

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
FOR
SPITALFIELDS FARM ASSOCIATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**Prestons & Jacksons Partnership LLP
364 - 368 Cranbrook Road
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SPITALFIELDS FARM ASSOCIATION LIMITED

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SPITALFIELDS FARM ASSOCIATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

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 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the charity in the year under review was that of running an inner-city farm for the benefit of the inhabitants of Spitalfields and the surrounding neighbourhood by utilising its facilities to provide education and volunteering activities for the community.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission in determining the activities undertaken by the Charity.

SPITALFIELDS FARM ASSOCIATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Thanks to the hard work of the Farm's passionate and dedicated staff team, and our wonderful volunteers, the Farm continued an extraordinary range of charitable and community efforts this year, reaching many people from diverse groups in the local community and more widely.

This year represented a period of increased focus on impact and foundational improvements

The Farm continued to increase its impact in the local community by focusing on core areas of education, corporate partnering, gardening and the farmyard. In education, we are reaching more children in our community than ever before and improving our education facilities on site with enhancements to our Eco Station thanks to a generous grant from the Garfield Weston Foundation. Our corporate partnerships have continued to grow and support the Farm's activities and promote greater understanding of our community's challenges and needs. The gardens have flourished through the hard work of our staff and volunteers, enabling us to provide healthy food and inspiration to our community. The farmyard continues to be at the heart of the Farm and has become more focused in its activities and animal breeds. We were all delighted with the arrival of our rare breed Castlemilk Moorit lambs bringing new life and energy onto the farmyard. Our mobile farm activities increased our penetration into the local community.

Under the Interim CEO's leadership the farm has focused on its core systems and processes, resulting in improvements in our delivery to the community, enabling more targeted fundraising and strengthening our financial planning practices. Our technology platform has been moved to the cloud, reducing the risk of single points of failure in the Farm and making us more efficient as an organisation while improving our collaboration tools and freeing up our dedicated team of staff to spend more time with our volunteers and our community. Our use of social media has increased as we attempt to reach more people in our community, bringing the joys of our Farm to their homes.

It was with great sadness that Po-Siann our chair had to step down due to ill health. The board appointed Neil Rodel to continue Po-Siann's work on supporting our CEO on modernising the Farm's processes and restructuring to deliver sustainable outcomes for our community.

Volunteering programmes

Every year, volunteers freely contribute thousands of hours of enthusiastic support and hard work. While these volunteering hours can be counted, the overall value of their contribution is immeasurable. Without individuals feeling welcomed to join our community and donate their time, skills, and willingness to learn, the Farm wouldn't be the urban oasis it is today. Volunteers of all ages dedicate their time and effort to support the Farm's ideals, while often overcoming personal adversity. In turn, volunteers gain confidence, discover new abilities, develop skills, improve their wellbeing, make friends, and become valued members of a community. They are the true champions of the Farm.

The Volunteering Programme's Reaching Communities five-year project (2015-20), funded by The National Lottery Community Fund, finished its final year of funding within the 2019-20 financial year. This programme has enabled the Farm to build and enhance volunteering opportunities. Since the onset of this particular project, we have supported work experience placements for more than 130 young people (including veterinary students) and have engaged with over 1,250 youth and family volunteers. According to many of these participants, volunteering at the Farm increases their physical activity, improved their eating habits and overall health, enhanced their self-confidence and future aspirations, as well as connected them with nature and their community.

In addition to this Reaching Communities core funding, we also received generous small grants in 2019-20, that really enhanced our volunteering opportunities, as well as support from community organisations and businesses:

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

The Jack Petchey Achievement Award continues to support the Farm through their Silver Award Scheme and has enabled young volunteers (ages 11-25) to fund Farm activities that matter most to them, such as agricultural shows, beekeeping, herbal remedy and preserve making, animal care and enrichment, and community events.

The Royal Society of Chemistry Outreach Fund supported the Farm's development of farm-based chemistry workshops and supported our Chemistry on the Farm day partnered with MEL Science, University College London, and our scientifically-minded volunteers.

