

**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
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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	916	2,738
	<u> </u>	<u> </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	1,487	2,266
	<u> </u>	<u> </u>
	47,467	39,225
	<u> </u>	<u> </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	72,829	51,661
	<u> </u>	<u> </u>
	109,998	95,656
	<u> </u>	<u> </u>

18. ACCRUALS AND DEFERRED INCOME	2024	2023
	£	£
Accruals and deferred income	84,463	81,994
	<u> </u>	<u> </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

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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>

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