	(1,037)
Treehouse Project Fund	-	(576)	(576)
Arena Refurbishment Project Fund	-	(1,997)	(1,997)
London Borough Of Tower Hamlets Fund	11,667	(11,667)	-
Nursery Inclusion Fund	6,853	(7,135)	(282)
The St John's Park Holiday Activities Fund	16,300	(16,300)	-
East End Community Foundation Apprenticeship Fund	22,500	(22,500)	-
	<u>104,670</u>	<u>(101,871)</u>	<u>2,799</u>
TOTAL FUNDS	<u>1,746,842</u>	<u>(1,710,856)</u>	<u>35,986</u>

Unrestricted funds

The General fund includes income from grants, fundraising and farming activities. Also included within the general fund, is income from the charity's other trading activities, which consist of rents received, hire of facilities and the sale of christmas trees.

Restricted funds

The Building fund represents the net book value of the restricted portion of buildings on the site.

The Minibus fund represents the net book value of minibuses purchased with restricted monies.

The Nature trail fund represents monies given to improve pathways and accessibility to the farm site.

The Treehouse project fund represents monies given to enable the building of a tree house which is part of the children's services provision.

The Arena refurbishment project fund represents monies given to rebuild the riding arena.

The London Borough of Tower Hamlets fund represents monies given to run activities to support young people and promote a healthy lifestyle. The fund monies were fully expended during the year.

The Nursery inclusion fund represents monies given to support children who require one to one support.

The East End Community Foundation apprenticeship fund represents monies given to provide training & work experience for apprentices at Mudchute. The fund monies were fully expended during the year.

19. MOVEMENT IN FUNDS - continued

The London Borough of Tower Hamlets Summer Playscheme Fund represents monies provided to offer a range of free summer activities for residents of the borough. The funding was awarded for Mudchute to provide free farm tours for visitors to Mudchute, two days each week for a total of four weeks during July - August 2024. The fund monies were fully expensed during the year.

The Canary Wharf Group Natural World of Mudchute Fund represents monies provided to run educational programmes which include activities such as environmental workshops on habitats and life cycles, farm tours, and forest school sessions that teach children to care for the environment. The fund monies were fully expensed during the year.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution scheme. The pension costs charge consists of contributions payable to the funds of £21,011 (2024: £17,627). Contributions of £4,367 (2024: £3,604) were outstanding at the end of the period.

21. OTHER FINANCIAL COMMITMENTS

The following operating lease payments are committed to be paid:

	2025 £	2024 £
Within one year	768	768
Between one and five years	64	832
In more than five years	-	-
	<u>832</u>	<u>1,600</u>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2025 £	2024 £
Operating lease rentals	<u>736</u>	<u>944</u>

The land at Mudchute Farm is leased by The Mudchute Association from the Mayor Burgesses of the London Borough of Tower Hamlets (LBTH). Under the lease the open market rental value is currently a peppercorn as with the land comes the obligation to provide and maintain a public park without the funding to support this.

The existing 30 year lease expired on 30 June 2024. The lease is subject to the provisions of The Landlord and Tenant Act 1954 which means that the existing lease is continued until terminated in accordance with the Act.

The Association has commenced proceedings in the County Court for the grant of a new lease pursuant to Part II of the Landlord and Tenant Act 1954. The grant of a new lease is not opposed and negotiations over its terms are proceeding satisfactorily, with the outcome expected by May 2026 at the latest

22. RELATED PARTY DISCLOSURES

During the year under review, total salary payments £55,448 (2024: £35,231) were made to two adult children (Paul Tracey & Laura Brown), one adult grandchild (Sadie Tracey) and the daughter in law (Dionne Tracey) of the general manager (Margaret Tracey), who were employed by the charity. These transactions were in the normal course of the charity's operations.

Also during the year under review, total rental income of £13,638 (2024: £13,645) was received from two (2024: two) of the employees of the charity, for flats based within the leasehold of the charity.

Also during the year under review, total rental income of £1,727 (2024: £7,062) was received from John Cavanagh, the spouse of Lorraine Cavanagh, a former chairperson and trustee (resigned 04/07/2024). Invoices totalling £5,899 are included within trade debtors in respect of the rental income, and are considered fully recoverable.

As also noted in note 24, total salary payments of £229,922 (2024: £170,108) were made to key management personnel during the year. These transactions were in the normal course of the charity's operations. The key management personnel are Margaret Tracey, Victoria Strong, Tom Davis & Zemichael Abrha.

The charitable company received donations without conditions of £nil (2024: £120) from related parties and trustees, of which £nil (2024: £120) relates to trustee donations as detailed in note 11 of the financial statements, where more details of these donations can be found.

The charitable company reimbursed expenses of £845 (2024: £367) to related parties and trustees. More details of these expenses can be found in note 11 of the financial statements.

Total salary payments of £4,770 (2024: £1,056) were made to Mary Gray, a trustee of the charity. More details regarding these salary payments can be found in note 11 of the financial statements.

23. FINANCIAL INSTRUMENTS

	2025 £	2024 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	439,021	367,484
	439,021	367,484
Financial liabilities		
Financial liabilities measured at amortised cost	248,638	127,066
	248,638	127,066

Financial assets measured at amortised cost comprise trade debtors, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and social securities.

24. KEY MANAGEMENT PERSONNEL

Key management includes the trustees, the director general, the farm manager, the finance and administration manager and the nursery manager. The compensation paid or payable to key management for employee services is shown below:

	2025	2024
	£	£
Salaries and other short-term benefits	<u>229,922</u>	<u>170,108</u>

25. LESSOR COMMITMENTS

At the year end the charity have leased assets, in regards to rental of part of the short leasehold building, which is capitalised within the balance sheet, as well as the rental of telephone masts included within the land of the short leasehold property. Both rental agreements are currently on a monthly rolling rental.

THE MUDCHUTE ASSOCIATION

England & Wales - Charity number 284907

Accounts

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2024
for
THE MUDCHUTE ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

Xeinadin Audit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

THE MUDCHUTE ASSOCIATION

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THE MUDCHUTE ASSOCIATION

Chair's Report FOR THE YEAR ENDED 31 MARCH 2024

I took over as Chair in June this year. I had previously been on the Board of Trustees. I am writing this retrospectively looking back from the beginning of this year. I am delighted to be part of the Mudchute organisation and have watched it grow over the years to the organisation it is today.

The Mudchute has never looked and felt better which is a real tribute to all of the staff and volunteers who have worked tirelessly this year on a number of projects. It has a real community feel to it and it is wonderful to see local families enjoying all that Mudchute has to offer. So many families and children from local schools visit and enjoy all that the farm has to offer at no cost which is amazing. We also offer a whole range of activities for children during the school holidays.

The staff, again, is led by a brilliant professional team headed by Margaret and Vicki. Every department has pulled out stops to make this place what it is today and valued by the whole community especially families.

The work in the Nursery was completed and we were able to furnish both rooms from donations from other play provisions that unfortunately have had to close.

The Nursery is as popular as ever and we still have a waiting list which is wonderful as we rely on the Nursery to provide a stable revenue source and funds much more than the Nursery.

We continue to battle with LBTH to secure our lease. This has now been going on for far too long and we have instructed solicitors to act on our behalf as the lease actually ran out at the end of June but rolls over until we can agree new lease terms with the LBTH.

We had a number of successful events over the course of the year including an annual Dog Show and an amazing Winter Wonderland which proved to be a great hit with families. We have been incredibly lucky with our corporate volunteers this year coming from a number of organisations to support the Mudchute by repairing, planting, erecting and so much more. It must be said that without them we would struggle to get this kind of work done with such a small team of employees.

As Chair, I would like to thank all the staff, Friends of Mudchute, the volunteers and the corporate groups for all their efforts this year and for putting Mudchute on the map yet again.

I am also honoured to Chair a brilliant team of Trustees that bring a vast number of skills and knowledge to the table each month and provide support to the Management Team.



S Mortimer - Chairperson

Date: 11th December 2024

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

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 March 2024. The annual report serves the purposes of both Trustees Report and Directors Report under company law. The Trustees confirm that the Annual report and Financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019).

The report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charitable company is to preserve the area known as The Mudchute, The Isle of Dogs, London, E14 for the benefit of the community, in the London Borough of Tower Hamlets and in particular The Isle of Dogs and the neighbourhood thereof in perpetuity.

Significant activities

Details of the significant activities of the charity can be found in the Achievement and Performance section of the Report of the Trustees.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public. We will continue to meet the requirements by ensuring that the nursery & after school club continue to provide affordable childcare for local residents, and alongside other educational activities (including school visits, summer camp programmes etc.), give a unique opportunity in a Central London location for children to experience and learn about the animals and their habitats.

Grantmaking

The charity has no grant making policy. No grants were made during the year.

Principal Risks and Uncertainties

As per prior years, the principal risks facing the organisation relate to cashflow management, day-to-day operational activities and the lease renewal.

As with any charitable organisation our income from year-to-year can be affected by the availability of grants, however in Mudchute's case the potential for volatility is reduced by earned income from the nursery and other activities which we are always looking for opportunities to increase and/or diversify. Income & Expenses are budgeted for the financial year and monitored monthly as part of our Governance framework.

Ongoing Operational risks include Health & Safety risks, public & employee liability and regulatory risk (e.g. Ofsted); they are mitigated by good working practices & procedures, pro-active management and insurance cover where appropriate.

Lastly whilst the lease expired in June it is subject to the provisions of the 1954 Tenant Act so continues on until terminated in accordance with the Act. The trustees are actively negotiating the renewal terms with Tower Hamlets and look to work constructively with them over the coming weeks to resolve the remaining issues as soon as possible.

Principal funding sources

Principal funding sources to the charity come from grants, voluntary income and earned income. These funding sources support the charity's key objectives by enabling the continued provision of affordable childcare for local residents, and enable children in Central London to experience & learn about animals & their habitats.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

ACHIEVEMENT AND PERFORMANCE

Director's Report

April 2023 - March 2024 seems to have been the year when Mudchute fully recovered from the ill effects of Covid 19. All services have been running at full capacity and we have been able to continue to provide residents of Tower Hamlets and neighbouring Boroughs with the benefits of Mudchute's unique natural resources.

To satisfy the demands from local residents in need of childcare, we have been able to increase the number of available places in our children's Nursery, enabling us to provide nursery places for an additional 24 children.

The success of the nursery is a vital link to the sustainability of Mudchute, the income from this providing us with the shortfall in funding, necessary to maintain the Park and Farm. Recruitment of new staff for the nursery has been problematic but we are fortunate to have a minimal turnover of staff and new staff, recruited from local residents, have proven to be a marvellous asset to the team.

The successful Apprenticeship Project continues to provide much needed support and employment opportunities for young people. East End Community foundation have funded the project since its offset and for several years, additional funds have been donated by the Worshipful Company of Insurers.

The volunteering support from Corporate Groups has been playing a major part in the maintenance and upkeep of the environmental resources of Mudchute and are responsible for many of the repairs and aesthetic developments that are made each year.

I have mentioned the value that the Corporate Volunteers bring to Mudchute and have to emphasise that the individual volunteers who turn out each week to offer their service free of charge are invaluable. So many turn up at Mudchute week in, week out irrespective of how bad the weather might be and use their many individual skills to complete a diverse range of tasks. These include; plumbing, general building maintenance, farm duties, shop and reception work, childcare and administration.

The Community Grant funding which enabled Mudchute to provide the exceptionally successful Free Play Project each week finished this year. The project provided much needed play opportunities for hundreds of children throughout the year and its demise would be a major loss for its many participants. However, the success of the project had been noted and another organisation secured sufficient funding to enable the project to continue.

The tenure for the popular Mudchute Kitchen ceased in December 2023 and after much deliberation, the Trustees made the decision to take the café back in house. Unfortunately, a range of unfortunate circumstances have delayed the refurbishment of the café but it will be operational in the next financial year.

I would like to finish by adding my sincere thanks to all volunteers, Trustees, the many financial supporters including the Worshipful Companies, local businesses, Trusts and individual donors and last but not least, the loyal, hardworking staff team who work tirelessly to keep Mudchute running.

Nursery

Once again, the nursery has gone from strength to strength. The proposed expansion of the setting, was finally completed in 2023, allowing the service to create an extra room with extra childcare places.

The Nursery is still over subscribed with families waiting up to a year to be offered a place. With the new free Childcare Scheme for two-year-old infants and babies arriving in 2024, we expect to see yet another increase in demand for places.

A big problem the service has encountered over the year, has been the recruitment of staff. With the expansion of the setting and additional childcare places, we have needed to recruit additional staff but like many other childcare settings, this has been extremely very challenging. The lack of qualified staff has hampered our ability to operate a full service, and consequently, we have not been able to meet the demand for nursery places.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

Over the last few years the childcare sector has been under extreme pressure with experienced qualified staff leaving in their droves, due to poor pay, long hours and the work load, all of which has contributed to the situation.

Three valued members of staff left our service, to pursue different careers of their choosing. However, our existing staff have worked extremely hard throughout the year, working extra hours to ensure the service continued to offer the highest quality of childcare.

Without this dedicated, committed staff team, Mudchute Nursery wouldn't be what it is today, so I would like to express a "Big Thank You" to them all.

I look forward to the coming year, welcoming new children and their families beginning their journey with us at Mudchute.

The Education Project

The Education project has recorded upwards of 14,000 school age children attendances during the course of the last year. It is as ever very rewarding delivering this work.

The wonderful working relationship with the farm staff team has been great in assisting the education team deliver the farm tours (900 attendances July 23 - January 24), workshops (480 attendances July 23 - January 24) etc.

We have a number of groups that attend regularly from George Greens School (500 attendances July 23 - January 24), George Greens outreach programme (300 attendances July 23 - January 24), Phoenix School (400 attendances July 23 - January 24), and Phoenix College (300 attendances July 23 - January 24), who undertake various tasks on the open space and farm.

This in itself is a challenge to the participants as most have additional needs with the students from Phoenix School and College having high level needs with most being non-verbal. Some of the work undertaken by them includes fighting the endless rubbish that is discarded by visitors.

Our green fingered gardeners have again been growing a vast array of vegetables from potatoes and carrots and chillies, all of which have been harvested and made into tasty meals which have been enjoyed by all. Broadening the students tastes as well as providing a hot meal for some of the more vulnerable attendees when access to fresh home grown vegetables at home can be limited. The meals are eaten in our classroom at a table without any computer, television or phone screens which encourages the natural flow of conversation whilst eating a healthy meal.

Our children have made cakes, jams, chutneys and other preserves all with home grown produce. All of the students work towards a certificate of achievement for different tasks with these tasks giving them essential life skills that they take away with them.

We also facilitate independent school visits (3,000 attendances July 23 - January 24).

As part of our continued collaborative work with Phoenix College, assisting with the learning of life skills and the progression of students, we have secured funding to provide a work placement for one of their long term nonverbal, autistic students, who now has paid work here at Mudchute for one hour a week. The education and farm teams continue to provide an educational, fun and affordable time at Mudchute.

The Park and Farm

The period under review has seen constant activity on the farm with staff and volunteers once again working to improve our facilities and enhance our fabulous setting.

The animals again have kept us busy, with the changing of the seasons always a constant, with the welcoming of new arrivals in the spring, further helping to conserve our native rare breeds.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

Alongside all of our usual goings on such as attending agricultural shows, conservation grazing and providing animals and sometimes a farmer for film and T.V work, we have also sold all varieties of livestock to other flocks and herds around the U.K as the genetic base that is held here within our breeds is much sort after by other farmers and rare breed keepers. This again solidifies the importance of the conservation work that we undertake here at Mudchute.

Our visitor numbers continue to increase as families' battle with the cost of living crisis and are unable to afford the days out to expensive attractions as they strive to save money.

I would like to thank all of our hardworking staff and volunteers for another great year at the Mudchute.

FINANCIAL REVIEW

Reserves policy

The trustees deem it prudent to hold 3 months running costs in unrestricted funds not allocated against fixed assets. As of 31st March 2024 the unrestricted reserves of £296,241 is equal to approximately 2 months running costs and we will look to build this back up again during the next financial periods. These funds are held to ensure that in the event of a major incident preventing revenue generating activity, our running costs (excluding avoidable external costs) could continue to be met.

The balance on all restricted and unrestricted funds and explanation of why held can be found in note 19 to the financial statements.

Overview

The Statement of Financial Activities shows a surplus for the year of £35,986 (2023: £261,939).

Our reserves stand at £836,844 (2023: £800,858).

The surplus for the current year is comparable to the operating surplus for 2023 of £40K after taking out the donated nursery works from LBTH.

Going concern

Accounting standards require the Trustees to consider the appropriateness of the going concern basis when preparing the financial statements. After reviewing forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

Tax status

The charitable company is exempt from taxation on charitable activities.

FUTURE PLANS

The closure of the equestrian centre has allowed us to continue to trial alternative uses, including renting units to local pop-up traders and hosting community events such as dog handling training.

We also refurbished the café and re-opened with a new team & menu. It is anticipated that we will use these facilities to run various community themed events throughout the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Mudchute is governed by a board of trustees consisting of members of the local community who are elected at the annual general meeting.

The board of trustees has overall responsibility for ensuring that the finances at Mudchute are administered accordingly, in order to meet its legal and other obligations, e.g., Charities Act, Income Tax, VAT, Companies Act and Common Law.

The role of the treasurer, appointed from the board of trustees, is to understand accounting procedures and key internal controls, so as to be able to assure the board of Mudchute's financial integrity.

The charitable company is managed on a day to day basis by the Margaret Tracey, who reports to the board of trustees.

Induction and training of new trustees

The Trustee Board continues to be strong, with all key skills being filled. The trustees of the Mudchute Association are selected in accordance with the various categories set out in our Articles of Association, the maximum permitted being fifteen.

We continue to ensure that meetings and trustee involvement takes place in a transparent and engaged manner, and ensure training is provided as required.

Administration, Finance and Staffing

A combination of Margaret Tracey, Vicky Strong and finance officer Zemichael Abrha, supported by other team members has ensured the smooth running of the administration & finances of the association.

Warren Bunce has continued to play a much appreciated role as IT manager, and also assisted on brand promotion and recruiting long term volunteers.