Tower Hamlets Arts & Events Fund provided support for our 8th annual Fascination of Plants Day, 15th Sheep & Wool Fayre, and our first Urban Wildlife Appreciation Day. These educational and community-focused events are inclusive and are designed to appeal to young people, older people, people with disabilities, and people from various ethnic groups or communities. People learned about plants, sheep, wildlife, farming, and sustainability, as well as drawing, weaving, spinning, painting, music, and other types of art and craft that can be performed in an outdoor setting. As usual, these events were partnered with amazing local community organisations and supported by fantastic volunteers.

Our Winter Fayre in 2019 was led by the family volunteer programme (Families Go Wild), who were responsible for the tombola, raffle and refreshments. This year's event was well supported by local businesses, community groups, and artisans, as there were incredible raffle prizes donated and many market stalls. This event was incredibly well attended and helped raise nearly £1,000 for the Farm. The establishment of the Winter Fayre has become a new legacy for the farm as the group initiated a Winter Market in 2017. Many of our other volunteers helped with the fayre by providing artwork to sell and are now excited about future fundraising and community event endeavors.

These teams of dedicated volunteers and our supportive community bolstered the efforts of our staff to continue excellent care of our animal residents, garden maintenance, food growing, produce sales, and food provision for children and families in the early days of the COVID-19 lockdown in March and beyond.

Corporate partnerships

We had a lively year on the Farm, welcoming new and returning corporate volunteers from across the city and beyond. As well as their skills and energy, 1,314 individuals gave an impressive 5,105 hours of labour, providing an invaluable contribution to the upkeep and maintenance of the Farm throughout the year.

One of our summer highlights was hosting a green ceremony on site, and our corporate groups jumped at the task of giving the Farm a thorough makeover. Picnic tables and fences were painted, fresh pine woodchip paths laid, the gardens were thoroughly weeded and cosy enclaves created. We used recycled materials, turning windows salvaged from a demolition site into a new glass wall for our community garden covered walkway, ready to host the reception drinks for the event. It was a labour of love towards a magical candle-lit celebration.

As the cooler seasons approached, the groups focused on the much needed job of re-roofing and renovating the eco-station. We also had some very creative teams who fashioned Christmas trees out of wooden pallets, painted snowman signs, wrapped presents, and jollied up the place in time for the Winter Fayre. One group showed particular dedication in transforming the yurt into a festive Santa's grotto complete with flying reindeer and tinsel galore.

Alongside the fun of the team challenge days, our corporate partnerships are vital in enabling us to continue delivering our community and educational programmes and we look forward to developing these relationships further.

Education

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Children play a huge role in the Farm's atmosphere and sense of identity. Education at the Farm has continued to flourish.

We have retained our strong working relationship within the local community and provided weekly nature and gardening sessions to six schools in Tower Hamlets, reaching over 1000 pupils. These projects are a fantastic way to engage inner-city children with the outdoors and reconnect pupils to how food is grown.

'WOW Miss, look we have grown enough lettuce to feed the whole school!' - pupil from Swanlea nurture programme.

We have continued with our final year of school holiday cookery sessions with great success. This programme allows children and their families to harvest and cook food from the Farm to help eliminate holiday hunger, which is due to continue with the introduction of rolling funding secured from Mayor's Fund for London; Kitchen Social. Towards the end of the financial year we were able to secure additional funding to support these families as the COVID-19 pandemic started to take hold. We teamed up with likeminded organisations and businesses, such as City Harvest to deliver food donations and support to continue the provision of healthy, nutritious food at home.

The education department is in its second year of funding from Garfield and Weston Foundation. This has allowed for the redevelopment of the Eco Station to commence with aims to achieve a safe, nurturing and interacting self-learning space at the Farm by mid-2021. Work has been completed to ensure that the exterior and roof in particular is secure with efforts now being turned to the internal space with a planned on-site wormery, mural by local artist Jennie Webber and colourful signage around farm species and the importance of nutrition and vegetables. Work halted in early 2020 due to Covid-19, but best efforts were put in place to ensure the objectives could still be met at the earliest opportunity. The grant has also supported schools which do not have funding in place to undertake an educational visit to the Farm by providing subsidies. As a result, we have been able to welcome a diverse range of schools onto our site and provide them with outdoors' educational activities.

