

**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

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
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

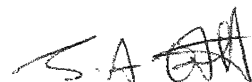
	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	14	112,168	499,918	612,086	662,266
CURRENT ASSETS					
Stocks	15	716	-	716	916
Debtors	16	32,953	-	32,953	52,450
Cash at bank and in hand		404,468	1,601	406,069	315,673
		<u>438,137</u>	<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	<u>120</u>	<u>21,918</u>
	<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.