Remuneration

The finance sub committee made up of the chairperson, treasurer, HR trustee, the director and finance officer, in addition to the overall finances of Mudchute, focuses on the establishment of good employer practices. The committee is responsible for the review of staff salaries each year as part of the annual budgetary process.

Trustees indemnity

The charitable company has arranged qualifying indemnity insurance for the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01613085 (England and Wales)

Registered Charity number

284907

Registered office

Mudchute Farm & Park
Pier Street
Isle of Dogs
London
E14 3HP

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees

M D Humber
M R Phillips
M Barraclough
J H Abbott (resigned 27.4.23)
R J Swindells
C Kirkwood (resigned 27.4.23)
M Gray
T Webb
T J Roper Mead
S Chen
L Cavanagh (resigned 4.7.24)
M Young (appointed 27.4.23)
T Joseph (appointed 2.5.24)
S A Mortimer (appointed 2.5.24)
D Clark (appointed 2.5.24)

Auditors

Xeinadin Audit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Mudchute Association for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**Report of the Trustees
FOR THE YEAR ENDED 31 MARCH 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 11 December 2024 and signed on its behalf by:



S A Mortimer - Trustee

Opinion

We have audited the financial statements of The Mudchute Association (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion. These procedures included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Friend BSc FCA (Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

11 December 2024

THE MUDCHUTE ASSOCIATION

Statement of Financial Activities (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	114,269	104,670	218,939	498,348
Charitable activities	6				
Operation of park and farm		1,371,597	-	1,371,597	1,121,938
Other trading activities	4	153,495	-	153,495	151,485
Investment income	5	2,811	-	2,811	802
Total		<u>1,642,172</u>	<u>104,670</u>	<u>1,746,842</u>	<u>1,772,573</u>
EXPENDITURE ON					
Raising funds	7	40,433	-	40,433	15,077
Charitable activities	8				
Operation of park and farm		1,568,552	101,871	1,670,423	1,495,557
Total		<u>1,608,985</u>	<u>101,871</u>	<u>1,710,856</u>	<u>1,510,634</u>
NET INCOME		33,187	2,799	35,986	261,939
RECONCILIATION OF FUNDS					
Total funds brought forward		263,054	537,804	800,858	538,919
TOTAL FUNDS CARRIED FORWARD		<u>296,241</u>	<u>540,603</u>	<u>836,844</u>	<u>800,858</u>

CONTINUING OPERATIONS

There were no unrecognised gains or losses other than the surplus/deficit for the year. The accompanying accounting policies and notes form an integral part of these financial statements.

Balance Sheet
31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	122,381	539,885	662,266	657,935
CURRENT ASSETS					
Stocks	15	916	-	916	2,738
Debtors	16	47,467	-	47,467	39,225
Prepayments and accrued income		4,983	-	4,983	10,484
Cash at bank and in hand		314,955	718	315,673	268,126
		368,321	718	369,039	320,573
CREDITORS					
Amounts falling due within one year	17	(109,998)	-	(109,998)	(95,656)
NET CURRENT ASSETS		258,323	718	259,041	224,917
TOTAL ASSETS LESS CURRENT LIABILITIES		380,704	540,603	921,307	882,852
ACCRUALS AND DEFERRED INCOME	18	(84,463)	-	(84,463)	(81,994)
NET ASSETS		296,241	540,603	836,844	800,858
FUNDS	19				
Unrestricted funds				296,241	263,054
Restricted funds				540,603	537,804
TOTAL FUNDS				836,844	800,858

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 11 December 2024 and were signed on its behalf by:



S A Mortimer - Trustee



M D Humber - Trustee

THE MUDCHUTE ASSOCIATION

Cash Flow Statement FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	113,675	356,931
Interest paid		(3,227)	(2,315)
Net cash provided by operating activities		110,448	354,616
Cash flows from investing activities			
Purchase of tangible fixed assets		(65,712)	(244,921)
Interest received		2,811	802
Net cash used in investing activities		(62,901)	(244,119)
Change in cash and cash equivalents in the reporting period		47,547	110,497
Cash and cash equivalents at the beginning of the reporting period		268,126	157,629
Cash and cash equivalents at the end of the reporting period		315,673	268,126

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION

Notes to the Cash Flow Statement FOR THE YEAR ENDED 31 MARCH 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	35,986	261,939
Adjustments for:		
Depreciation charges	61,381	51,299
Loss on disposal of fixed assets	-	543
Interest received	(2,811)	(802)
Interest paid	3,227	2,315
Decrease/(increase) in stocks	1,822	(1,597)
Increase in debtors	(2,741)	(6,909)
Increase in creditors	16,811	50,143
Net cash provided by operations	113,675	356,931

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23 £	Cash flow £	At 31/3/24 £
Net cash			
Cash at bank and in hand	268,126	47,547	315,673
	<u>268,126</u>	<u>47,547</u>	<u>315,673</u>
Total	268,126	47,547	315,673

The notes form part of these financial statements

1. STATUTORY INFORMATION

The Mudchute Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The company is registered in England and Wales, Registered Number 01613085 and its registered office is
Mudchute Farm & Park, Pier Street, Isle of Dogs, London, E14 3HP.

The presentation currency of the financial statements is the Pound Sterling (£). Figures are rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparation

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)', the 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

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

See note 21 which refers to the ongoing negotiations between The Mudchute Association and The London Borough of Tower Hamlets to agree the terms of the lease renewal of Mudchute Farm. As at the date of the signing of the accounts, there are no factors the trustees are aware of that would indicate that the lease is not going to be renewed.

Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

In addition, income from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

For the rendering of services the percentage of completion method is used to calculate the income recognised at the period end unless services are performed by an indeterminate number of acts over a specified period of time, in which circumstance income is recognised on a straight-line basis over the specified period.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met.

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

2. ACCOUNTING POLICIES - continued

Recognition of income

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Expenditure and liabilities

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.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs, it is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 6% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Fixed assets costing less than £1,000 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based on the cost of purchase on a first in, first out basis.

Fund accounting

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific trusts, which may only be expended in accordance with the conditions imposed by the donors.

Pension costs and other post-retirement benefits

The charity operates defined benefit contribution schemes covering the majority of its permanent employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds.

2. ACCOUNTING POLICIES - continued

Financial instruments

Basic financial assets/liabilities including trade and other receivables/payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets/liabilities are subsequently carried at amortised cost using the effective interest method.

Key judgements

In preparing these financial statements, the trustees have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Employee benefits

All employee benefit costs to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised as an expense, unless the financial reporting standard requires the cost to be recognised as part of the cost of an asset, or as a liability, after deducting amounts that have been paid either directly to the employees or as a contribution to an employee benefit fund. If the amount paid exceeds the obligation arising from service before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Hire purchase and leasing commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Voluntary income	38,282	319,100
Gift aid	3,033	9,420
Legacies	-	28,065
Grants	177,624	141,763
	<u>218,939</u>	<u>498,348</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Rents received	94,776	72,481
Hire of facilities	49,981	70,979
Sale of christmas trees	8,738	8,025
	<u>153,495</u>	<u>151,485</u>

5. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest received	<u>2,811</u>	<u>802</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Incoming resources from charitable activities	Operation of park and farm	<u>1,371,597</u>	<u>1,121,938</u>

An analysis of incoming resources from charitable activities by class of business is given below:

	2024	2023
	£	£
Sale of goods	74,440	56,276
Rendering of services	1,297,157	1,065,662
	<u>1,371,597</u>	<u>1,121,938</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

7. RAISING FUNDS

	2024 £	2023 £
Other trading activities		
Rental expenditure	11,280	8,919
Purchase of christmas trees	7,235	6,158
Bad debts	21,918	-
	<u>40,433</u>	<u>15,077</u>

8. CHARITABLE ACTIVITIES COSTS

	2024 £	2023 £
Operation of park and farm		
Staff costs	1,186,127	1,072,242
Hire of plant and machinery	6,014	5,998
Rates and water	14,596	10,817
Insurance	25,800	22,352
Light and heat	38,740	51,391
Telephone	2,135	2,017
Postage and stationery	12,631	6,346
Play activities	35,726	15,519
Training	832	10,470
Repairs and renewals	38,874	14,889
Motor expenses	3,647	7,455
Travelling	-	1,032
Refreshments and entertainment	2,827	1,720
Farm & nursery consumables	119,189	107,624
Subscriptions	13,605	11,081
Cleaning	53,356	50,336
Catering	32,348	29,510
Legal & professional fees	4,878	-
Bad debts	-	6,801
Depreciation	61,381	51,299
Loss on sale of tangible fixed assets	-	543
Bank interest	3,227	2,315
Auditor's remuneration	7,455	7,100
Auditor's remuneration for non-audit services	7,035	6,700
	<u>1,670,423</u>	<u>1,495,557</u>

9. SUPPORT COSTS

	Governance costs £
Charitable activities	14,490

Activity	Basis of allocation
Governance costs	All support costs are allocated to charitable activities.

Support costs, included in the above, are as follows:

Governance costs	2024 £	2023 £
Auditor's remuneration	7,455	7,100
Auditor's remuneration for non-audit work	7,035	6,700
	<u>14,490</u>	<u>13,800</u>

10. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	61,381	51,299
Hire of plant and machinery	6,014	5,998

11. TRUSTEES' REMUNERATION AND BENEFITS

Total salary and corresponding pension contributions paid by the charity to the trustee Mary Gray during the year were as follows:

	2024 £	2023 £
Wages and salaries	1,052	-
Pension costs	4	-
	<u>1,056</u>	<u>-</u>

These transactions were in the normal course of the charity's operations and approval was obtained from The Charities Commission for these services.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

11. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the year ended 31 March 2024 the trustees made total donations to the charity of £120 (2023: £220). The trustees who made donations during the year were Raymond Swindells, Michael Barraclough & Justin Abbott. The trustees who made donations during the 2023 financial year were Michael Barraclough & Justin Abbott.

The charitable company reimbursed expenses of £367 (2023: £757) to Tahira Webb, a trustee of the charity. These transactions were in the normal course of the charity's operations.

12. STAFF COSTS

	2024 £	2023 £
Wages and salaries	1,090,870	985,345
Social security costs	77,630	70,980
Pension costs	17,627	15,917
	<u>1,186,127</u>	<u>1,072,242</u>

The average monthly number of employees in the year was:

	2024	2023
Charitable activities	57	55
Office	4	3
	<u>61</u>	<u>58</u>

There were no employees who received emoluments (excluding pension contributions) in excess of £60,000 for the year ended 31 March 2024 nor the year ended 31 March 2023.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	241,376	256,972	498,348
Charitable activities			
Operation of park and farm	1,121,938	-	1,121,938
Other trading activities	151,485	-	151,485
Investment income	802	-	802
Total	<u>1,515,601</u>	<u>256,972</u>	<u>1,772,573</u>
EXPENDITURE ON			
Raising funds	15,077	-	15,077
Charitable activities			
Operation of park and farm	1,430,992	64,565	1,495,557
Total	<u>1,446,069</u>	<u>64,565</u>	<u>1,510,634</u>

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME	69,532	192,407	261,939
RECONCILIATION OF FUNDS			
Total funds brought forward	193,522	345,397	538,919
TOTAL FUNDS CARRIED FORWARD	<u>263,054</u>	<u>537,804</u>	<u>800,858</u>

14. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2023	1,326,457	163,138	60,279	8,782	1,558,656
Additions	5,040	-	59,276	1,396	65,712
At 31 March 2024	<u>1,331,497</u>	<u>163,138</u>	<u>119,555</u>	<u>10,178</u>	<u>1,624,368</u>
DEPRECIATION					
At 1 April 2023	703,933	133,120	56,428	7,240	900,721
Charge for year	37,654	7,504	15,782	441	61,381
At 31 March 2024	<u>741,587</u>	<u>140,624</u>	<u>72,210</u>	<u>7,681</u>	<u>962,102</u>
NET BOOK VALUE					
At 31 March 2024	<u>589,910</u>	<u>22,514</u>	<u>47,345</u>	<u>2,497</u>	<u>662,266</u>
At 31 March 2023	<u>622,524</u>	<u>30,018</u>	<u>3,851</u>	<u>1,542</u>	<u>657,935</u>

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the introduction of FRS 15 - Tangible Fixed assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the directors will not be required to carry out periodic valuation of these land and building assets.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

15. STOCKS

	2024	2023
	£	£
Stocks	<u>916</u>	<u>2,738</u>

Included in the amount shown above for stocks are items valued at cost calculated on a first in, first out basis. The replacement cost of these items at the year-end is equal to historical cost.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	45,980	36,959
Other debtors	<u>1,487</u>	<u>2,266</u>
	<u>47,467</u>	<u>39,225</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	15,716	27,152
Social security and other taxes	21,453	16,843
Other creditors	<u>72,829</u>	<u>51,661</u>
	<u>109,998</u>	<u>95,656</u>

18. ACCRUALS AND DEFERRED INCOME

	2024	2023
	£	£
Accruals and deferred income	<u>84,463</u>	<u>81,994</u>

Deferred income of £67,393 (2023: £65,322) is included within the above figures. This relates to grants received, income for the hire of facilities, rents received and incoming resources from charitable activities, that relate to future years.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

19. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	263,054	33,187	296,241
Restricted funds			
Building Fund	475,466	(28,528)	446,938
Minibus Fund	1,173	35,219	36,392
Nature Trail Fund	17,282	(1,037)	16,245
Treehouse Project Fund	9,597	(576)	9,021
Arena Refurbishment Project Fund	33,286	(1,997)	31,289
Nursery Inclusion Fund	1,000	(282)	718
	<u>537,804</u>	<u>2,799</u>	<u>540,603</u>
TOTAL FUNDS	<u>800,858</u>	<u>35,986</u>	<u>836,844</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,642,172	(1,608,985)	33,187
Restricted funds			
Building Fund	-	(28,528)	(28,528)
Minibus Fund	47,350	(12,131)	35,219
Nature Trail Fund	-	(1,037)	(1,037)
Treehouse Project Fund	-	(576)	(576)
Arena Refurbishment Project Fund	-	(1,997)	(1,997)
London Borough Of Tower Hamlets Fund	11,667	(11,667)	-
Nursery Inclusion Fund	6,853	(7,135)	(282)
The St John's Park Holiday Activities Fund	16,300	(16,300)	-
East End Community Foundation Apprenticeship Fund	22,500	(22,500)	-
	<u>104,670</u>	<u>(101,871)</u>	<u>2,799</u>
TOTAL FUNDS	<u>1,746,842</u>	<u>(1,710,856)</u>	<u>35,986</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	193,522	69,532	263,054
Restricted funds			
Building Fund	269,843	205,623	475,466
Minibus Fund	1,564	(391)	1,173
Nature Trail Fund	18,385	(1,103)	17,282
Treehouse Project Fund	10,210	(613)	9,597
Arena Refurbishment Project Fund	35,411	(2,125)	33,286
East End Community Foundation Fund	9,984	(9,984)	-
Nursery Inclusion Fund	-	1,000	1,000
	<u>345,397</u>	<u>192,407</u>	<u>537,804</u>
TOTAL FUNDS	<u>538,919</u>	<u>261,939</u>	<u>800,858</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,515,601	(1,446,069)	69,532
Restricted funds			
Building Fund	235,972	(30,349)	205,623
Minibus Fund	-	(391)	(391)
Nature Trail Fund	-	(1,103)	(1,103)
Treehouse Project Fund	-	(613)	(613)
Arena Refurbishment Project Fund	-	(2,125)	(2,125)
East End Community Foundation Fund	-	(9,984)	(9,984)
London Borough Of Tower Hamlets Fund	20,000	(20,000)	-
Nursery Inclusion Fund	1,000	-	1,000
	<u>256,972</u>	<u>(64,565)</u>	<u>192,407</u>
TOTAL FUNDS	<u>1,772,573</u>	<u>(1,510,634)</u>	<u>261,939</u>

Unrestricted funds

The General fund includes income from grants, fundraising and farming activities. Also included within the general fund, is income from the charity's other trading activities, which consist of rents received, hire of facilities and the sale of christmas trees.

Restricted funds

The Building fund represents the net book value of the restricted portion of buildings on the site.

The Minibus fund represents the net book value of minibuses purchased with restricted monies.

19. MOVEMENT IN FUNDS - continued

The Nature trail fund represents monies given to improve pathways and accessibility to the farm site.

The Treehouse project fund represents monies given to enable the building of a tree house which is part of the children's services provision.

The Arena refurbishment project fund represents monies given to rebuild the riding arena.

The London Borough of Tower Hamlets fund represents monies given to run activities to support young people and promote a healthy lifestyle. The fund monies were fully expended during the year.

The Nursery inclusion fund represents monies given to support children who require one to one support.

The St John's Park holiday activities fund represent monies given to provide activities to the residents of One Housing Group in the local area. The fund monies were fully expended during the year.

The East End Community Foundation apprenticeship fund represents monies given to provide training & work experience for apprentices at Mudchute. The fund monies were fully expended during the year.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution scheme. The pension costs charge consists of contributions payable to the funds of £17,627 (2023: £15,917). Contributions of £3,604 (2023: £3,100) were outstanding at the end of the period.

21. OTHER FINANCIAL COMMITMENTS

The following operating lease payments are committed to be paid:

	2024 £	2023 £
Within one year	768	885
Between one and five years	832	1,771
In more than five years	-	-
	<u>1,600</u>	<u>2,656</u>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2024 £	2023 £
Operating lease rentals	<u>944</u>	<u>1,152</u>

The land at Mudchute Farm is leased by The Mudchute Association from the Mayor Burgesses of the London Borough of Tower Hamlets (LBTH). Under the lease the open market rental value is currently a peppercorn as with the land comes the obligation to provide and maintain a public park without the funding to support this.

21. OTHER FINANCIAL COMMITMENTS - continued

The existing 30 year lease expired on 30 June 2024. The lease is subject to the provisions of The Landlord and Tenant Act 1954 which means that the existing lease is continued until terminated in accordance with the Act.

Post year end, negotiations are taking place between The Mudchute Association and LBTH to agree the terms of the lease renewal.