Gardening

The many growing spaces at the Farm continue to flourish and bring joy to local residents and other visitors. People from many backgrounds continue to visit the Farm's gardens for inspiration and to learn about our projects and have successfully begun their own projects. When possible, the Farm also provides gardening outreach through contract work and community event participation. The Farm shares seeds, knowledge, and advice about growing various plants but has a particular wealth of experience with Bangladeshi vegetables. In 2019, our long-standing **Coriander Club** celebrated 20 years at the farm and continues to welcome new members to keep the legacy of growing Bangladeshi vegetables alive. With the incredible age range of gardening enthusiasts and volunteers, the Farm is ensuring the continuation of growing heritage and other important crops of various cultures.

Aided by our knowledgeable gardeners, green-fingered volunteers grew an abundance of fruit and vegetables to take home and to use in monthly healthy cooking workshops. The abundant harvest also meant the Farm could continue to sell fresh and unique produce, such as mustard greens, amaranth, mooli, chayote, kodu, achoch, and achard to the community at affordable prices. With an improvement in germination success in the winter and spring, the Farm also sold many more seedlings to local gardeners to help spread green throughout the borough and beyond.

While the gardens provide solace and a healing space for many, it also continues to be a resource for increased learning through experimentation, such as growing tomato plants from cuttings. We also encourage volunteers to utilise the Farm as a template to experiment with growing plants new to them and the Farm. There is always something new to learn, share, and celebrate in the gardens!

SPITALFIELDS FARM ASSOCIATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

In the year under review, the farm was selected by Capital Growth/Sustain to be a partner organisation and flagship garden for their 'Growing Connections' project, funded by the Centre for Ageing Better and DCMS through the age-friendly and inclusive volunteering programme. The project was designed to facilitate, collate, and share best practice across the growing network and beyond by sharing and exploring positive/negative volunteering experiences; the barriers to people getting involved and the principles to inclusive volunteering. The project resulted in **The Growing Connections Guide** to an inclusive and welcoming community garden summarising some of the best practice and practical tips from over 20 Community Gardens as well as a **tool to self-review** to be used by community groups to baseline and monitor their progress.

The beautiful environment of the Farm also provided a backdrop for **The Vegetarian Society's** first stop on their giant vegetable tour of Great Britain. These massive vegetables were made of recycled and reclaimed materials by the Bitter End Collective to highlight how the food we eat can make a direct impact on the environment as part of the society's **'Eat to Beat Climate Change'** campaign.

Farmyard

Our animal policy focuses on being an educational resource which can teach respect for animal life and explain where food comes from without breeding animals for consumption. Today we are home to a mix of rare breed and rescue animals.

All of our resident small animals: rabbits, guinea pigs, ferrets and cats, have been adopted or taken in as unwanted pets and we aim to advocate the work rescue centres do, encouraging potential owners to source pets from local shelters. This year we adopted ferrets, Honey and Mustard from Wood Green Animal Shelter. Continuing our promotion of rare breeds, April brought us another successful year with four Castlemilk Moorit lambs born, all of whom have gone on to join existing and starter flocks around the country, helping to ensure conservation of the breed. Thanks to the support of the Worshipful Company of Woolmen and Jack Petchey Foundation we were able to attend five agricultural shows with our Urban Farming Opportunities, young farmers who showcased their sheep handling skills and animal care knowledge.

The Mobile farm service was in high demand delivering over 30 mobile farms across London. The diversity of our outreach showcases what the Farm has to offer. From television shows, to art classes, nativity shows, and community events. These often bring animals to many people from less privileged backgrounds, who otherwise might not get the opportunity to meet farm animals and enables us to educate adults and children about animal welfare and encourage positive experiences with animals.

Events

The Farm hosted many successful events through the year. The Farm also celebrated many delightful free events for the community including Sheep and Wool Fayre and the Winter Fayre amongst others.

Patrons

The Farm thanks its patrons, fashion designer/founder director of Fashion East Lulu Kennedy MBE, comedian/writer/actor, Sara Pascoe, and urban birder, David Lindo, for their enthusiastic support throughout the year.

SPITALFIELDS FARM ASSOCIATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

FINANCIAL REVIEW

Funding

The increase in income for the 2020 financial year can be attributed to the fantastic work delivered by our staff team. Towards the end of the 2019-20 financial year the Farm was forced to close as a result of the on-going pandemic, thus reducing opportunities to raise funds through our corporate partnerships and fundraising events, with both the Goat Race and Comedy Night cancelled. The Farm is lightly staffed for the huge amount of work delivered by our incredible staff team and continues to aim towards developing stable and reliable funding streams, as well as seeking one-off funding opportunities to help us get through the challenges under the pandemic. We are extremely grateful to our generous donors, sponsors, volunteers and corporate partners who have enabled the Farm to reach so many people through the year, and we look forward to working together on the opportunities ahead.

Financial review

Covid 19 and Going Concern

The pandemic has impacted the Farm and has caused significant disruption, as it has across all sectors and segments of society. As touched on earlier in the Trustees Report, the Farm had begun work on strengthening its resilience six months prior to the pandemic, which placed the organisation at an advantage at being able to more readily pivot in the face of such unprecedented challenges. Through the diversification of fundraising and reduction in expenditure, the Farm has been able to shore up its reserves and income levels. The Trustee Board are, therefore, confident that the Farm remains a going concern.

The result for the year ended 31 March 2020 was a surplus of £24,707 (2019: deficit of £21,307). The difference between this financial year and the last is due to a slight decrease in operating costs and an increase in income in the 2020 financial year. By a calendar quirk, no Goat Races fell within the 2019 financial year; in addition, a transitional period of management changes in the 2019 financial year led to reduced staff capacity for fundraising during the year; both factors contributed to last year's deficit.

Income

Total income for the year amounted to £279,787 (2019: £242,808). The Farm is still reliant on grant funding, which constitutes 12% of total income. Overall the trend shows that it is generally being reduced over the past years (2019: 35%; 2018: 27%; 2017: 47%; 2016: 56%; 2015: 62%; 2014: 65% 2013: 75%). An increase in contract income, corporate partnerships, fundraising events and mobile farm hire led to the overall increase in income despite the fall in grant funding.

Expenditure

Total expenditure for the year was £255,080 (2019: £264,115).

Funds

The Farm's funds at 31 March 2020 amounted to £99,718 (2019: £75,011), of which £79,727 is unrestricted funds (2019: £29,240) and £19,991 is restricted (2019: £45,771).

Reserves policy

Unrestricted reserves at 31 March 2020 were £79,727 (2019: £29,240). The increase in unrestricted funds resulted from the implementation of a strategic plan to build back funds to a more sustainable level.

SPITALFIELDS FARM ASSOCIATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Spitalfields Farm Association is a registered Charity established as a company limited by guarantee. The objects of the Charity and its governance provisions are set out in the Articles of Association, which were adopted by the Farm's Board on 16 February 2011. The Trustees have had regard to the Charity Commission's guidance on public benefit.

Recruitment and appointment of new trustees

The Directors of the Charity (the Board of Trustees) are usually appointed from residents or persons working within the Borough of Tower Hamlets or the City of London. Trustees are expected to take a particular interest in a specific area of the Farm's activities and/or to have a relevant professional expertise.

Governance is undertaken by means of monthly Trustee Board Meetings at which reports are presented for discussion and decisions taken on the various aspects of the Farm's work together with the latest financial information, health and safety matters and other governance issues. A system of internal controls is in operation at the Farm with regard to all financial operations. A series of written policies has been adopted and is in operation to govern operational matters.

Organisational structure

Farm operations and strategy are overseen by the Interim Chief Executive. Departmental Co-ordinators oversee the project activities and report to the Interim Chief Executive.

The Trustees meet monthly with the Interim Chief Executive and one or more staff members, on a rotational basis. Trustees reserve the final decision on major capital expenditure and strategic decisions.

Risk management

The Board has examined the principal areas of the Farm's operations and considered the major risks which may arise in each of these areas.

In the opinion of the Trustees, the Farm has established resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

The major risks are:

- Financial risks: that applications for grants or donations may not be forthcoming
- Reputational risks: that animal infections, accident or injury on site may close the farm temporarily therefore donations may be restricted and, in an extreme case, significant reputational damage and/or legal liability may be incurred.
- Staff risks: a reliance on key members of staff.