22. RELATED PARTY DISCLOSURES

During the year under review, total salary payments £35,231 (2023: £42,949) were made to one adult child (Paul Tracey), two adult grandchildren (Thomas Tracey & Sadie Tracey) and the daughter in law (Dionne Tracey) of the general manager (Margaret Tracey), who were employed by the charity. These transactions were in the normal course of the charity's operations.

Also during the year under review, total rental income of £13,645 (2023: £6,859) was received from two (2023: one) of the employees of the charity, for flats based within the leasehold of the charity.

Also during the year under review, total rental income of £7,062 (2023: £Nil) was received from John Cavanagh, the spouse of Lorraine Cavanagh, a former chairperson and trustee (resigned 04/07/2024). Invoices totalling £5,762 are included within trade debtors in respect of the rental income, and are considered fully recoverable.

As also noted in note 24, total salary payments of £170,108 (2023: £160,338) were made to key management personnel during the year. These transactions were in the normal course of the charity's operations. The key management personnel are Margaret Tracey, Victoria Strong & Tom Davis.

The charitable company received donations without conditions of £120 (2023: £220) from related parties and trustees, of which £120 (2023: £220) relates to trustee donations as detailed in note 11 of the financial statements, where more details of these donations can be found.

The charitable company reimbursed expenses of £367 (2023: £757) to related parties and trustees. More details of these expenses can be found in note 11 of the financial statements.

Total salary payments of £1,056 (2023: £Nil) were made to Mary Gray, a trustee of the charity. More details regarding these salary payments can be found in note 11 of the financial statements.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2024

23. FINANCIAL INSTRUMENTS

	2024 £	2023 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	367,484	317,771
	<u>367,484</u>	<u>317,771</u>
Financial liabilities		
Financial liabilities measured at amortised cost	127,066	112,329
	<u>127,066</u>	<u>112,329</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and social securities.

24. KEY MANAGEMENT PERSONNEL

Key management includes the trustees, the director general, the farm manager and the nursery manager. The compensation paid or payable to key management for employee services is shown below:

	2024 £	2023 £
Salaries and other short-term benefits	<u>170,108</u>	<u>160,338</u>

25. LESSOR COMMITMENTS

At the year end the charity have leased assets, in regards to rental of part of the short leasehold building, which is capitalised within the balance sheet, as well as the rental of telephone masts included within the land of the short leasehold property. The amounts committed to be received during the rented term are listed below:-

	2024 £	2023 £
Within one year	1,805	54,836
Between one and five years	-	12,897
In more than five years	-	-
Total	<u>1,805</u>	<u>67,733</u>

THE MUDCHUTE ASSOCIATION

Detailed Statement of Financial Activities FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Voluntary income	38,282	319,100
Gift aid	3,033	9,420
Legacies	-	28,065
Grants	177,624	141,763
	218,939	498,348
Other trading activities		
Rents received	94,776	72,481
Hire of facilities	49,981	70,979
Sale of christmas trees	8,738	8,025
	153,495	151,485
Investment income		
Bank interest received	2,811	802
Charitable activities		
Incoming resources from charitable activities	1,371,597	1,121,938
Total incoming resources	1,746,842	1,772,573
EXPENDITURE		
Other trading activities		
Rental expenditure	11,280	8,919
Purchase of christmas trees	7,235	6,158
Bad debts	21,918	-
	40,433	15,077
Charitable activities		
Wages	1,090,870	985,345
Social security	77,630	70,980
Pensions	17,627	15,917
Hire of plant and machinery	6,014	5,998
Rates and water	14,596	10,817
Insurance	25,800	22,352
Light and heat	38,740	51,391
Telephone	2,135	2,017
Postage and stationery	12,631	6,346
Play activities	35,726	15,519
Training	832	10,470
Repairs and renewals	38,874	14,889
Carried forward	1,361,475	1,212,041

This page does not form part of the statutory financial statements

THE MUDCHUTE ASSOCIATION

Detailed Statement of Financial Activities FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Charitable activities		
Brought forward	1,361,475	1,212,041
Motor expenses	3,647	7,455
Travelling	-	1,032
Refreshments and entertainment	2,827	1,720
Farm & nursery consumables	119,189	107,624
Subscriptions	13,605	11,081
Cleaning	53,356	50,336
Catering	32,348	29,510
Legal & professional fees	4,878	-
Bad debts	-	6,801
Short leasehold depreciation	37,654	39,737
Fixtures & fittings depreciation	7,504	10,005
Motor vehicles depreciation	15,782	1,284
Computer equipment depreciation	441	273
Loss on sale of tangible fixed assets	-	543
Bank interest	3,227	2,315
	<u>1,655,933</u>	<u>1,481,757</u>
Support costs		
Governance costs		
Auditors' remuneration	14,490	13,800
Total resources expended	<u>1,710,856</u>	<u>1,510,634</u>
Net income	<u>35,986</u>	<u>261,939</u>

This page does not form part of the statutory financial statements

THE MUDCHUTE ASSOCIATION

England & Wales - Charity number 284907

Accounts

REGISTERED COMPANY NUMBER: 01613085 (England and Wales)
REGISTERED CHARITY NUMBER: 284907

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
THE MUDCHUTE ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

THE MUDCHUTE ASSOCIATION

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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THE MUDCHUTE ASSOCIATION

CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

It is with immense pride that I write this report as Chair of the Mudchute Park and Farm.

The Mudchute has looked wonderful this year with the grass greener than I have seen it for years, fences repaired, flowers and fruit trees blooming, this is credit to the staff of which I have pleasure in knowing as friends, as well as in a professional manner.

The staff, again, is led by a brilliant professional team headed by Margaret and Vicki, every department has pulled out stops to make this a place that will be memorable for many years to come.

The Mudchute has eventually bounced back after the Pandemic. It took a while to get back on track, but new initiatives enabled the accounts to look much better than we expected.

The work in the Nursery was completed and we were able to furnish both rooms from donations from other play provisions that unfortunately have had to close.

The Nursery is as popular as ever with a never-ending waiting list, thankfully this will remain the same as it is obvious that this is our stable revenue source and funds much more than the Nursery.

Margaret has been successful in getting grants for various projects, one addressed mental health through gardening, this has been extremely popular and is well attended, it looks like next year we may have to extend the days it is available.

We continue to work with LBTH to secure our lease, the new Mayor of Tower Hamlets would not accept the 90-year potential lease that was partially agreed and therefore the Trustees agreed a shorter lease of 30 years, and we await confirmation from the Local Authority.

It was agreed to look at the return of the Agriculture Show to see if we can successfully attract the grants needed for it to go ahead, this is an extremely popular event which can attract over 2-3000 people over the two days.

We have been incredibly lucky with our corporate volunteers this year coming from everywhere to support the Mudchute by repairing, planting, erecting and so much more, it must be said that without them we would struggle to get this kind of work done with such a small team of employees.

As Chair, I would like to thank all the staff, Friends of Mudchute, the volunteers and the corporate groups for all their efforts this year and by putting Mudchute on the map yet again.

I am also honored to Chair a brilliant team of Trustees that bring a vast number of skills and knowledge to the table each month and where their support to the Management Team has been second to none.



L Cavanagh OBE - Chairperson

Date: 20th December 2023

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 March 2023. The annual report serves the purposes of both Trustees Report and Directors Report under company law. The Trustees confirm that the Annual report and Financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019).

The report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charitable company is to preserve the area known as The Mudchute, The Isle of Dogs, London, E14 for the benefit of the community, in the London Borough of Tower Hamlets and in particular The Isle of Dogs and the neighbourhood thereof in perpetuity.

Significant activities

Details of the significant activities of the charity can be found in the Achievement and Performance section of the Report of the Trustees.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public. We will continue to meet the requirements by ensuring that the nursery & after school club continue to provide affordable childcare for local residents, and alongside other educational activities (including school visits, summer camp programmes etc.), give a unique opportunity in a Central London location for children to experience and learn about the animals and their habitats.

Grantmaking

The charity has no grant making policy. No grants were made during the year.

Principal Risks and Uncertainties

Now that the effects of Covid have reduced significantly, the principal risks facing the organisation relate to cashflow management, day-to-day operational activities and the lease renewal.

As with any charitable organisation our income from year-to-year can be affected by the availability of grants, however in Mudchute's case the potential for volatility is reduced by earned income from the nursery and other activities which we are always looking for opportunities to increase and/or diversify. Income & Expenses are budgeted for the financial year and monitored monthly as part of our Governance framework.

Ongoing Operational risks include Health & Safety risks, public & employee liability and regulatory risk (e.g. Ofsted); they are mitigated by good working practices & procedures, pro-active management and insurance cover where appropriate.

Lastly the lease is due to expire in 2024, albeit subject to the provisions of the 1954 Tenant Act. The trustees have been actively negotiating the renewal terms with Tower Hamlets and look to work constructively with them over the coming weeks to resolve the remaining issues as soon as possible.

Principal funding sources

Principal funding sources to the charity come from government grants, voluntary income and earned income. These funding sources support the charity's key objectives by enabling the continued provision of affordable childcare for local residents, and enable children in Central London to experience & learn about animals & their habitats.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

ACHIEVEMENT AND PERFORMANCE

Director's Report

This year Mudchute is largely back to a typical activity level without any ongoing impacts from Covid, which materially affected us in prior years, both from a financial position and operational perspective. The nursery is now working to its full capacity, the hire of the premises for events has increased tremendously and we have been inundated with Corporate Volunteers who have carried out much needed ground maintenance and capital improvements. All of these factors have contributed to our much improved financial position.

The loss of the Equestrian Centre was a major blow but we have developed a project that has seen the individual stables put to a worthwhile use. Each stable has now been turned into a small business unit for local people. This is proving to be a popular attraction in addition to providing local small businesses with an opportunity to develop.

However, alongside the self-generating income, Mudchute continues to rely heavily on grants from Charitable Trusts and donations from generous supporters. This income, supports our charitable work which includes the Education Project, holiday activities, general community work with the wider community and our Apprenticeship Programme which provides unqualified, unskilled young people with opportunities to follow a chosen career path.

We have seen the numbers of visitors increase dramatically and believe that as the open green space in the area rapidly diminishes with the ever expanding housing developments, families keen to experience the beauty and freedom of the natural world use Mudchute to do so.

The financial support provided through our Service Level Agreement with Tower Hamlets does not begin to cover the Core Costs which have dramatically risen with the national cost of living increases and the volume of visitors that we receive on a regular basis.

There are no fees levied for entrance to Mudchute, this coupled with the fact that the Farm does not receive any statutory funding means we are increasingly dependent on our self-generated income to fund this and the unsupported Core Costs.

Corporate Volunteers bring tremendous benefit to Mudchute but equally I must mention the value that the band of regular volunteers contribute throughout the year. These cover a variety of tasks such as reception, administration, farm worker, open space labourer, handyman, plumber, builder and holiday event organisers.

Furthermore it should also be noted that much of Mudchute's current success is due to the efforts of the dedicated staff team and Trustees who work tirelessly to provide much needed, quality services for the local and neighbouring communities.

Nursery

The nursery went through a difficult period, during and immediately after the Covid 19 Pandemic when reduced hours, emergency closure days and a reduction in the numbers of children attending put extreme financial pressure on the service.

It has not been an easy task to get the service back on track and in turn placed an immense amount of pressure on Management and the staff team, but thanks to their hard work, dedication and commitment I am delighted that the nursery operations & child numbers are now back to normal (pre Covid) levels. We are once again running to full capacity, with a waiting list in excess of 90 children; the demand for the nursery remaining as high as ever.

We have recognised that with all the uncertainty around the Early Year's Sector many settings are closing due to the adverse effects of Covid and the cost of living crisis, and the demand for good quality nursery is at a premium.

We saw this as an opportunity to look at ways we could capitalise on the market conditions, and came to the conclusion that we needed to expand the nursery in order to create additional places. We are in the process of developing this idea which will provide an extra 24 places for children living in the area and employment opportunities for local people.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

The Nursery has undergone some much needed and long overdue refurbishments. Air Conditioning is now installed throughout the building, a much needed facility for the welfare of the children and the staff working in the rooms; a new entry intercom system and secure doors have been installed, adding to the security of the building; general maintenance that includes the painting of all rooms, new toilet facilities and new flooring.

An Ofsted inspection was carried out in February, the setting maintaining it a "Good" recommendation, a result we were delighted to achieve. Once again, the efforts of the staff team that made this possible should be recognised.

Our Afterschool Club has taken longer to recover from the effects of Covid. Many parents continue to work from home and are able to collect their own children from school. The consequence of this is that the demand for the service has been slow. However, I am pleased to say that recently we have seen our numbers improving and we are now offering full day care provision during the holiday periods. We believe that this is a vital service in the community, and I would like to thank the staff that have worked so hard to ensure this provision continues.

The Education Project

The Education project has recorded upwards of 14,000 school age children attendance's during the course of the last year. It is as ever very rewarding delivering this work. The wonderful working relationship with the farm staff team has been great in assisting the education team deliver the tours, workshops etc.

We have a number of groups that attend regularly from George Greens School (twice a week), Phoenix School and Phoenix College, who undertake various tasks on the Open space and farm. This in itself is a challenge to the participants as most have additional needs with the students from Phoenix school and college having high level needs with most being non-verbal. Some of the work undertaken by them includes fighting the endless rubbish that is discarded by visitors.

Our green fingered gardeners have again been growing a vast array of vegetables from potatoes and carrots and chillies, all of which have been harvested and made into tasty meals which have been enjoyed by all. This not only broadens the students tastes, but also provides a hot meal and access to fresh home grown vegetables where in some cases their choices at home may otherwise be limited. The meals are eaten in our classroom, at a table without any computer, television or phone screens which encourages the natural flow of conversation whilst eating a healthy meal.

Our children have made cakes, jams, chutneys and other preserves all with home grown produce. All of the students work towards a certificate of achievement for different tasks, with these tasks giving them essential life skills that they take away with them. The education and farm teams continue to provide an educational, fun and affordable time at Mudchute.

The Park and Farm

The period under review has seen constant activity on the farm with staff and volunteers once again working to improve our facilities and enhance our fabulous setting.

The animals again have kept us busy, with the changing of the seasons always a constant, welcoming our new arrivals in the spring and further helping to conserve our native rare breeds.

Alongside all of our usual goings on, such as attending agricultural shows, conservation grazing and providing animals and sometimes a farmer for film and T.V work, we have sold all varieties of livestock to other flocks and herds around the U.K as a genetic base, which given our breeds, is much sort after by other farmers and rare breed keepers. This again solidifying the importance of the conservation work that we undertake here at Mudchute.

Our visitor numbers continue increasing, as families' battle with the cost of living crisis and are unable to afford the days out to expensive attractions as they strive to save money.

I would like to thank all of our hardworking staff and volunteers for another great year at the Mudchute.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

The Allotments

The ongoing discussions in respect of the lease extensions continue with London Borough of Tower Hamlets and the allotments form a key part of these talks.

FINANCIAL REVIEW

Reserves policy

The trustees deem it prudent to hold 3 months running costs in unrestricted funds not allocated against fixed assets. As of 31st March 2023 the unrestricted reserves of £263,054 is equal to approximately 2 months running costs and we will look to build this back up again during the next financial periods. These funds are held to ensure that in the event of a major incident preventing revenue generating activity, our running costs (excluding avoidable external costs) could continue to be met.

The balance on all restricted and unrestricted funds and explanation of why held can be found in note 18 to the financial statements.

Overview

The Statement of Financial Activities shows an operating surplus/(deficit) for the year of £40,125 (2022: (£190,933)).

The overall surplus for the year was £261,939 which includes donated works on the nursery refurbishment by London Borough of Tower Hamlets which totalled £235,972. This amount is included in donations received with the costs being capitalised under short leasehold which are then subsequently depreciated to the statement of financial activities each year (2023: £14,158).

Our reserves stand at £800,858 (2022: £538,919).

The positive result is a huge improvement versus 2022 and a testament to all the hard work of the management team and staff during the year.

As outlined above in the Directors Report, Mudchute is largely back to a typical activity level without any ongoing impacts from Covid which materially affected us in prior years, both from a financial position and operational perspective.

We continue to look for additional opportunities and revenue streams, including expanding the nursery provision and creating alternative uses for the stables.

Going concern

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

Tax status

The charitable company is exempt from taxation on charitable activities.

FUTURE PLANS

Refurbishment and expansion work on the nursery facilities is well underway and will allow Mudchute to offer increased childcare places, as well as more efficient rotation between the rooms, both of which should increase its revenues.

With the closure of the equestrian centre alternative uses are being trialled, including renting units to local pop-up traders and hosting community events such as dog handling training.

We are also in the process of revamping our membership programme, including the rollout of a new corporate membership category.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The Mudchute is governed by a board of trustees consisting of members of the local community who are elected at the annual general meeting.

The board of trustees has overall responsibility for ensuring that the finances at Mudchute are administered accordingly, in order to meet its legal and other obligations, e.g., Charities Act, Income Tax, VAT, Companies Act and Common Law.

The role of the treasurer, appointed from the board of trustees, is to understand accounting procedures and key internal controls, so as to be able to assure the board of Mudchute's financial integrity.

The charitable company is managed on a day to day basis by the Margaret Tracey, who reports to the board of trustees.

Induction and training of new trustees

The Trustee Board continues to be strong, with all key skills being filled. The trustees of the Mudchute Association are selected in accordance with the various categories set out in our Articles of Association, the maximum permitted being fifteen.

We continue to ensure that meetings and trustee involvement takes place in a transparent and engaged manner, and ensure training is provided as required.

Administration, Finance and Staffing

A combination of Margaret Tracey, Vicky Strong and finance officer Zemichael Abrha, supported by other team members has ensured the smooth running of the administration & finances of the association.

Warren Bunce has continued to play a much appreciated role as IT manager and also assisted us with the rebuild of the website which is now managed in-house via an online platform.

Remuneration

The finance sub committee made up of the chairperson, treasurer, HR trustee, the director and finance officer, in addition to the overall finances of Mudchute, focuses on the establishment of good employer practices. The committee is responsible for the review of staff salaries each year as part of the annual budgetary process.