The Farm has a risk matrix and set an annual timetable for reviewing and monitoring various operational risks. The Farm has systems to give early warning of financial shortfalls, and regularly reviews its operating policies. The Farm maintains good contact with the necessary governmental departments on animal husbandry, regulations and restrictions, liaises extensively with the local council's health and safety officers, and has conducted a comprehensive review of its washing facilities, fire safety policy and information boards/warning signs.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02021898 (England and Wales)

SPITALFIELDS FARM ASSOCIATION LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

Registered Charity number
299536

Registered office
Buxton Street
E1 5AR

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Neil Stuart Rodel - Appointed 13th Aug 19 - Chair since 18th Feb 20
Sianna Po-Siann Goh - Resigned 18th Feb 20
Vivian Chan (Treasurer)
Sara Heitlinger - Resigned 26th June 20
Heather Dawn Hilburn - Resigned 12th Nov 19
Matthew Vincent - Appointed 13th Aug 19
Amaya Jasmin Wang
Andrew Michael Wilson
Karen Anne Sherriff - Resigned 13th Aug 19
Nia Clare Davies - Resigned 13th Aug 19
Alexander Michael Davidson - Appointed 13th Aug 19

Company Secretary

Alexander Michael Davidson - Appointed 13th Aug 19
Sianna Po-Siann Goh - Resigned 13th Aug 19

Independent Examiner

Prestons & Jacksons Partnership LLP
364 - 368 Cranbrook Road
Ilford
Essex
IG2 6HY

Approved by order of the board of trustees on 12 December 2020 and signed on its behalf by:



.....
Trustee / Director
VIVIAN CHAN



N. RODEL - Director / Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SPITALFIELDS FARM ASSOCIATION LIMITED

Independent examiner's report to the trustees of Spitalfields Farm Association Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

A. Patel

Mr A Patel BA (Hons), BFP, FCA
ICAEW
Prestons & Jacksons Partnership LLP
364 - 368 Cranbrook Road
Ilford
Essex
IG2 6HY

Date: 30/12/20

SPITALFIELDS FARM ASSOCIATION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.3.20 Total funds £	31.3.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	33,304	33,477	66,781	80,626
Charitable activities	4				
Horticulture		6,731	-	6,731	13,632
Education		72,204	2,500	74,704	58,862
Corporate volunteering		78,737	-	78,737	63,914
Other trading activities	3	52,834	-	52,834	25,774
Total		243,810	35,977	279,787	242,808
EXPENDITURE ON					
Raising funds		21,742	3,127	24,869	30,131
Charitable activities					
Charitable activity		171,581	58,630	230,211	233,984
Total		193,323	61,757	255,080	264,115
NET INCOME/(EXPENDITURE)		50,487	(25,780)	24,707	(21,307)
RECONCILIATION OF FUNDS					
Total funds brought forward		29,240	45,771	75,011	96,318
TOTAL FUNDS CARRIED FORWARD		79,727	19,991	99,718	75,011

The notes form part of these financial statements

SPITALFIELDS FARM ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2020

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 12 December 2020 and were signed on its behalf by:



.....
Trustee / VIVIAN CHAN

Director:

The notes form part of these financial statements

SPITALFIELDS FARM ASSOCIATION LIMITED

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2020**

	Notes	31.3.20 £	31.3.19 £
FIXED ASSETS			
Tangible assets	10	5,794	8,875
CURRENT ASSETS			
Biological Assets	11	6,965	6,619
Debtors	12	37,157	45,930
Cash at bank and in hand		70,894	91,018
		<u>115,016</u>	<u>143,567</u>
CREDITORS			
Amounts falling due within one year	13	(21,092)	(77,431)
NET CURRENT ASSETS		<u>93,924</u>	<u>66,136</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>99,718</u>	<u>75,011</u>
NET ASSETS		<u>99,718</u>	<u>75,011</u>
FUNDS	15		
Unrestricted funds		79,727	29,240
Restricted funds		19,991	45,771
TOTAL FUNDS		<u>99,718</u>	<u>75,011</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

The notes form part of these financial statements

SPITALFIELDS FARM ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern and impact of Covid 19

Although Covid 19 has had an impact on the Farm, the Board of Trustees are confident that they have secured sufficient income to carry on the charitable activities for the next twelve months. In addition, new measures and approaches are in place which comply with the government rules and regulations of the Pandemic.