Trustees indemnity

The charitable company has arranged qualifying indemnity insurance for the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01613085 (England and Wales)

Registered Charity number

284907

Registered office

Mudchute Farm & Park
Pier Street
Isle of Dogs
London
E14 3HP

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Principal address

Gf21 Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Trustees

M D Humber
M R Phillips
M Barraclough
J H Abbott (resigned 27.4.23)
R J Swindells
C Kirkwood (resigned 27.4.23)
M Gray
T Webb (appointed 9.6.22)
T J Roper Mead (appointed 9.6.22)
S Chen (appointed 9.6.22)
L Cavanagh
K P McTasney (resigned 5.4.22)
M Young (appointed 27.4.23)

Auditors

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Mudchute Association for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

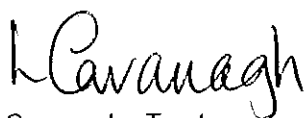
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Friend & Grant Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 20 December 2023 and signed on its behalf by:



L Cavanagh - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)

Opinion

We have audited the financial statements of The Mudchute Association (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion. These procedures included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Friend BSc FCA (Senior Statutory Auditor)
for and on behalf of Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

20 December 2023

THE MUDCHUTE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	241,376	256,972	498,348	728,145
Charitable activities	5				
Operation of park and farm		1,122,740	-	1,122,740	834,571
Other trading activities	4	151,485	-	151,485	73,793
Total		<u>1,515,601</u>	<u>256,972</u>	<u>1,772,573</u>	<u>1,636,509</u>
EXPENDITURE ON					
Raising funds	6	15,077	-	15,077	14,781
Charitable activities	7				
Operation of park and farm		1,430,992	64,565	1,495,557	1,812,661
Total		<u>1,446,069</u>	<u>64,565</u>	<u>1,510,634</u>	<u>1,827,442</u>
NET INCOME/(EXPENDITURE)		69,532	192,407	261,939	(190,933)
RECONCILIATION OF FUNDS					
Total funds brought forward		193,522	345,397	538,919	729,852
TOTAL FUNDS CARRIED FORWARD		<u>263,054</u>	<u>537,804</u>	<u>800,858</u>	<u>538,919</u>

CONTINUING OPERATIONS

There were no unrecognised gains or losses other than the surplus/deficit for the year. The accompanying accounting policies and notes form an integral part of these financial statements.

THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)

BALANCE SHEET
31 MARCH 2023

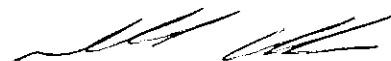
	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	121,131	536,804	657,935	464,856
CURRENT ASSETS					
Stocks	14	2,738	-	2,738	1,141
Debtors	15	39,225	-	39,225	38,441
Prepayments and accrued income		10,484	-	10,484	4,359
Cash at bank and in hand		267,126	1,000	268,126	157,629
		<u>319,573</u>	<u>1,000</u>	<u>320,573</u>	<u>201,570</u>
CREDITORS					
Amounts falling due within one year	16	(95,656)	-	(95,656)	(82,463)
NET CURRENT ASSETS		<u>223,917</u>	<u>1,000</u>	<u>224,917</u>	<u>119,107</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>345,048</u>	<u>537,804</u>	<u>882,852</u>	<u>583,963</u>
ACCRUALS AND DEFERRED INCOME	17	(81,994)	-	(81,994)	(45,044)
NET ASSETS		<u>263,054</u>	<u>537,804</u>	<u>800,858</u>	<u>538,919</u>
FUNDS	18				
Unrestricted funds				263,054	193,522
Restricted funds				537,804	345,397
TOTAL FUNDS				<u>800,858</u>	<u>538,919</u>

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 20 December 2023 and were signed on its behalf by:



L Cavanagh - Trustee



M D Humber - Trustee

THE MUDCHUTE ASSOCIATION

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	357,733	(102,260)
Interest paid		(2,315)	(1,778)
Net cash provided by/(used in) operating activities		<u>355,418</u>	<u>(104,038)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(244,921)	(10,050)
Net cash used in investing activities		<u>(244,921)</u>	<u>(10,050)</u>
Change in cash and cash equivalents in the reporting period		<u>110,497</u>	<u>(114,088)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>157,629</u>	<u>271,717</u>
Cash and cash equivalents at the end of the reporting period		<u><u>268,126</u></u>	<u><u>157,629</u></u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	261,939	(190,933)
Adjustments for:		
Depreciation charges	51,299	39,695
Loss on disposal of fixed assets	543	-
Interest paid	2,315	1,778
Impairment of fixed asset investments	-	2
Increase in stocks	(1,597)	(327)
(Increase)/decrease in debtors	(6,909)	25,132
Increase in creditors	50,143	22,393
Net cash provided by/(used in) operations	357,733	(102,260)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	157,629	110,497	268,126
	157,629	110,497	268,126
Total	157,629	110,497	268,126

1. STATUTORY INFORMATION

The Mudchute Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The company is registered in England and Wales, Registered Number 01613085 and its registered office is
Mudchute Farm & Park, Pier Street, Isle of Dogs, London, E14 3HP.

The presentation currency of the financial statements is the Pound Sterling (£). Figures are rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparation

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)', the 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

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

Recognition of Income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

In addition, income from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

For the rendering of services the percentage of completion method is used to calculate the income recognised at the period end unless services are performed by an indeterminate number of acts over a specified period of time, in which circumstance income is recognised on a straight-line basis over the specified period.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met.

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Expenditure and liabilities

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.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs, it is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 6% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Fixed assets costing less than £1,000 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

Stocks

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

Fund accounting

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific trusts, which may only be expended in accordance with the conditions imposed by the donors.

Pension costs and other post-retirement benefits

The charity operates defined benefit contribution schemes covering the majority of its permanent employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds.

Financial instruments

Basic financial assets/liabilities including trade and other receivables/payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets/liabilities are subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

Fixed asset investments

Investments in subsidiary undertakings are recognised at cost less impairment.

Key judgements

In preparing these financial statements, the trustees have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Employee Benefits

All employee benefit costs to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised as an expense, unless the financial reporting standard requires the cost to be recognised as part of the cost of an asset, or as a liability, after deducting amounts that have been paid either directly to the employees or as a contribution to an employee benefit fund. If the amount paid exceeds the obligation arising from service before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Hire purchase and leasing commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Voluntary income	319,100	495,861
Gift aid	9,420	5,620
Legacies	28,065	-
Grants	141,763	226,664
	<u>498,348</u>	<u>728,145</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Rents received	72,481	47,979
Hire of facilities	70,979	17,303
Sale of christmas trees	8,025	8,511
	<u>151,485</u>	<u>73,793</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Incoming resources from charitable activities	Operation of park and farm	<u>1,122,740</u>	<u>834,571</u>

6. RAISING FUNDS

Other trading activities

	2023	2022
	£	£
Rental expenditure	8,919	8,799
Purchase of christmas trees	6,158	5,982
	<u>15,077</u>	<u>14,781</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. CHARITABLE ACTIVITIES COSTS

	2023 £	2022 £
Operation of park and farm		
Staff costs	1,072,242	1,080,427
Hire of plant and machinery	5,998	5,251
Rates and water	10,817	5,953
Insurance	22,352	17,687
Light and heat	51,391	15,605
Telephone	2,017	2,027
Postage and stationery	6,346	6,097
Play activities	15,519	10,573
Training	10,470	2,497
Repairs and renewals	14,889	424,561
Motor expenses	7,455	4,674
Travelling	1,032	486
Refreshments and entertainment	1,720	2,231
Farm & nursery consumables	107,624	79,958
Subscriptions	11,081	8,587
Cleaning	50,336	41,787
Catering	29,510	24,466
Bad debts	6,801	24,519
Depreciation	51,299	39,695
Loss on sale of tangible fixed assets	543	-
Impairment losses for fixed asset investments	-	2
Bank interest	2,315	1,778
Auditor's remuneration	7,100	7,100
Auditor's remuneration for non-audit services	6,700	6,700
	1,495,557	1,812,661

8. SUPPORT COSTS

	Governance costs £
Charitable activities	13,800

Activity	Basis of allocation
Governance costs	All support costs are allocated to charitable activities.

Support costs, included in the above, are as follows:

Governance costs	2023 £	2022 £
Auditor's remuneration	7,100	7,100
Auditor's remuneration for non-audit work	6,700	6,700
	13,800	13,800

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	51,299	39,695
Impairment losses for fixed asset investments	-	2
Hire of plant and machinery	5,998	5,251

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year ended 31 March 2023 the trustees made total donations to the charity of £220 (2022: £220).

During the year ended 31 March 2023 the charity reimbursed expenses of £757 (2022: £Nil) to the trustees.

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	985,345	998,169
Social security costs	70,980	66,793
Pension costs	15,917	15,465
	<u>1,072,242</u>	<u>1,080,427</u>

The average monthly number of employees in the year was:

	2023	2022
Charitable activities	55	57
Office	3	4
	<u>58</u>	<u>61</u>

There were no employees who received emoluments (excluding pension contributions) in excess of £60,000 for the year ended 31 March 2023 nor the year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	698,161	29,984	728,145
Charitable activities			
Operation of park and farm	834,571	-	834,571
Other trading activities	73,793	-	73,793
Total	<u>1,606,525</u>	<u>29,984</u>	<u>1,636,509</u>
EXPENDITURE ON			
Raising funds	14,781	-	14,781
Charitable activities			
Operation of park and farm	1,770,830	41,831	1,812,661
Total	<u>1,785,611</u>	<u>41,831</u>	<u>1,827,442</u>
NET INCOME/(EXPENDITURE)	(179,086)	(11,847)	(190,933)
Transfers between funds	46,730	(46,730)	-
Net movement in funds	<u>(132,356)</u>	<u>(58,577)</u>	<u>(190,933)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	325,878	403,974	729,852
TOTAL FUNDS CARRIED FORWARD	<u><u>193,522</u></u>	<u><u>345,397</u></u>	<u><u>538,919</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2022	1,090,485	154,189	60,279	9,421	1,314,374
Additions	235,972	8,949	-	-	244,921
Disposals	-	-	-	(639)	(639)
At 31 March 2023	1,326,457	163,138	60,279	8,782	1,558,656
DEPRECIATION					
At 1 April 2022	664,196	123,115	55,144	7,063	849,518
Charge for year	39,737	10,005	1,284	273	51,299
Eliminated on disposal	-	-	-	(96)	(96)
At 31 March 2023	703,933	133,120	56,428	7,240	900,721
NET BOOK VALUE					
At 31 March 2023	622,524	30,018	3,851	1,542	657,935
At 31 March 2022	426,289	31,074	5,135	2,358	464,856

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the introduction of FRS 15 - Tangible Fixed assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the directors will not be required to carry out periodic valuation of these land and building assets.

14. STOCKS

	2023 £	2022 £
Stocks	2,738	1,141

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	36,959	37,612
Other debtors	2,266	829
	39,225	38,441

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	27,152	41,484
Social security and other taxes	16,843	18,221
Other creditors	51,661	22,758
	<u>95,656</u>	<u>82,463</u>

17. ACCRUALS AND DEFERRED INCOME

	2023	2022
	£	£
Accruals and deferred income	<u>81,994</u>	<u>45,044</u>

Deferred income of £65,322 (2022: £31,244) is included within the above figures. This relates to grants received, income for the hire of facilities, rents received and incoming resources from charitable activities, that relate to future years.

18. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	193,522	69,532	263,054
Restricted funds			
Building Fund	269,843	205,623	475,466
Minibus Fund	1,564	(391)	1,173
Nature Trail Fund	18,385	(1,103)	17,282
Treehouse Project Fund	10,210	(613)	9,597
Arena Refurbishment Project Fund	35,411	(2,125)	33,286
East End Community Foundation Fund	9,984	(9,984)	-
Nursery inclusion fund	-	1,000	1,000
	<u>345,397</u>	<u>192,407</u>	<u>537,804</u>
TOTAL FUNDS	<u>538,919</u>	<u>261,939</u>	<u>800,858</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

18. 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 fund	1,515,601	(1,446,069)	69,532
Restricted funds			
Building Fund	235,972	(30,349)	205,623
Minibus Fund	-	(391)	(391)
Nature Trail Fund	-	(1,103)	(1,103)
Treehouse Project Fund	-	(613)	(613)
Arena Refurbishment Project Fund	-	(2,125)	(2,125)
East End Community Foundation Fund	-	(9,984)	(9,984)
London Borough Of Tower Hamlets Fund	20,000	(20,000)	-
Nursery inclusion fund	1,000	-	1,000
	<u>256,972</u>	<u>(64,565)</u>	<u>192,407</u>
TOTAL FUNDS	<u>1,772,573</u>	<u>(1,510,634)</u>	<u>261,939</u>

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	324,918	(179,086)	47,690	193,522
Fairy Garden Project Fund	960	-	(960)	-
	<u>325,878</u>	<u>(179,086)</u>	<u>46,730</u>	<u>193,522</u>
Restricted funds				
Building Fund	287,067	(17,224)	-	269,843
Minibus Fund	2,086	(522)	-	1,564
Nature Trail Fund	28,008	(1,173)	(8,450)	18,385
Treehouse Project Fund	10,862	(652)	-	10,210
Arena Refurbishment Project Fund	75,951	(2,260)	(38,280)	35,411
East End Community Foundation Fund	-	9,984	-	9,984
	<u>403,974</u>	<u>(11,847)</u>	<u>(46,730)</u>	<u>345,397</u>
TOTAL FUNDS	<u>729,852</u>	<u>(190,933)</u>	<u>-</u>	<u>538,919</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,606,525	(1,785,611)	(179,086)
Restricted funds			
Building Fund	-	(17,224)	(17,224)
Minibus Fund	-	(522)	(522)
Nature Trail Fund	-	(1,173)	(1,173)
Treehouse Project Fund	-	(652)	(652)
Arena Refurbishment Project Fund	-	(2,260)	(2,260)
East End Community Foundation Fund	9,984	-	9,984
London Borough Of Tower Hamlets Fund	20,000	(20,000)	-
	<u>29,984</u>	<u>(41,831)</u>	<u>(11,847)</u>
TOTAL FUNDS	<u>1,636,509</u>	<u>(1,827,442)</u>	<u>(190,933)</u>

Unrestricted funds

The General fund includes income from grants, fundraising and farming activities. Also included within the general fund, is income from the charity's other trading activities, which consist of rents received, hire of facilities and the sale of christmas trees.

Restricted funds

The Building fund represents the net book value of the restricted portion of buildings on the site.

The Minibus fund represents the net book value of a minibus purchased with restricted monies.

The Nature trail fund represents monies given to improve pathways and accessibility to the farm site.

The Treehouse project fund represents monies given to enable the building of a tree house which is part of the children's services provision.

The Arena refurbishment project fund represents monies given to rebuild the riding arena.

The East end community foundation fund represents monies given to be used towards the introduction of a cyclical maintenance system to improve the environment. The fund monies were fully expended during the year.

The London Borough of Tower Hamlets fund represents monies given to run activities to support young people and promote a healthy lifestyle. The fund monies were fully expended during the year.

The Nursery inclusion fund represents monies given to support children who require one to one support.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

19. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution scheme. The pension costs charge consists of contributions payable to the funds of £15,917 (2022: £15,465). Contributions of £3,100 (2022: £3,070) were outstanding at the end of the period.

20. OTHER FINANCIAL COMMITMENTS

The following operating lease payments are committed to be paid:

	2023 £	2022 £
Within one year	885	830
Between one and five years	1,771	-
In more than five years	-	-
	<u>2,656</u>	<u>830</u>

21. RELATED PARTY DISCLOSURES

During the year under review, total salary payments £42,949 (2022: £33,644) were made to one adult child, two adult grandchildren and the daughter in law of the general manager, who were employed by the charity. These transactions were in the normal course of the charity's operations.

Also during the year under review, total rental income of £6,859 (2022: £6,859) was received from one of the employees of the charity, for a flat based within the leasehold of the charity. The rental income was in line with the market rate.

As also noted in note 23, total salary payments of £115,367 (2022: £110,233) were made to key management personnel during the year. These transactions were in the normal course of the charity's operations.

The charitable company received donations without conditions of £220 (2022: £220) from related parties and trustees, of which £220 (2022: £220) relates to trustee donations as detailed in note 10 of the financial statements.

The charitable company reimbursed expenses of £757 (2022: £Nil) to related parties and trustees. These transactions were in the normal course of the charity's operations.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	317,771	200,328
	<u>317,771</u>	<u>200,328</u>
Financial liabilities		
Financial liabilities measured at amortised cost	112,329	96,263
	<u>112,329</u>	<u>96,263</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and social securities.

23. KEY MANAGEMENT PERSONNEL

Key management includes the trustees, the director general and the nursery manager. The compensation paid or payable to key management for employee services is shown below:

	2023 £	2022 £
Salaries and other short-term benefits	115,367	110,233

24. LESSOR COMMITMENTS

At the year end the charity have leased assets, in regards to rental of part of the short leasehold building, which is capitalised within the balance sheet, as well as the rental of telephone masts included within the land of the short leasehold property. The amounts committed to be received during the rented term are listed below:-

	2023 £	2022 £
Within one year	54,836	52,086
Between one and five years	12,897	25,733
In more than five years	-	-
Total	<u>67,733</u>	<u>77,819</u>

25. GOVERNMENT GRANTS

Government grants received were as follows:

	2023 £	2022 £
Furlough and SSP	-	88,980
	<u>-</u>	<u>88,980</u>

THE MUDCHUTE ASSOCIATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Voluntary income	319,100	495,861
Gift aid	9,420	5,620
Legacies	28,065	-
Grants	141,763	226,664
	498,348	728,145
Other trading activities		
Rents received	72,481	47,979
Hire of facilities	70,979	17,303
Sale of christmas trees	8,025	8,511
	151,485	73,793
Charitable activities		
Incoming resources from charitable activities	1,122,740	834,571
Total incoming resources	1,772,573	1,636,509
EXPENDITURE		
Other trading activities		
Rental expenditure	8,919	8,799
Purchase of christmas trees	6,158	5,982
	15,077	14,781
Charitable activities		
Wages	985,345	998,169
Social security	70,980	66,793
Pensions	15,917	15,465
Hire of plant and machinery	5,998	5,251
Rates and water	10,817	5,953
Insurance	22,352	17,687
Light and heat	51,391	15,605
Telephone	2,017	2,027
Postage and stationery	6,346	6,097
Play activities	15,519	10,573
Training	10,470	2,497
Repairs and renewals	14,889	424,561
Motor expenses	7,455	4,674
Travelling	1,032	486
Refreshments and entertainment	1,720	2,231
Farm & nursery consumables	107,624	79,958
Carried forward	1,329,872	1,658,027

This page does not form part of the statutory financial statements

THE MUDCHUTE ASSOCIATION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Charitable activities		
Brought forward	1,329,872	1,658,027
Subscriptions	11,081	8,587
Cleaning	50,336	41,787
Catering	29,510	24,466
Bad debts	6,801	24,519
Short leasehold depreciation	39,737	27,209
Fixtures & fittings depreciation	10,005	10,356
Motor vehicles depreciation	1,284	1,713
Computer equipment depreciation	273	417
Loss on sale of tangible fixed assets	543	-
Impairment losses for fixed asset investments	-	2
Bank interest	2,315	1,778
	<u>1,481,757</u>	<u>1,798,861</u>
Support costs		
Governance costs		
Auditors' remuneration	13,800	13,800
Total resources expended	<u>1,510,634</u>	<u>1,827,442</u>
Net income/(expenditure)	<u><u>261,939</u></u>	<u><u>(190,933)</u></u>

THE MUDCHUTE ASSOCIATION

England & Wales - Charity number 284907

Accounts

REGISTERED COMPANY NUMBER: 01613085 (England and Wales)
REGISTERED CHARITY NUMBER: 284907

**REPORT OF THE TRUSTEES AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
THE MUDCHUTE ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

THE MUDCHUTE ASSOCIATION

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FOR THE YEAR ENDED 31 MARCH 2022**

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THE MUDCHUTE ASSOCIATION

CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Mudchute Park and Farm found the recovery from the pandemic a struggle, with numbers in the children services low, with parents continuing to work from home, or even losing their jobs.

Staff continued to provide a first class service throughout and we believe numbers will return in line with the government's request that all employees return to their workplace as soon as practicable.

Innovative ways of raising much needed funds were supported by the board of trustees and this was rewarded with the increase in numbers of people using the facility.

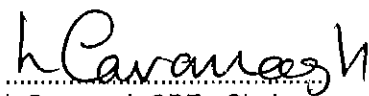
The charity underwent a huge transformation in the courtyard, this was supported by a huge water tank that is now housed by the entrance of the Mudchute, this allowed the continuation of water throughout the summer months which had caused the organisation to have to close during busy times because of lack of hygiene facilities. We were also able to undertake much needed repair work to core infrastructure thanks to a major donation received from the London Borough of Tower Hamlets (who have supported us throughout the COVID pandemic) in the form of works on the main pathways, toilets & water systems, community spaces and various electrical works, all of which ensure that our facilities remain in good condition and allow us to fully support visitor numbers throughout the year.

We continue to negotiate the 99 year lease with LBTH, this will secure the Mudchute Park and Farm for generations to come and continue to give pleasure to thousands of local residents and people in surrounding boroughs and beyond.

As chair, I cannot end this report without recognising the great achievements of the staff at Mudchute, in particular the director, Margaret Tracey, who was awarded the BEM this year for her services to the charity, this is a well deserved recognition for her continued passion for the charity and her tireless efforts with fundraising to make sure that the Mudchute remains the beautiful place it has always been.

I also cannot close without praise for all the staff that make up what is, the most beautiful place in East London, without their strong ethic for work, we may have struggled more during the months when other charities were forced to close.

So I end this report with a huge thank you to the management team, staff and volunteers and of course the board of trustees that make up, what is said to be "The Gem on the Isle of Dogs".



L Cavanagh OBE - Chairperson

Date: 23rd January 2023

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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 March 2022. The annual report serves the purposes of both Trustees Report and Directors Report under company law. The Trustees confirm that the Annual report and Financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the statement of recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019)

The report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charitable company is to preserve the area known as The Mudchute, The Isle of Dogs, London, E14 for the benefit of the community, in the London Borough of Tower Hamlets and in particular The Isle of Dogs and the neighbourhood thereof in perpetuity.

Significant activities

Details of the significant activities of the charity can be found in the Achievement and Performance section of the Report of the Trustees.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public. We will continue to meet the requirements by ensuring that the nursery & after school continue to provide affordable childcare for local residents, and alongside other educational activities (including school visits, summer camp programmes etc.), give a unique opportunity in a central London location for children to experience and learn about the animals and their habitats.

Grantmaking

The charity has no grant making policy. No grants were made during the year.

Principal Risks and Uncertainties - Covid-19

As detailed within the Financial Review section, whilst Mudchute was able to gradually re-open during the financial year, Covid-19 remained a material driver of the overall loss for the year in that as government assistance to businesses tapered off, other economic activity was slower to pick up.

Hire & events fees remained low as there was continued public caution to hold social events even as governmental rules relaxed. Furthermore, whilst the nursery was able to re-open, the ongoing restrictions limited the occupancy levels and number of new children we were able to bring in.

However, by the end of the period, the impact of Covid-19 had greatly reduced, and income levels were approaching normal levels again. The trustees believe that Mudchute remains a going concern for the foreseeable future based on these income levels, even before the nursery refurbishment is taken into account.

Principal funding sources

Principal funding sources to the charity come from government grants, voluntary income and earned income. These funding sources support the charity's key objectives by enabling the continued provision of affordable childcare for local residents, and enable children in central London to experience & learn about animals & their habitats.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

ACHIEVEMENT AND PERFORMANCE

Director's Report

Mudchute has successfully emerged from the adverse effects of the Covid-19 Pandemic, continuing to serve the community as a unique multi-functional resource.

We have seen the numbers of visitors increase dramatically and believe this is because families are keen to experience the beauty and freedom of the natural world of Mudchute, having spent so much time behind closed doors during lockdown.

Economic circumstance is another major factor that encourages families to Mudchute, in a period where so many families are struggling financially, there is no charge levied for entrance to Mudchute.

In the previous year we had seen a major loss of income due to the lack of corporate volunteers and income from venue hire. This year we have seen a slow but steady return of the corporate volunteers who, in addition to providing much needed income, have also provided us with the necessary labour that has enabled us to carry out major refurbishments, site clearance and maintenance.

Whilst we recognise the added benefits that the corporate volunteers provide, we cannot take away the valuable assets of our regular individual volunteers who support Mudchute throughout the year. These take the form of; handy men, carrying out much needed repairs, open space volunteers, and supervisors of corporate volunteers, farm workers, additional staff during holiday activities and filling in wherever there is a need.

As well as offering heartfelt thanks to the many volunteers, I would like to take this opportunity to thank the Mudchute staff team and trustees who in difficult conditions, have continued to work tirelessly to provide valuable services for local families. We are indeed fortunate to have such a dedicated team looking after the unique resource that is Mudchute.

Nursery

It's been a difficult year once again for the nursery, coming out of Covid restrictions in 2021 left a negative impact on the services. With a drop in childcare uptake and the change in parents working conditions, we saw our numbers decline and we struggled to fill places. This was the general consensus for many childcare providers, with many early years' settings having to permanently close their doors due to financial reasons.

Our committed dedicated staff team worked tirelessly throughout the pandemic, constantly testing themselves, cleaning equipment and resources to ensure the environment was safe for children who attended. We were committed to providing a regular service, taking into account how important a resource the childcare facilities were for families using the service, and the overall negative financial impact it would have on Mudchute should we have had to close.

Parents worked in full cooperation with the setting, adhering to the stringent measures that were put in place during this period. Some of the restrictions that were implemented at the time have only recently been lifted. The nursery is now returning to previous everyday practices such as allowing parents back into the setting.

Going forward we have seen an increase in numbers in the setting with parents starting to register with us once again and we are confident that this will continue. This trend has encouraged us to consider further development and we have discussed the possibility of expanding the nursery to create an additional 24 places. This will generate much needed income for the Mudchute and we are looking to have the additional places ready in April 2023.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

I would like to take this opportunity to thank all the staff that work in the setting for their hard work, dedication and support during what has been a difficult period.

The Education Project

The education and farm teams continue to provide an educational, fun and affordable time at Mudchute.

The education project has recorded upwards of 15,000 school age children attendance's during the course of the last year. It has been as always very rewarding delivering this work. The wonderful working relationship with the farm staff team has been great in assisting the education team deliver the tours, workshops etc. The groups that attend regularly from George Greens School (twice a week), Phoenix School and Phoenix College undertake various tasks on the open space and farm.

This in itself is a challenge to the participants as most have additional needs with the students from Phoenix School and College having high level needs with most being non-verbal. Some of the work undertaken by them includes helping to maintain the wonderful environment of Mudchute which they do extremely well.

Our green fingered gardeners have experimented with growing a vast array of vegetables from potatoes and carrots to pak-chol and chillies, all of which have been harvested and made into tasty meals which have been enjoyed by all. Broadening the students tastes, as well as providing a hot meal for some of the more vulnerable attendees, and access to fresh home grown vegetable's, is important when access to these can be limited at home. The meals are eaten in our classroom at a table without any computer, television or phone screens which encourages the natural flow of conversation whilst eating a healthy meal.

Our children have made cakes, jams, chutneys and other preserves all with home grown produce.

All student's work towards a certificate of achievement for different tasks with these tasks giving them essential life skills that they take away with them.

The Park and Farm

The period under review has seen constant activity on the farm with staff and volunteers once again working to improve our facilities and enhance our fabulous setting.

Alongside all of our usual goings on such as attending agricultural shows, conservation grazing and providing animals and sometimes a farmer for film and T.V work, one of the most notable things on the department this year has been the export of a home bred Middlewhite boar to Japan as part of the Japanese government's programme of breeding British rare breed pigs, this again solidifying the importance of the conservation work that we undertake here at Mudchute.

With the continuation of new developments popping up all around us and the planner's preference for high rise living, we must remember that very few of these new households will have access to gardens of their own, and so our public open space will be the only setting in this part of the borough for any interactions with nature and animals combined. We expect our visitor numbers to continue increasing as families' battle with the cost of living crisis and are unable to afford the days out to expensive attractions as they strive to save money.

The Allotments

The ongoing discussions in respect of the lease have largely been resolved and we await the conclusion on one remaining point with London Borough of Tower Hamlets.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FINANCIAL REVIEW

Reserves policy

The trustees deem it prudent to hold 3 months running costs in unrestricted funds not allocated against fixed assets. As of 31st March 2022 the unrestricted reserves of £186,721 is equal to approximately 2 months running costs and we will look to build this back up again during the next financial periods. These funds are held to ensure that in the event of a major incident preventing revenue generating activity, our running costs (excluding avoidable external costs) could continue to be met.

The balance on all restricted and unrestricted funds and explanation of why held can be found in note 20 to the financial statements.

Overview

The Statement of Financial Activities shows a surplus/(deficit) for the year of (£188,557) (2021: £33,252). Our reserves stand at £532,118 (2021: £720,675).

The deficit for the year was heavily impacted by Covid-19. During the main Covid-19 pandemic phase, the government's Coronavirus Jobs Retention Scheme greatly helped to mitigate the financial impact of prolonged closure, however as this started to wind down, other economic activity was slower to pick up. Hire & events fees remained low as there was continued public caution to hold social events even as governmental rules relaxed. Furthermore whilst the nursery was able to re-open, the ongoing restrictions limited the occupancy levels and number of new children we were able to bring in.

In respect of the stables, various options were explored by the trustees, especially in respect of its charitable and education activities and partnerships with other organisations were considered, but ultimately the difficult decision was taken to close down the equestrian centre in September 2021.

The deficit for the year is an extremely disappointing result, however with the one-off closure costs of the stables behind us, and the impacts of Covid-19 greatly subsiding by year-end, we will look to return to a surplus in 2023. As at year-end income was approaching normal levels again, and new projects such as the nursery refurbishment & expansion, will provide additional revenue streams going forward.

Going concern

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

The subsidiary undertaking, Mudchute Park and Farm Limited, is no longer operational and the individual subsidiary undertaking accounts have been prepared to cessation. The going concern basis is still appropriate for the charity.

Tax status

The charitable company is exempt from taxation on charitable activities.

FUTURE PLANS

Refurbishment and expansion work on the nursery facilities is well underway and will allow Mudchute to offer increased childcare places, as well as more efficient rotation between the rooms, both of which should increase its revenues.

With the closure of the equestrian centre alternative uses are being trialled, including renting units to local pop-up traders and hosting community events such as dog handling training.

We are also in the process of revamping our membership programme, including the rollout of a new corporate membership category.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Administration, Finance and Staffing

A combination of Margaret Tracey, Vicky Strong and finance officer Zemichael Abrha, supported by other team members has ensured the smooth running of the administration & finances of the association.

Warren Bunce has continued to play a much appreciated role as IT volunteer, giving us a significant saving each year. He has also assisted us with the rebuild of the website which is now managed in-house via an online platform.

Remuneration

The finance sub committee made up of the chairperson, treasurer, HR trustee, the director and finance officer, in addition to the overall finances of Mudchute, focuses on the establishment of good employer practices. The committee is responsible for the review of staff salaries each year as part of the annual budgetary process.

Trustees Indemnity

The charitable company has arranged qualifying Indemnity insurance for the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01613085 (England and Wales)

Registered Charity number

284907

Registered office

Gf21 Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Trustees

M D Humber
M R Phillips
M Barraclough
J H Abbott
R J Swindells
C Kirkwood
M Gray
T Webb (appointed 9.6.22)
T J Roper Mead (appointed 9.6.22)
S Chen (appointed 9.6.22)
L Cavanagh
K P McTasney (resigned 5.4.22)

Auditors

Frland & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Mudchute Association for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

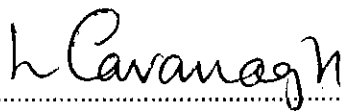
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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



.....
L Cavanagh - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)**

Opinion

We have audited the financial statements of The Mudchute Association (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the group and parent charitable company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 01613085)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Anthony Friend BSc FCA (Senior Statutory Auditor)
for and on behalf of Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Date:

THE MUDCHUTE ASSOCIATION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	718,339	29,984	748,323	733,763
Charitable activities	5				
Operation of park and farm		834,571	-	834,571	609,341
Other trading activities	4	78,214	-	78,214	92,947
Other Income	6	-	-	-	42,092
Total		1,631,124	29,984	1,661,108	1,478,143
EXPENDITURE ON					
Raising funds	7	14,781	-	14,781	12,384
Charitable activities	8				
Operation of park and farm		1,693,407	41,831	1,735,238	1,254,745
Trading company		99,646	-	99,646	177,762
Total		1,807,834	41,831	1,849,665	1,444,891
NET INCOME/(EXPENDITURE)		(176,710)	(11,847)	(188,557)	33,252
Transfers between funds	20	46,730	(46,730)	-	-
Net movement in funds		(129,980)	(58,577)	(188,557)	33,252
RECONCILIATION OF FUNDS					
Total funds brought forward		316,701	403,974	720,675	687,423
TOTAL FUNDS CARRIED FORWARD		186,721	345,397	532,118	720,675

CONTINUING OPERATIONS

There were no unrecognised gains or losses other than the surplus/deficit for the year. The accompanying accounting policies and notes form an integral part of these financial statements.

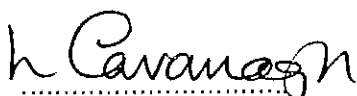
The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	129,443	335,413	464,856	496,673
CURRENT ASSETS					
Stocks	16	1,141	-	1,141	1,211
Debtors	17	38,441	-	38,441	37,818
Prepayments and accrued income		8,259	-	8,259	30,402
Cash at bank and in hand		147,645	9,984	157,629	271,768
		195,486	9,984	205,470	341,199
CREDITORS					
Amounts falling due within one year	18	(91,496)	-	(91,496)	(61,028)
NET CURRENT ASSETS		103,990	9,984	113,974	280,171
TOTAL ASSETS LESS CURRENT LIABILITIES		233,433	345,397	578,830	776,844
ACCRUALS AND DEFERRED INCOME	19	(46,712)	-	(46,712)	(56,169)
NET ASSETS		186,721	345,397	532,118	720,675
FUNDS	20				
Unrestricted funds				186,721	316,701
Restricted funds				345,397	403,974
TOTAL FUNDS				532,118	720,675

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 and were signed on its behalf by:



L Cavanagh - Trustee



M D Humber - Trustee

CHARITY BALANCE SHEET
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	129,443	335,413	464,856	494,501
Investments	15	-	-	-	2
		<u>129,443</u>	<u>335,413</u>	<u>464,856</u>	<u>494,503</u>
CURRENT ASSETS					
Stock	16	1,141	-	1,141	814
Debtors	17	38,441	-	38,441	37,530
Prepayments and accrued income		4,359	-	4,359	30,402
Cash at bank and in hand		<u>147,645</u>	<u>9,984</u>	<u>157,629</u>	<u>271,717</u>
		<u>191,586</u>	<u>9,984</u>	<u>201,570</u>	<u>340,463</u>
CREDITORS					
Amounts falling due within one year	18	(82,463)	-	(82,463)	(51,339)
NET CURRENT ASSETS		<u>109,123</u>	<u>9,984</u>	<u>119,107</u>	<u>289,124</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>238,566</u>	<u>345,397</u>	<u>583,963</u>	<u>783,627</u>
ACCRUALS AND DEFERRED INCOME	19	(45,044)	-	(45,044)	(53,775)
NET ASSETS		<u>193,522</u>	<u>345,397</u>	<u>538,919</u>	<u>729,852</u>
FUNDS	20				
Unrestricted funds				193,522	325,878
Restricted funds				<u>345,397</u>	<u>403,974</u>
TOTAL FUNDS				<u>538,919</u>	<u>729,852</u>

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 and were signed on its behalf by:



L Cavanagh - Trustee

THE MUDCHUTE ASSOCIATION

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(106,897)	81,995
Interest paid		<u>(2,691)</u>	<u>(2,156)</u>
Net cash (used in)/provided by operating activities		<u>(109,588)</u>	<u>79,839</u>
 Cash flows from Investing activities			
Purchase of tangible fixed assets		<u>(7,878)</u>	<u>(27,000)</u>
Net cash provided by/(used in) investing activities		<u>(7,878)</u>	<u>(27,000)</u>
Change in cash and cash equivalents in the reporting period		(117,466)	52,839
Cash and cash equivalents at the beginning of the reporting period		<u>270,747</u>	<u>217,908</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>153,281</u></u>	<u><u>270,747</u></u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(188,557)	33,252
Adjustments for:		
Depreciation charges	39,695	43,542
Interest paid	2,691	2,156
Stock movement	70	1,025
Decrease/(increase) in debtors	21,520	10,419
(Decrease)/increase in creditors	<u>17,684</u>	<u>(8,399)</u>
Net cash (used in)/provided by operations	<u>(106,897)</u>	<u>81,995</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	<u>270,747</u>	<u>(117,466)</u>	<u>153,281</u>
	<u>270,747</u>	<u>(117,466)</u>	<u>153,281</u>
Total	<u>270,747</u>	<u>(117,466)</u>	<u>153,281</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. STATUTORY INFORMATION

The Mudchute Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The company is registered in England and Wales, Registered Number 01613085 and its registered office is Unit Gf 21 Harlow Enterprise Hub, Edinburgh Way, Harlow, Essex, CM20 2NQ

The presentation currency of the financial statements is the Pound Sterling (£). Figures are rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparation

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)', the 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

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

Basis of consolidation

The group financial statements consolidated the financial statements of the charitable company and its subsidiary undertaking, Mudchute Park and Farm Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Recognition of Income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

In addition, income from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

For the rendering of services the percentage of completion method is used to calculate the income recognised at the period end unless services are performed by an indeterminate number of acts over a specified period of time, in which circumstance income is recognised on a straight-line basis over the specified period.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Government grants

The charity has received government grants during the year.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, are recognised using the performance model. Grants are therefore recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

2. ACCOUNTING POLICIES - continued

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Expenditure and liabilities

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.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs, it is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 6% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Fixed assets costing less than £1,000 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

Stocks

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

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific trusts, which may only be expended in accordance with the conditions imposed by the donors.