As a result of this, the accounts have been prepared on a going concern basis.

Income

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

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those condition is wholly within the control of the charity and is probable that those conditions will be fulfilled in the reporting period.

Donated professional services and donated facilities are recognised as income when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charitable company of the item, is probable and the economic benefit can be measured reliably. In accordance with the charities SORP (FRS102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

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

SPITALFIELDS FARM ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES - continued

Allocation of support costs

Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

- Raising Funds - 14%
- Charitable Activities - 86.0%

Tangible fixed assets

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

Improvements to property	- 10% on cost
Motor vehicles	- 25% on cost
Horticultural Equipment	- 25% on cost

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities according to the percentage used for support costs.

Stocks

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

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Pension costs charged in the financial statements represent the contribution payable by the charitable company during the year.

SPITALFIELDS FARM ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES - continued

Donated goods and services

Donated professional services and donated facilities are recognised as income when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charitable company of the item, is probable and the economic benefit can be measured reliably. In accordance with the charities SORP (FRS102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and Cash Equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less and impairment.

Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

2. DONATIONS AND LEGACIES

	31.3.20	31.3.19
	£	£
Donations	34,629	30,973
Legacies	-	1,824
Grants	32,152	47,829
	<u>66,781</u>	<u>80,626</u>

Grants received, included in the above, are as follows:

	31.3.20	31.3.19
	£	£
Grants less than £5,000	5,600	13,180
The National Lottery Community Fund	26,552	34,649
	<u>32,152</u>	<u>47,829</u>

3. OTHER TRADING ACTIVITIES

	31.3.20	31.3.19
	£	£
Horticultural activities and f arm sales	4,455	4,766
Fundraising activities and Events	48,379	21,008
	<u>52,834</u>	<u>25,774</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.20	31.3.19
	Activity	£	£
Grants	Horticulture	6,731	13,632
Grants	Education	74,704	58,862
Grants	Corporate volunteering	78,737	63,914
		<u>160,172</u>	<u>136,408</u>

Grants received, included in the above, are as follows:

	31.3.20	31.3.19
	£	£
Grants less than £5,000	2,500	1,500
Voluntary Donations	-	6,539
Garfield Weston	-	30,000
Sales	8,108	12,356
	<u>10,608</u>	<u>50,395</u>
Carried forward		

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

4. INCOME FROM CHARITABLE ACTIVITIES - continued

	31.3.20	31.3.19
	£	£
Brought forward	10,608	50,395
Contract Income	55,367	11,537
Mobile Farm Filming and Appearances	15,460	10,562
Corporate Partnerships	78,737	63,914
	<u>160,172</u>	<u>136,408</u>

5. NET INCOME/(EXPENDITURE)

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

	31.3.20	31.3.19
	£	£
Depreciation - owned assets	3,081	3,200
Independent Examiners Fees	1,920	1,920
	<u>4,999</u>	<u>5,120</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

7. STAFF COSTS

	31.3.20	31.3.19
	£	£
Wages and salaries	163,582	180,935
Social security costs	6,254	8,007
Other pension costs	2,753	4,200
	<u>172,589</u>	<u>193,142</u>

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

	31.3.20	31.3.19
Full Time Equivalent	7	8
Average Head Count	13	15
	<u>20</u>	<u>23</u>

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

7. STAFF COSTS - continued

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

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 2019

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	24,321	56,305	80,626
Charitable activities			
Horticulture	7,093	6,539	13,632
Education	27,362	31,500	58,862
Corporate volunteering	63,914	-	63,914
Other trading activities	25,774	-	25,774
Total	148,464	94,344	242,808
 EXPENDITURE ON			
Raising funds	28,358	1,773	30,131
Charitable activities			
Charitable activity	164,477	69,507	233,984
Total	192,835	71,280	264,115
 NET INCOME/(EXPENDITURE)	(44,371)	23,064	(21,307)
 RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	78,604	22,707	101,311
Prior year adjustment	(4,993)	-	(4,993)
As restated	73,611	22,707	96,318
 TOTAL FUNDS CARRIED FORWARD	29,240	45,771	75,011

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

9. KEY MANAGEMENT PERSONNEL

The Key Management Personnel comprise the trustees, the Interim Chief Executive Officer and the Farm Manager. Total remuneration paid to the key management personnel during the year was £17,296 (2019: £41,098).

10. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Horticultural Equipment £	Totals £
COST					
At 1 April 2019 and 31 March 2020	<u>330,579</u>	<u>34,474</u>	<u>15,735</u>	<u>11,859</u>	<u>392,647</u>
DEPRECIATION					
At 1 April 2019	<u>324,344</u>	<u>31,834</u>	<u>15,735</u>	<u>11,859</u>	<u>383,772</u>
Charge for year	<u>1,605</u>	<u>1,476</u>	<u>-</u>	<u>-</u>	<u>3,081</u>
At 31 March 2020	<u>325,949</u>	<u>33,310</u>	<u>15,735</u>	<u>11,859</u>	<u>386,853</u>
NET BOOK VALUE					
At 31 March 2020	<u>4,630</u>	<u>1,164</u>	<u>-</u>	<u>-</u>	<u>5,794</u>
At 31 March 2019	<u>6,235</u>	<u>2,640</u>	<u>-</u>	<u>-</u>	<u>8,875</u>

11. BIOLOGICAL ASSETS

	31.3.20	31.3.19
	£	£
Farmyard animals	<u>6,965</u>	<u>6,619</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20	31.3.19
	£	£
Trade debtors	32,338	32,287
Prepayments	4,194	13,643
Accruals	625	-
	<u>37,157</u>	<u>45,930</u>

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20	31.3.19
	£	£
Trade creditors	7,030	16,098
Other creditors	885	615
Deferred income	6,704	56,495
Accrued expenses	6,473	4,223
	<u>21,092</u>	<u>77,431</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	31.3.20	31.3.19
	fund	fund	Total	Total
	£	£	funds	funds
Fixed assets	5,794	-	5,794	8,875
Current assets	95,025	19,991	115,016	143,567
Current liabilities	(21,092)	-	(21,092)	(77,431)
	<u>79,727</u>	<u>19,991</u>	<u>99,718</u>	<u>75,011</u>

Analysis of Restricted Funds carried forward as at 31st March 2020

	31.3.20	31.3.19
	£	£
Education	19,991	35,375
Volunteering	-	2,495
Farm	-	7,900
	<u>19,991</u>	<u>45,771</u>

Education

These are grants received specifically for the purpose of Education. They relate to the work carried out by the Education Co-ordinator with local schools and around holiday hunger.

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

15. MOVEMENT IN FUNDS

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	29,240	50,487	79,727
Restricted funds			
Restricted	45,771	(25,780)	19,991
TOTAL FUNDS	<u>75,011</u>	<u>24,707</u>	<u>99,718</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	243,810	(193,323)	50,487
Restricted funds			
Restricted	35,977	(61,757)	(25,780)
TOTAL FUNDS	<u>279,787</u>	<u>(255,080)</u>	<u>24,707</u>

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/18 £	Prior year adjustment £	Net movement in funds £	At 31/3/19 £
Unrestricted funds				
General fund	78,604	(4,993)	(44,371)	29,240
Restricted funds				
Restricted	22,707	-	23,064	45,771
TOTAL FUNDS	<u>101,311</u>	<u>(4,993)</u>	<u>(21,307)</u>	<u>75,011</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	148,464	(192,835)	(44,371)
Restricted funds			
Restricted	94,344	(71,280)	23,064
TOTAL FUNDS	<u>242,808</u>	<u>(264,115)</u>	<u>(21,307)</u>

SPITALFIELDS FARM ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

16. RELATED PARTY DISCLOSURES

Mrs Sara Heitlinger is a trustee of the charitable company. Her partner was employed as a gardener during the year until 30 June 2019 and received a gross salary of £1,221. (2019: £4,081).