Pension costs and other post-retirement benefits

The charity operates defined benefit contribution schemes covering the majority of its permanent employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds.

Financial Instruments

Basic financial assets/liabilities including trade and other receivables/payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets/liabilities are subsequently carried at amortised cost using the effective interest method.

Fixed asset investments

Investments in subsidiary undertakings are recognised at cost less impairment.

Key judgements

In preparing these financial statements, the trustees have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Employee Benefits

All employee benefit costs to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised as an expense, unless the financial reporting standard requires the cost to be recognised as part of the cost of an asset, or as a liability, after deducting amounts that have been paid either directly to the employees or as a contribution to an employee benefit fund. If the amount paid exceeds the obligation arising from service before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Hire purchase and leasing commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account

THE MUDCHUTE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments - continued
over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Voluntary income	495,861	76,173
Gift aid	5,620	-
Grants	246,842	657,590
	<u>748,323</u>	<u>733,763</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Rents received	47,979	44,512
Hire of facilities	17,303	12,850
Sale of christmas trees	8,511	9,505
Subsidiary trading income	4,421	26,080
	<u>78,214</u>	<u>92,947</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Incoming resources from charitable activities	Operation of park and farm	834,571	609,341

6. OTHER INCOME

	2022	2021
	£	£
Insurance claims	-	42,092
	<u>-</u>	<u>42,092</u>

7. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Rental expenditure	8,799	6,056
Purchase of christmas trees	5,982	6,328
	<u>14,781</u>	<u>12,384</u>

THE MUDCHUTE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. CHARITABLE ACTIVITIES COSTS

	2022 £	2021 £
Operation of park and farm		
Staff costs	1,027,525	1,029,789
Hire of plant and machinery	5,251	2,878
Rates and water	5,953	13,069
Insurance	17,687	17,556
Light and heat	15,605	21,032
Telephone	2,027	1,588
Postage and stationery	6,097	4,788
Play activities	10,573	1,267
Training	2,497	1,267
Repairs and renewals	424,561	7,333
Motor expenses	4,674	2,560
Travelling	486	112
Refreshments and entertainment	2,231	435
Purchases	79,958	57,634
Subscriptions	8,587	6,334
Cleaning	41,787	28,456
Catering	24,466	8,366
Depreciation	39,695	42,818
Bank interest	1,778	1,103
Auditor's remuneration	7,100	3,260
Auditor's remuneration for non-audit services	6,700	3,100
	<u>1,735,238</u>	<u>1,254,745</u>

	2022 £	2021 £
Trading company		
Staff costs	70,580	128,100
Rates and water	469	2,625
Insurance	3,716	7,067
Light and heat	1,850	3,787
Telephone	38	161
Postage and stationery	-	19
Repairs and renewals	125	244
Motor expenses	-	10
Purchases	17,348	26,510
Subscriptions	1,097	1,506
Cleaning	1,842	3,562
Depreciation	-	724
Bank interest	913	1,053
Auditor's remuneration for non-audit services	1,668	2,394
	<u>99,646</u>	<u>177,762</u>

THE MUDCHTUE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. SUPPORT COSTS

	Governance costs
	£
Charitable activities	<u>15,468</u>

Activity	Basis of allocation
Governance costs	All support costs are allocated to charitable activities.

Support costs, Included in the above, are as follows:

Governance costs	2022	2021
	£	£
Auditor's remuneration	7,100	3,260
Auditor's remuneration for non-audit work	<u>8,368</u>	<u>5,494</u>
	<u>15,468</u>	<u>8,754</u>

10. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	39,695	43,542
Hire of plant and machinery	<u>5,251</u>	<u>2,878</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

During the year ended 31 March 2022 trustees made total donations to the charity of £200 (2021: £200).

THE MUDCHUTE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,011,176	1,065,789
Social security costs	70,372	74,609
Pension costs	16,557	17,491
	<u>1,098,105</u>	<u>1,157,889</u>

The average monthly number of employees in the year was:

	2022	2021
Charitable activities	57	38
Office	4	6
Trading company	3	6
	<u>64</u>	<u>50</u>

There were no employees who received emoluments (excluding pension contributions) in excess of £60,000 for the year ended 31 March 2022 nor the year ended 31 March 2021.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	570,482	163,281	733,763
Charitable activities			
Operation of park and farm	609,341	-	609,341
Other trading activities	92,947	-	92,947
Other income	42,092	-	42,092
Total	1,314,862	163,281	1,478,143
EXPENDITURE ON			
Raising funds	12,384	-	12,384
Operation of park and farm	1,064,640	190,105	1,254,745
Trading company	177,762	-	177,762
Total	1,254,786	190,105	1,444,891

THE MUDCHUTE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME	60,076	(26,824)	33,252
RECONCILIATION OF FUNDS			
Total funds brought forward	256,625	430,798	687,423
TOTAL FUNDS CARRIED FORWARD	<u>316,701</u>	<u>403,974</u>	<u>720,675</u>

14. GROUP TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2021	1,088,485	181,733	60,279	10,621	1,341,118
Additions	<u>2,000</u>	<u>5,878</u>	<u>-</u>	<u>-</u>	<u>7,878</u>
At 31 March 2022	<u>1,090,485</u>	<u>187,611</u>	<u>60,279</u>	<u>10,621</u>	<u>1,348,996</u>
DEPRECIATION					
At 1 April 2021	636,987	146,181	53,431	7,846	844,445
Charge for year	<u>27,209</u>	<u>10,356</u>	<u>1,713</u>	<u>417</u>	<u>39,695</u>
At 31 March 2022	<u>664,196</u>	<u>156,537</u>	<u>55,144</u>	<u>8,263</u>	<u>884,140</u>
NET BOOK VALUE					
At 31 March 2022	<u>426,289</u>	<u>31,074</u>	<u>5,135</u>	<u>2,358</u>	<u>464,856</u>
At 31 March 2021	<u>451,498</u>	<u>35,552</u>	<u>6,848</u>	<u>2,775</u>	<u>496,673</u>

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the Introduction of FRS 15 - Tangible Fixed assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the directors will not be required to carry out periodic valuation of these land and building assets.

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

14. CHARITY TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2021	1,088,485	146,778	60,279	8,782	1,304,324
Additions	2,000	7,411	-	639	10,050
At 31 March 2022	1,090,485	154,189	60,279	9,421	1,314,374
DEPRECIATION					
At 1 April 2021	636,987	112,759	53,431	6,646	809,823
Charge for year	27,209	10,356	1,713	417	39,695
At 31 March 2022	664,196	123,115	55,144	7,063	849,518
NET BOOK VALUE					
At 31 March 2022	426,289	31,074	5,135	2,358	464,856
At 31 March 2021	451,498	34,019	6,848	2,136	494,501

15. CHARITY FIXED ASSET INVESTMENTS

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Mudchute Park and Farm Limited

Registered office: Unit Gf 21 Harlow Enterprise Hub, Edinburgh Way, Harlow, Essex, CM20 2NQ

Nature of business: Operation of riding stables

Company number: 02713933

Class of share:	% holding
Ordinary	100

The investment in the subsidiary, Mudchute Park and Farm Limited represents 100% of the company's share capital. A summary of the trading results are shown below. There are no investments that fall outside of the group.

THE MUDCHUTE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

15. CHARITY FIXED ASSET INVESTMENTS - continued

	Shares in group undertakings
COST	
At 1 April 2021	2
Additions	-
Disposals	-
Impairments	(2)
	<u>-</u>
At 31 March 2022	-
NET BOOK VALUE	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>2</u>
 Profit & loss account	 2022
	£
Income	102,020
Expenditure	<u>(99,646)</u>
Net profit	<u>2,374</u>
 Balance sheet	 2022
	£
Current assets	3,900
Current liabilities	<u>(10,701)</u>
Net assets	<u>(6,801)</u>

The subsidiary undertaking, Mudchute Park and Farm Limited, is no longer operational and the individual subsidiary undertaking accounts have been prepared to cessation.

16. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Stocks	<u>1,141</u>	<u>1,211</u>	<u>1,141</u>	<u>814</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	37,612	36,793	37,612	36,505
Other debtors	829	1,025	829	1,025
	<u>38,441</u>	<u>37,818</u>	<u>38,441</u>	<u>37,530</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	44,370	21,163	41,484	18,241
Social security and other taxes	18,652	19,693	18,221	17,708
Other creditors	24,126	19,151	22,758	15,390
Bank loans and overdrafts	4,348	1,021	-	-
	<u>91,496</u>	<u>61,028</u>	<u>82,463</u>	<u>51,339</u>

19. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Accruals and deferred income	<u>46,712</u>	<u>56,169</u>	<u>45,044</u>	<u>53,775</u>

Deferred Income of £31,244 (2021: £47,415) is included within the above figures. This relates to grants received, income for the hire of facilities, rents received and incoming resources from charitable activities, that relate to future years.

20. MOVEMENT IN FUNDS

	At 1/4/21	Net movement in funds	Transfers between funds	At 31/3/22
	£	£	£	£
Unrestricted funds				
General fund	315,741	(176,710)	47,690	186,721
Fairy Garden Project Fund	960	-	(960)	-
	316,701	(176,710)	46,730	186,721
Restricted funds				
Building Fund	287,067	(17,224)	-	269,843
Minibus Fund	2,086	(522)	-	1,564
Nature Trail Fund	28,008	(1,173)	(8,450)	18,385
Treehouse Project Fund	10,862	(652)	-	10,210
Arena Refurbishment Project Fund	75,951	(2,260)	(38,280)	35,411
East End Community Foundation Fund	-	9,984	-	9,984
	<u>403,974</u>	<u>(11,847)</u>	<u>(46,730)</u>	<u>345,397</u>
TOTAL FUNDS	<u>720,675</u>	<u>(188,557)</u>	<u>-</u>	<u>532,118</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

20. 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 Fund	1,631,124	(1,807,834)	(176,710)
Restricted funds			
Building fund	-	(17,224)	(17,224)
Minibus fund	-	(522)	(522)
Nature Tree Fund	-	(1,173)	(1,173)
Treehouse Project Fund	-	(652)	(652)
Arena Refurbishment Project Fund	-	(2,260)	(2,260)
East End Community Foundation Fund	9,984	-	9,984
London Borough Of Tower Hamlets Fund	20,000	(20,000)	-
	<u>29,984</u>	<u>(41,831)</u>	<u>(11,847)</u>
TOTAL FUNDS	<u>1,661,108</u>	<u>(1,849,665)</u>	<u>(188,557)</u>

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	255,665	60,076	315,741
Fairy Garden Project Fund	960	-	960
	256,625	60,076	316,701
Restricted funds			
Building Fund	308,849	(21,782)	287,067
Minibus Fund	2,782	(696)	2,086
Nature Trail Fund	29,256	(1,248)	28,008
Treehouse Project Fund	11,555	(693)	10,862
Arena Refurbishment Project Fund	78,356	(2,405)	75,951
	<u>430,798</u>	<u>(26,824)</u>	<u>403,974</u>
TOTAL FUNDS	<u>687,423</u>	<u>33,252</u>	<u>720,675</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,314,862	(1,254,786)	60,076
Restricted funds			
Building Fund	-	(21,782)	(21,782)
Minibus Fund	-	(696)	(696)
Restricted Grants Fund	154,281	(154,281)	-
Nature Trail Fund	-	(1,248)	(1,248)
Apprenticeship Scheme Fund	9,000	(9,000)	-
Treehouse Project Fund	-	(693)	(693)
Arena Refurbishment Project Fund	-	(2,405)	(2,405)
	<u>163,281</u>	<u>(190,105)</u>	<u>(26,824)</u>
TOTAL FUNDS	<u>1,478,143</u>	<u>(1,444,891)</u>	<u>33,252</u>

Unrestricted funds

The General fund includes income from grants, fundraising and farming activities. Also included within the general fund, is income from the charity's other trading activities, which consist of rents received, hire of facilities and the sale of Christmas trees.

The Fairy garden project fund is no longer required, and has therefore been transferred to the general fund during the year.

Restricted funds

The Building fund represents the net book value of the restricted portion of buildings on the site.

The Minibus fund represents the net book value of a minibus purchased with restricted monies.

The Nature trail fund represents monies given to improve pathways and accessibility to the farm site.

The Treehouse project fund represents monies given to enable the building of a tree house which is part of the children's services provision.

The Arena refurbishment project fund represents monies given to rebuild the riding arena.

The East end community foundation fund represents monies given to be used towards the introduction of a cyclical maintenance system to improve the environment.

The London borough of Tower Hamlets fund represents monies given to run activities to support young people and promote a healthy lifestyle.

The transfers between the Nature trail fund and Arena refurbishment project fund, to the general fund, is to reflect restricted monies already spent which were incorrectly included in the restricted fund balances brought forward from earlier years.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

21. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined contribution scheme. The pension costs charge consists of contributions payable to the funds of £16,557 (2021: £17,491). Contributions of £3,143 (2021: £3,491) were outstanding at the end of the period.

22. OTHER FINANCIAL COMMITMENTS

The following operating lease payments are committed to be paid:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	830	1,107	830	1,107
Between one and five years	-	830	-	830
In more than five years	-	-	-	-
	<u>830</u>	<u>1,937</u>	<u>830</u>	<u>1,937</u>

23. RELATED PARTY DISCLOSURES

During the year under review, total salary payments £33,644 (2021: £24,013) were made to one adult child, two adult grandchildren and the daughter in law of the general manager, who were employed by the charity. These transactions were in the normal course of the charity's operations.

Also during the year under review, total rental income of £6,859 (2021: £6,859) was received from one of the employees of the charity, for a flat based within the leasehold of the charity. The rental income was in line with the market rate.

As also noted in note 25, total salary payments of £110,233 (2021: £110,249) were made to key management personnel during the year. These transactions were in the normal course of the charity's operations.

The charitable company received donations without conditions of £220 (2021: £220) from related parties and trustees, of which £220 (2021: £220) relates to trustee donations as detailed in note 11 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**24. FINANCIAL INSTRUMENTS**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>204,228</u>	<u>339,122</u>	<u>200,328</u>	<u>338,783</u>
	<u>204,228</u>	<u>339,122</u>	<u>200,328</u>	<u>338,783</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>106,964</u>	<u>69,782</u>	<u>96,263</u>	<u>57,699</u>
	<u>106,964</u>	<u>69,782</u>	<u>96,263</u>	<u>57,699</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, social securities, and cash and cash equivalents.

25. KEY MANAGEMENT PERSONNEL

Key management includes the trustees and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Salaries and other short-term benefits	<u>110,233</u>	<u>110,249</u>	<u>110,233</u>	<u>110,249</u>

26. GOVERNMENT GRANTS

Government grants received were as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Furlough and SSP	<u>106,658</u>	<u>425,980</u>	<u>88,980</u>	<u>399,839</u>
	<u>106,658</u>	<u>425,980</u>	<u>88,980</u>	<u>399,839</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

27. LESSOR COMMITMENTS

At the year end the charity have leased assets, in regards to rental of part of the short leasehold building, which is capitalised within the balance sheet, as well as the rental of telephone masts included within the land of the short leasehold property. The amounts committed to be received during the rented term are listed below:-

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	52,086	31,086	52,086	31,086
Between one and five years	25,733	26,526	25,733	26,526
In more than five years	-	-	-	-
	<u>77,819</u>	<u>57,612</u>	<u>77,819</u>	<u>57,612</u>

THE MUDCHUTE ASSOCIATION

**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Voluntary income	495,861	76,173
Gift aid	5,620	-
Grants	<u>246,842</u>	<u>657,590</u>
	748,323	733,763
Other trading activities		
Rents received	47,979	44,512
Hire of facilities	17,303	12,820
Sale of christmas trees	8,511	9,505
Subsidiary trading income	<u>4,421</u>	<u>26,080</u>
	78,214	92,947
Charitable activities		
Incoming resources from charitable activities	834,571	609,341
Other income		
Insurance claims	<u>-</u>	<u>42,092</u>
Total incoming resources	1,661,108	1,478,143
EXPENDITURE		
Other trading activities		
Rental expenditure	8,799	6,056
Purchase of christmas trees	<u>5,982</u>	<u>6,328</u>
	14,781	12,384
Charitable activities		
Wages	1,011,176	1,065,789
Social security	70,372	74,609
Pensions	16,557	17,491
Hire of plant and machinery	5,251	2,878
Rates and water	6,422	15,694
Insurance	21,403	24,623
Light and heat	17,455	24,819
Telephone	2,065	1,749
Postage and stationery	6,097	4,807
Play activities	10,573	1,267
Training	2,497	1,267
Repairs and renewals	424,686	7,577
Motor expenses	4,674	2,570
Travelling	486	112
Refreshments and entertainment	2,231	435
Carried forward	<u>1,601,945</u>	<u>1,245,687</u>

This page does not form part of the statutory financial statements

THE MUDCHUTE ASSOCIATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Charitable activities		
Brought forward	1,601,945	1,245,687
Purchases	97,306	84,144
Subscriptions	9,684	7,840
Cleaning	43,629	32,018
Catering	24,466	8,366
Short leasehold depreciation	27,209	28,819
Fixtures & fittings depreciation	10,356	11,850
Motor vehicles depreciation	1,713	2,283
Computer equipment depreciation	417	590
Bank interest	<u>2,691</u>	<u>2,156</u>
	1,819,416	1,423,753
Support costs		
Governance costs		
Auditors' remuneration	7,100	3,260
Auditors' remuneration for non audit work	<u>8,368</u>	<u>5,494</u>
	15,468	8,754
Total resources expended	<u>1,849,665</u>	<u>1,444,891</u>
Net (expenditure)/Income	<u>(188,557)</u>	<u>33,252</u>

This page does not form part of the statutory financial statements

THE MUDCHUTE ASSOCIATION

England & Wales - Charity number 284907

Accounts

REGISTERED COMPANY NUMBER: 1613085 (England and Wales)
REGISTERED CHARITY NUMBER: 284907

REPORT OF THE TRUSTEES AND CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
THE MUDCHUTE ASSOCIATION

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

THE MUDCHUTE ASSOCIATION

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for the Year Ended 31 March 2021

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THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

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 group for the year ended 31 March 2021. 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 2015).

OBJECTIVES AND ACTIVITIES

The charity has six key objectives:

- to preserve the natural environment of the Mudchute
- to promote for local people the opportunity of recreation and leisure on the Mudchute, especially the young, the elderly and those of limited economic means
- to advance the education of local people in countryside activities
- to promote animal welfare through engagement with the Farm
- to provide education and training for young people
- to promote conservation both of the natural and the built environment

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public.

ACHIEVEMENT AND PERFORMANCE

Chair's review of the year

As Chair of the Mudchute Park and Farm I would like to thank all staff under the brilliant leadership of both Margaret and Vicky for their dedicated work throughout what has been a challenging time.

The pandemic hit the Mudchute nursery badly, with a high percentage of parents working from home so the need for childcare was no longer in demand.

The Charity was struggling financially, so it was decided by the Trustees to use the Government's Furlough scheme to support staff throughout this period.

The team also took the opportunity of using this time to redevelop and refurbish the pathways, the toilet blocks and stables, and we now have the resources to feed the courtyard with enough water to cater for the thousands of visitors expected in the forthcoming year.

The farm staff continued to work throughout the pandemic having to care for the livestock and keep the land and areas clean and maintained, staff realised very quickly that the massive increase in visitors was down to so many people being furloughed and with so much more time on their hands.

Our work now is to increase income through whatever means we can and to resume financial stability, and we cannot ask for a better Captain to lead us into calmer waters; Margaret's track record in securing grant funding continues to keep our heads above water whilst securing a happy and loyal team of staff.

We are confident that normal play will resume and that the visitors will continue to come, new life on the farm gives us hope for the future and our rare breed programme continues to attract not only local residents but the media with the support from our Farmer Tom.

Lorraine Cavanagh OBE
Chairperson

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Directors Report

The effects of the Covid 19 pandemic has brought about many adverse effects for Mudchute during the past year. However, despite the many drawbacks that we have encountered, the Mudchute has remained a popular, much sought after resource for the local community and those living in neighbouring Wards of Tower Hamlets and other London Boroughs. The popularity of Mudchute is highlighted by the influx of the thousands of visitors we accommodate throughout the year.

Like so many other charitable organisations, due to restrictions that have been instigated since the Pandemic began, Mudchute has suffered a critical loss of income and we are extremely thankful that we have been able to keep the children's nursery operational. This has our main source of income for the organisation as we do not charge an entry fee into Mudchute and we have lost a great deal of income from lack of premises hire and events.

Unfortunately, we have not been able to keep our stables operating and these were closed for business in September 2021. However, we are looking at different options that will enable us to utilise the facilities for local people and have a Sub Group established to oversee this.

During the year, much needed capital improvements have taken place at Mudchute. This has been made possible through funding from the Local Authority's Section 106 and Local Infrastructure Fund. The improvements have included; renewal of pathways, the refurbishment of offices, community barn and all toilet facilities, improved lighting and security, installation of a water pump and new pipes to improve the supply of water throughout the farm, complete overhaul of electricity and installation of air conditioning.

Despite the high level of capital works that were completed, we managed to carry these out with minimum disruption to services. We are extremely grateful to the London Borough of Tower Hamlets for funding these crucial works and in particular, the commitment and endeavour of the Project Officer who was responsible for organising and overseeing the project from start to finish.

I would like to take this opportunity to thank the Mudchute Staff Team, Trustees and regular volunteers who, despite the extremely difficult conditions have continued to work tirelessly to ensure that Mudchute has remained open throughout the Pandemic.

We are indeed fortunate to have such a dedicated team and as such, I can only see positive outcomes for the coming year.

Children's Services

Like so many organisations, Muddy Boots Children's Services have found this past year to be extremely difficult due to the adverse effects of the Covid 19 Pandemic. However, despite the many pitfalls that we encountered we have managed to keep the Nursery operating and run a reduced service for our After School Club.

The nursery remains an extremely popular resource for the community and we have a constant waiting list which means we are unable to accommodate all of the families that are seeking a nursery place for their children.

In order to solve this issue, we are hopeful that during 2022, we will be able to increase the number of places available in the nursery. We aim to do this by creating an extra room where we will be able to separate the babies into different age bands.

As mentioned previously, the After School Club has been running on a reduced service as we have not been able to meet the restrictions that have been put in place due to Covid 19. This has meant that we have been unable to offer a Holiday Play Scheme for working parents but we are hopeful that we will be able to resume this service later this year.

Despite the Pandemic, have managed to run seasonal events and play activities during the school holidays and at weekends. These have proven to be extremely well attended even in extreme weather conditions when we have expected numbers to drop off. We assume that this is because families were so keen to escape from the confines of their homes where they had been during lockdown and also because the free of charge entry did not exclude those that fell within the lower income bracket.

Hopefully, we have now experienced the worst aspects of Covid 19 and we can look forward to the coming year with renewed enthusiasm and the commitment to continue to provide local families with the best possible range of services for their children.

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

Review of the Year

The Education Project

Mudchute education project continued to work with George Greens' students and Cubitt Town school after the March to June 2020 national lockdown.

Strict Covid procedures were implemented to safeguard staff, visiting students and school staff June 2020. The farm courtyard was closed to anyone other than Mudchute staff and those two schools.

Cubitt Town school attended until October 2020, then a school decision was to stop all off site activities but George Greens' continued to visit Tuesday and Thursday for their sessions until March 2021.

The Park and Farm

The year that has just passed has been one that no one could have expected and we all hope that it is one that will not be repeated again. Here at the farm our income streams stopped over night with the announcement of a full nationwide lockdown. In response to this our farm manager setup several ways to keep our visitors engaged with life on the farm as well as some ways to still generate some income. These included "meet the breed" videos which were watched by thousands of people around the world not just in London or the U.K. a gofundme page which has raised just over £12,000 as well as an Amazon Wishlist where people can purchase all manner of items for the farm and its inhabitants such as treats, equipment, bug houses and seed packets. While the world stood still Mother Nature was still moving through the seasons and this meant, calves, lambs, kids, piglets, chicks and ducklings all arrived during the spring and summer months all adding to our rare breed numbers, helping us conserve these great breeds but also being able to sell some on as breeding animals all over the country. The open space provided people with that contact with nature whilst being furloughed and needing a reprieve from the inside of their homes further emphasising how important it is for us just being. I close by saying that we could not have got through this year without the staff teams hard work across all departments coming together to get through and above all the support of the other senior managers.

The Stables

We did not know what this year had install for M.E.C and little did we know it would be its last in its current guise.

With the current manager leaving at the beginning of the year (which was a blow), a co-management team was installed. Whilst this worked in some areas it didn't in all so it was decided by the board that our farm manager would take over the interim management of M.E.C.

The lockdown imposed by Covid further highlighted how the demand for riding had decreased and that it was becoming a real struggle to stay in profit. After many, many meetings both financial and operational, the formation of a stables working group as well as lots of brainstorming and a business plan it was decided that the finances needed to relaunch M.E.C into a fully functional riding school would be too great and it was questioned if the demand was there. With this in mind and the financial loss that was being made, that the board of trustees made the very difficult decisions to close M.E.C for the foreseeable future. We thank the staff for their hard work and years that they put in. Some of the horses and ponies found great, well deserved retirement homes and others being turned away to grass livery with the hope of them being sold on to other teaching facilities in the not too distant future. Horses and ponies were amongst the first animals to call Mudchute home and it is hoped that their absence from the stables won't be a permanent one.

Thank you to all of the clients, staff, volunteers, horses and ponies who help over the years.

The Allotments

Progress with LBTH and the allotments, meetings are being held to look at the lease and to resolve the long standing issue, we hope that this will be completed by the end of the year.

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Financial position

We continue to seek funding from various bodies to provide a varied programme of activities, we will also look at creative ways of increasing funds 'in house' by each department and to put pressure on LBTH to recognise the work of the Mudchute and the benefit it has on local people.

The total income for the year rose to £1,407,585 from £1,405,493 in 2020. This is due to an increase in Hire Fees and from the charitable activities of operating the park and farm.

The total expenditure decreased during the year from £1,518,127 to £1,369,914. This is due to the costs savings in the running of the park and farm.

Overall during the year there was a modest operating surplus.

Reserves policy

The trustees deem it prudent to hold 3 months running costs in unrestricted funds not allocated against fixed assets. As of 31st March 2021 we are in broadly in line with that level, with net current assets of approximately £200,000 and, in the event of a major incident preventing revenue generating activity, our running costs (excluding avoidable external costs) for three months would be approximately that amount.

Impact of Covid-19

Covid 19 has had an unprecedented effect on individuals, organisations & societies across the globe, and continues to be a source of significant uncertainty as to what extent normal day-to-day activities can take place. In terms of Mudchute, all public-facing services ceased during the first Government mandated lockdown in March 2020, and only a skeleton staff team remained on site to tend the animals and undertake other essential tasks. Since restrictions were eased slightly, some activities such as the nursery have re-opened with strict Covid protocols in place, but the main farm area has remained closed throughout in order to protect staff and members of the public.

Whilst the financial position of Mudchute has been adversely affected by Covid 19, the Trustees believe that it remains a Going Concern for the foreseeable future based on the Nursery revenues resuming, along with other incomes & grants (including the Coronavirus Job Retention Scheme and continued donations from various sources).

FUTURE PLANS

The trustees look forward with confidence to the year ahead, for a further year of solidly founded development of our activity. This includes both continuation of our services as well as pursuing discussions with LBTH to extend our lease for the long term and improve our public funding

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Trustee Board continues to be strong with all key skills places being filled, young and vibrant Trustees with vision have great input and this has led to a very successful year.

The trustees of the Mudchute Association are selected in accordance with the various categories set out in our Articles of Association. The maximum number of trustees permitted is fifteen, and after year end an effort was made to recruit a mix of trustees to a number of vacant positions, reflecting particular skills and backgrounds that were sought. In addition to the experience and expertise of trustees, we continue to ensure meetings and trustee involvement takes place in a transparent and engaged manner, ensuring further training for those trustees concerned.

Administration, Finance and Staffing

A combination of Margaret Tracey, Vicky Strong and Finance Officer Zemichael Abrha, supported by other team members, have ensured the smooth running of the administration and finances of the association.

The year's financial performance was satisfactory, as we managed to record an operating surplus before deducting depreciation charges for the year - again against the challenging backdrop of expanding our scope of services and making a number of investments in our facilities.

Warren Bunce has continued to play a much appreciated role as IT volunteer, and Justine Aw has very kindly continued with the maintenance of our website and our excellent social media presence, giving us a significant saving each year.

Procedures and policies

This year Mudchute updated its Privacy Policy in compliance with new data protection laws (GDPR).

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01613085 (England and Wales)

Registered Charity number

284907

Registered office

Mudchute Farm
Pier Street
Isle of Dogs
London
E14 3HP

Trustees

M Barraclough
J Abbott
Mrs L Cavanagh Chair
Mrs K P McTasney
R J Swindells
M Phillips
K B Woeste (resigned 05.04.22)
Ms L Draffan (resigned 10.3.21)
Ms M Gray
Ms C Kirkwood
C Kemp (resigned 31.12.21)
R Bruce (resigned 10.3.21)
M D Humber

Company Secretary

K B Woeste

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Barclays Bank plc	CAF Bank
Docklands	25 Kings Hill Avenue
Leicestershire	Kings Hill,
LE87 2BB	West Malling,
	Kent,
	ME19 4JQ

Auditors

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

THE MUDCHUTE ASSOCIATION

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of the group for the purposes of company law) are responsible for preparing the Report of the Trustees and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and its subsidiary will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and its subsidiary and to enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and its subsidiary and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Brindley Millen Ltd, are standing down as auditors at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on~~May 9, 2022~~..... and signed on its behalf by:

Lorraine Cavanagh
Lorraine Cavanagh (May 9, 2022 11:57 GMT+1)

Mrs L Cavanagh - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE MUDCHUTE ASSOCIATION

Opinion

We have audited the consolidated financial statements of The Mudchute Association (the 'parent') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the consolidated financial statements is not appropriate; or
- the trustees have not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the consolidated financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our Report of the Independent Auditors thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The consolidated financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group for the purposes of company law) are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE MUDCHUTE ASSOCIATION

Our responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those covered by the Statement of Recommended Practice for Charities (SORP 2019) and the Charities Act 2011. We assessed the risk of material misstatement in respect of fraud by making enquiries of management and trustees and by testing the implementation of accounting controls in place.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by making enquiries with key personnel and reviewing relevant documentation such as minutes of Trustee meetings and correspondence with regulatory bodies. We considered the risk of fraud through management override by incorporation testing of journal entries and reviewing any requirements to meet performance targets. We also considered, and tested for, the possibility of unauthorised payments to related parties.

A further description of our responsibilities for the audit of the consolidated financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

mwbrindley
mwbrindley (May 10, 2022 10:20 GMT+1)

Maurice Brindley BSc FCA (Senior Statutory Auditor)
for and on behalf of Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date: May 10, 2022

THE MUDCHUTE ASSOCIATION**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**
(including consolidated income and expenditure account)
for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	163,273	163,281	326,554	278,699
Charitable activities	4				
Charitable activities		616,159	-	616,159	1,028,542
Trading company		26,080	-	26,080	174,134
Investment income	3	35,790	-	35,790	98,254
Other income		<u>468,074</u>	<u>-</u>	<u>468,074</u>	<u>3,361</u>
Total		1,309,376	163,281	1,472,657	1,582,990
EXPENDITURE ON					
Raising funds	6	226,939	-	226,939	301,011
Charitable activities	7				
Charitable activities		999,211	190,104	1,189,315	1,274,872
Trading company		23,151	-	23,151	28,251
Total		<u>1,249,301</u>	<u>190,104</u>	<u>1,439,405</u>	<u>1,604,134</u>
NET INCOME/(EXPENDITURE)		60,075	(26,823)	33,252	(21,144)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>256,625</u>	<u>430,798</u>	<u>687,423</u>	<u>708,567</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>316,700</u></u>	<u><u>403,975</u></u>	<u><u>720,675</u></u>	<u><u>687,423</u></u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (REGISTERED NUMBER: 1613085)**CONSOLIDATED BALANCE SHEET****At 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	13	139,429	357,244	496,673	513,217
CURRENT ASSETS					
Stocks	15	1,210	-	1,210	2,234
Debtors	16	68,220	-	68,220	78,638
Cash at bank and in hand		<u>224,015</u>	<u>46,730</u>	<u>270,745</u>	<u>217,908</u>
		293,445	46,730	340,175	298,780
CREDITORS					
Amounts falling due within one year	17	(116,173)	-	(116,173)	(124,574)
NET CURRENT ASSETS		<u>177,272</u>	<u>46,730</u>	<u>224,002</u>	<u>174,206</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>316,701</u>	<u>403,974</u>	<u>720,675</u>	<u>687,423</u>
NET ASSETS		<u>316,701</u>	<u>403,974</u>	<u>720,675</u>	<u>687,423</u>
FUNDS	18				
Unrestricted funds				316,701	256,625
Restricted funds				<u>403,974</u>	<u>430,798</u>
TOTAL FUNDS				<u>720,675</u>	<u>687,423</u>

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

May 9, 2022

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

Lorraine Cavanagh

Lorraine Cavanagh (May 9, 2022 11:07 GMT+1)

Mrs L Cavanagh -Trustee

Michael Humber

Michael Humber (May 9, 2022 11:08 GMT+1)

M D Humber -Trustee

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION**BALANCE SHEET – THE MUDCHUTE ASSOCIATION ONLY****At 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	13	137,257	357,244	494,501	510,322
Investments	14	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		137,259	357,244	494,503	510,324
CURRENT ASSETS					
Stocks	15	814	-	814	1,221
Debtors	16	67,932	-	67,932	75,820
Cash at bank and in hand		<u>224,987</u>	<u>46,730</u>	<u>271,717</u>	<u>216,836</u>
		293,733	46,730	340,463	293,877
CREDITORS					
Amounts falling due within one year	17	(105,114)	-	(105,114)	(112,020)
		<u>188,619</u>	<u>46,730</u>	<u>235,349</u>	<u>181,857</u>
NET CURRENT ASSETS					
		<u>188,619</u>	<u>46,730</u>	<u>235,349</u>	<u>181,857</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>325,878</u>	<u>403,974</u>	<u>729,852</u>	<u>692,181</u>
NET ASSETS		<u>325,878</u>	<u>403,974</u>	<u>729,852</u>	<u>692,181</u>
FUNDS	18				
Unrestricted funds				325,878	261,383
Restricted funds				<u>403,974</u>	<u>430,798</u>
TOTAL FUNDS				<u>729,852</u>	<u>692,181</u>

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

The financial statements were approved by the Board of Trustees on May 9, 2022 and were signed on its behalf by:

Lorraine Cavanagh

Lorraine Cavanagh (May 9, 2022 11:07 GMT+1)

Mrs L Cavanagh -Trustee

Michael Humber

Michael Humber (May 9, 2022 11:08 GMT+1)

M D Humber -Trustee

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION**CONSOLIDATED CASH FLOW STATEMENT**
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	81,993	(4,772)
Interest paid		<u>(2,156)</u>	<u>(2,876)</u>
Net cash provided by/(used in) operating activities		<u>79,837</u>	<u>(7,648)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(27,000)	(58,022)
Sale of tangible fixed assets		<u>-</u>	<u>3,250</u>
Net cash used in investing activities		<u>(27,000)</u>	<u>(54,772)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		52,837	(62,420)
Cash and cash equivalents at the beginning of the reporting period		<u>217,908</u>	<u>280,328</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>270,745</u></u>	<u><u>217,908</u></u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	33,252	(21,144)
Adjustments for:		
Depreciation charges	43,542	41,231
Profit on disposal of fixed assets	-	(1,842)
Interest paid	2,156	2,876
Decrease in stocks	1,024	326
Decrease in debtors	10,420	38
Decrease in creditors	<u>(8,401)</u>	<u>(26,257)</u>
Net cash provided by/(used in) operations	<u>81,993</u>	<u>(4,772)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>217,908</u>	<u>52,837</u>	<u>270,745</u>
	<u>217,908</u>	<u>52,837</u>	<u>270,745</u>
Total	<u>217,908</u>	<u>52,837</u>	<u>270,745</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

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.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling (£).

Preparation of consolidated financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Mudchute Park & Farm Ltd (company no. 02713933) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Critical accounting judgements and key sources of estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

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.

Voluntary income is recognised when received. Grants, rental income and income from charitable activities is recognised when the charity becomes entitled to the monies. Amounts received in advance are deferred to the following financial year.

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

Tangible fixed assets are initially recognised at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- at varying rates on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets (cont)

Additions of new buildings constructed after 31 March 2000 will be depreciated over the lower of 20 years or the unexpired term of the lease on the net costs to the company after crediting all grants received for these building works.

Following the publication of FRS15 - Tangible Fixed Assets, the company has taken advantage of the transitional arrangements prior to the effective date of 23 March 2000 to retain the company's own revalued assets, certain leasehold land and buildings, at their book value of £538,766. The asset continues to be depreciated over the lease term, with annual transfers being made between the Revaluation Reserve and the Income Fund as set out in the accounting policies above.

The carrying values are reviewed at the year end for impairment if circumstances indicate that the full carrying value may not be recoverable.

Stocks

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

Taxation

The Association is a registered charity and is not liable to Income Tax or Corporation Tax on income derived from its charitable activities. Any taxable profits arising in the subsidiary non-trading company are liable to Corporation tax. Income for non-charitable activities may be subject to taxation. The Association is not registered for VAT.

Stocks

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

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash, current bank accounts and deposit bank accounts with no withdrawal limitations.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will 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 are recognised at their settlement amount.

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.

Hire purchase and 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.

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES – continued

Financial instruments

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

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Voluntary Income	49,307	13,851	63,158	66,119
Grants	<u>114,246</u>	<u>149,430</u>	<u>263,676</u>	<u>212,580</u>
	<u>163,273</u>	<u>163,281</u>	<u>326,554</u>	<u>278,699</u>

Grants received, included in the above, are as follows:

	31.3.21 £	31.3.20 £
Bewlay Charitable Trust	530	250
Canary Wharf Group Ltd	7,000	5,000
Change Grow Live	-	10,000
East End Community Foundation	22,800	36,800
Fitch Ratings	1,500	-
Greener City Fund	6,130	-
J Paul Getty Jr Charitable Trust	5,000	-
Jack Petchey Foundation	1,000	2,250
London Borough of Tower Hamlets	90,079	37,500
National Lottery Heritage Fund	50,000	25,650
Sport England	10,000	-
The Biss Davies Charitable Trust	10,000	-
The British Horse Society	2,850	-
The Leathersellers' Company	15,000	15,000
The London Marathon Charitable Trust	-	68,630
The Northwick Trust	-	5,000
The Worshipful Company of Coopers	500	500
The Worshipful Company of Insurers	8,000	-
The Worshipful Company of Parish Clerks	500	-
The Worshipful Company of Tin Plate Wire Workers	1,000	1,000
Valero Energy Ltd	<u>31,787</u>	<u>5,000</u>
	<u>263,676</u>	<u>212,580</u>

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**3. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Rents received	22,940	-	22,940	24,300
Hire of Facilities	<u>12,850</u>	<u>-</u>	<u>12,850</u>	<u>73,954</u>
	<u>35,790</u>	<u>-</u>	<u>35,790</u>	<u>98,254</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.21 £	31.3.20 £
Charitable activities	Charitable activities	616,159	1,028,542
Charitable activities	Trading company	<u>26,080</u>	<u>174,134</u>
		<u>642,239</u>	<u>1,202,676</u>

5. INCOME EARNED FROM OTHER ACTIVITIES

The wholly owned trading subsidiary Mudchute Park and Farm Limited is incorporated in the United Kingdom (company number 2713933). Mudchute Park and Farm Limited operates the livery, riding lessons and all other commercial trading operations carried on at the Mudchute Park and Farms. A summary of the trading results is shown below. The summary financial performance of the subsidiary alone is:

	31.3.21 £	31.3.20 £
Turnover	26,080	174,134
Cost of sales and administration costs	(177,762)	(212,067)
Other operating income	<u>147,263</u>	<u>129,422</u>
Net (loss)	<u>(4,419)</u>	<u>91,489</u>

The assets and liabilities of the subsidiary are:

Tangible assets	2,172	2,896
Current assets	736	4,904
Current liabilities	<u>(12,083)</u>	<u>(12,556)</u>
Total net (liabilities)	<u>(9,175)</u>	<u>(4,756)</u>

Aggregate share capital and reserves	<u>(9,175)</u>	<u>(4,756)</u>
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6. RAISING FUNDS
Other trading activities

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Opening stock	-	-	-	1,345
Purchases	98,839	-	98,839	162,420
Closing stock	-	-	-	(1,014)
Staff costs	<u>128,100</u>	<u>-</u>	<u>128,100</u>	<u>138,260</u>
	<u>226,939</u>	<u>-</u>	<u>226,939</u>	<u>301,011</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2021

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable activities	1,182,955	6,360	1,189,315
Trading company	<u>20,757</u>	<u>2,394</u>	<u>23,151</u>
	<u>1,203,712</u>	<u>8,754</u>	<u>1,212,466</u>

8. SUPPORT COSTS

	Governance costs £
Charitable activities	6,360
Trading company	<u>2,394</u>
	<u>8,754</u>

9. NET INCOME/(EXPENDITURE)

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

	31.3.21 £	31.3.20 £
Auditors' remuneration	6,360	6,360
Depreciation - owned assets	43,544	41,229
Hire of plant and machinery	2,878	9,673
Surplus on disposal of fixed assets	<u>-</u>	<u>(1,842)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Key management personnel

The charity consider its key management personnel to comprise the trustees, the director general and the nursery manager. Total key management remuneration for the year was £110,249. (2020: £96,669)

11. STAFF COSTS

	31.3.21 £	31.3.20 £
Wages and salaries	1,065,789	1,088,141
Social security costs	74,609	73,058
Other pension costs	<u>17,491</u>	<u>18,135</u>
	<u>1,157,889</u>	<u>1,179,334</u>

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**11. STAFF COSTS (cont)**

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

	31.3.21	31.3.20
Charitable activities	38	38
Office and management	6	6
Trading company	<u>6</u>	<u>6</u>
	<u>50</u>	<u>50</u>

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

12. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	85,919	192,780	278,699
Charitable activities			
Charitable activities	1,028,542	-	1,028,542
Trading company	174,134	-	174,134
Investment income	98,254	-	98,254
Other income	<u>3,361</u>	<u>-</u>	<u>3,361</u>
Total	1,390,210	192,780	1,582,990
EXPENDITURE ON			
Raising funds	301,011	-	301,011
Charitable activities			
Charitable activities	1,124,567	150,305	1,274,872
Trading company	28,251	-	28,251
	<u>1,152,818</u>	<u>150,305</u>	<u>1,303,123</u>
Total	1,453,829	150,305	1,604,134
NET INCOME/(EXPENDITURE)	(63,619)	42,475	(21,144)
Transfers between funds	<u>30,350</u>	<u>(30,350)</u>	<u>-</u>
Net movement in funds	(33,269)	12,125	(21,144)
RECONCILIATION OF FUNDS			
Total funds brought forward	289,894	418,673	708,567
TOTAL FUNDS CARRIED FORWARD	<u>256,625</u>	<u>430,798</u>	<u>687,423</u>

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**13. TANGIBLE FIXED ASSETS (group)**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2020	1,088,485	23,393	131,340
Additions	-	-	27,000
At 31 March 2021	<u>1,088,485</u>	<u>23,393</u>	<u>158,340</u>
DEPRECIATION			
At 1 April 2020	608,167	22,380	111,951
Charge for year	<u>28,820</u>	<u>253</u>	<u>11,596</u>
At 31 March 2021	<u>636,987</u>	<u>22,633</u>	<u>123,547</u>
NET BOOK VALUE			
At 31 March 2021	<u>451,498</u>	<u>760</u>	<u>34,793</u>
At 31 March 2020	<u>480,318</u>	<u>1,013</u>	<u>19,389</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2020	60,279	10,620	1,314,117
Additions	-	-	27,000
At 31 March 2021	<u>60,279</u>	<u>10,620</u>	<u>1,341,117</u>
DEPRECIATION			
At 1 April 2020	51,147	7,255	800,900
Charge for year	<u>2,284</u>	<u>591</u>	<u>43,544</u>
At 31 March 2021	<u>53,431</u>	<u>7,846</u>	<u>844,444</u>
NET BOOK VALUE			
At 31 March 2021	<u>6,848</u>	<u>2,774</u>	<u>496,673</u>
At 31 March 2020	<u>9,132</u>	<u>3,365</u>	<u>513,217</u>

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the Directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the introduction of FRS 15 - Tangible Fixed Assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the Directors will not be required to carry out a periodic valuation of these land and buildings assets.

Additions of new buildings erected after 31 March 2000 will be shown at cost less related capital grants received.

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**13. TANGIBLE FIXED ASSETS (parent)**

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2020	1,088,485	119,778	60,279	8,782	1,277,324
Additions	-	27,000	-	-	27,000
At 31 March 2021	<u>1,088,485</u>	<u>146,778</u>	<u>60,279</u>	<u>8,782</u>	<u>1,304,324</u>
DEPRECIATION					
At 1 April 2020	608,167	101,420	51,147	6,268	767,002
Charge for year	<u>28,820</u>	<u>11,339</u>	<u>2,284</u>	<u>378</u>	<u>42,821</u>
At 31 March 2021	<u>636,987</u>	<u>112,759</u>	<u>53,431</u>	<u>6,646</u>	<u>809,823</u>
NET BOOK VALUE					
At 31 March 2021	<u>451,498</u>	<u>34,019</u>	<u>6,848</u>	<u>2,136</u>	<u>494,501</u>
At 31 March 2020	<u>480,318</u>	<u>18,358</u>	<u>9,132</u>	<u>2,514</u>	<u>510,322</u>

14. FIXED ASSET INVESTMENTS

The investment comprises 100% of the share capital of Mudchute Park and Farm Limited (Company number 2713933) a wholly owned subsidiary.

15. STOCKS

	Group 31.03.21 £	Group 31.03.20 £	Charity 31.03.21 £	Charity 31.03.20 £
Stocks	<u>1,210</u>	<u>2,234</u>	<u>814</u>	<u>1,221</u>
	<u>1,210</u>	<u>2,234</u>	<u>814</u>	<u>1,221</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31.03.21 £	Group 31.03.20 £	Charity 31.03.21 £	Charity 31.03.20 £
Trade debtors	12,516	14,909	12,228	12,477
Other debtors	28,552	31,757	28,552	31,561
Prepayment and accrued income	<u>27,152</u>	<u>31,972</u>	<u>27,152</u>	<u>31,782</u>
	<u>68,220</u>	<u>78,638</u>	<u>67,932</u>	<u>75,820</u>

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 31.03.21 £	Group 31.03.20 £	Charity 31.03.21 £	Charity 31.03.20 £
Trade creditors	14,761	20,849	11,841	18,073
Social security and other taxes	19,693	19,838	17,708	17,385
Deferred income and other creditors	72,965	72,182	69,205	67,809
Accrued expenses	<u>8,754</u>	<u>11,705</u>	<u>6,360</u>	<u>8,753</u>
	<u>116,173</u>	<u>124,574</u>	<u>105,114</u>	<u>112,020</u>

18. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General funds	255,665	60,076	315,741
Fairy Garden Project	<u>960</u>	<u>-</u>	<u>960</u>
	256,625	60,076	316,701
Restricted funds			
Building	308,849	(21,782)	287,067
Minibus fund	2,782	(696)	2,086
Nature Trail	29,256	(1,248)	28,008
Treehouse Project	11,555	(693)	10,862
Arena Refurbishment project	<u>78,356</u>	<u>(2,405)</u>	<u>75,951</u>
	<u>430,798</u>	<u>(26,824)</u>	<u>403,974</u>
TOTAL FUNDS	<u>687,423</u>	<u>33,252</u>	<u>720,675</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,309,376	(1,249,300)	60,076
Restricted funds			
Building	-	(21,782)	(21,782)
Minibus fund	-	(696)	(696)
Sundry restricted grants	154,281	(154,281)	-
Nature Trail	-	(1,248)	(1,248)
Apprenticeship scheme	9,000	(9,000)	-
Treehouse Project	-	(693)	(693)
Arena Refurbishment project	<u>-</u>	<u>(2,405)</u>	<u>(2,405)</u>
	<u>163,281</u>	<u>(190,105)</u>	<u>(26,824)</u>
TOTAL FUNDS	<u>1,472,657</u>	<u>(1,439,405)</u>	<u>33,252</u>

THE MUDCHUTE ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2021**18. MOVEMENT IN FUNDS – continued****Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General funds	288,934	(63,619)	30,350	255,665
Fairy Garden Project	<u>960</u>	<u>-</u>	<u>-</u>	<u>960</u>
	289,894	(63,619)	30,350	256,625
Restricted funds				
Building	329,453	(20,604)	-	308,849
Minibus fund	3,709	(927)	-	2,782
Nature Trail	30,584	(1,328)	-	29,256
Treehouse Project	12,293	(738)	-	11,555
Arena Refurbishment project	<u>42,634</u>	<u>66,072</u>	<u>(30,350)</u>	<u>78,356</u>
	<u>418,673</u>	<u>42,475</u>	<u>(30,350)</u>	<u>430,798</u>
TOTAL FUNDS	<u>708,567</u>	<u>(21,144)</u>	<u>-</u>	<u>687,423</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	1,390,210	(1,453,829)	(63,619)
Restricted funds			
Building	-	(20,604)	(20,604)
Minibus fund	-	(927)	(927)
Sundry restricted grants	124,150	(124,150)	-
Nature Trail	-	(1,328)	(1,328)
Treehouse Project	-	(738)	(738)
Arena Refurbishment project	<u>68,630</u>	<u>(2,558)</u>	<u>66,072</u>
	<u>192,780</u>	<u>(150,305)</u>	<u>42,475</u>
TOTAL FUNDS	<u>1,582,990</u>	<u>(1,604,134)</u>	<u>(21,144)</u>

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2021

18. MOVEMENT IN FUNDS – continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	2,699,586	(2,703,129)	(3,543)
Restricted funds			
Building	-	(42,386)	(42,386)
Minibus fund	-	(1,623)	(1,623)
Sundry restricted grants	278,431	(278,431)	-
Nature Trail	-	(2,576)	(2,576)
Apprenticeship scheme	9,000	(9,000)	-
Treehouse Project	-	(1,431)	(1,431)
Arena Refurbishment project	68,630	(4,963)	63,667
	<u>356,061</u>	<u>(340,410)</u>	<u>15,651</u>
TOTAL FUNDS	<u>3,055,647</u>	<u>(3,043,539)</u>	<u>12,108</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	2,818,219	(2,855,048)	(36,829)
Restricted funds			
Building	-	(42,523)	(42,523)
Minibus fund	(1)	(2,163)	(2,164)
Sundry restricted grants	211,410	(211,410)	-
Nature Trail	-	(2,741)	(2,741)
Apprenticeship scheme	23,000	(23,000)	-
Treehouse Project	1	(1,523)	(1,522)
Arena Refurbishment project	68,630	(5,279)	63,351
	<u>303,040</u>	<u>(288,639)</u>	<u>14,401</u>
TOTAL FUNDS	<u>3,121,259</u>	<u>(3,143,687)</u>	<u>(22,428)</u>

Building fund represents the net book value of the restricted portion of buildings on the site.

Minibus fund represents the net book value of a minibus purchased with restricted monies.

Nature Trail represents monies given to improve pathways and accessibility to the farm site.

Treehouse project monies given to enabled the building of a tree house which is part of the children's services provision.

Arena refurbishment project monies given to rebuild the riding arena.

THE MUDCHUTE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2021

19. RELATED PARTY DISCLOSURES

During the year, total salary payments of £24,013 (2020: £38,214) were made to two adult children and daughter in law of the general manager, who were employed by the charity. These transactions were in the normal course of the charity's operations.

The balance due from the Mudchute Park and Farm to the Mudchute Association of £234,332 has been fully provided for as a bad debt provision within the individual parent company accounts as it is considered unlikely that this sum will be recoverable in full.