

**CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017**

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CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JANUARY 2017

Trustees	M E Bell J A Blakeburn L V Hall R Humphreys C Mead, Chair
Company registered number	05541800
Charity registered number	1119341
Registered office	Cornwall Food Foundation Fifteen Cornwall Watergate Bay Newquay Cornwall TR8 4AA
Company secretary	Coodes Law Secretaries Limited Elizabeth House Castle Street Truro TR1 3AP
Chief executive officer	Matthew Thomson
Independent auditors	Bishop Fleming LLP Chartered Accountants Chy Nyverow Newham Road Truro Cornwall TR1 2DP
Bankers	HSBC Bank Plc Newquay Cornwall TR7 1EG
Solicitors	Coodes Elizabeth House Castle Street Truro Cornwall TR1 3AP

CORNWALL FOOD FOUNDATION LIMITED
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CHAIR'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2017

The chair presents her statement for the period.

Throughout the year, the Board of Trustees has continued to work ever more closely with the Board of Directors of the charity's subsidiary to optimise the value in the Fifteen Cornwall restaurant for the benefit of the charity. This is in keeping with our ethos as one of the UK's leading social enterprises and, we hope our approach demonstrates how a charity may use a trading subsidiary to both deliver on its objects and to generate income. The report and statements that follow show that despite uncertainties in both trading and charity funding environments, the Group comprising the Cornwall Food Foundation and its subsidiary Fifteen Cornwall Ltd is resilient. We have had to allow for unscheduled taxation costs because Trustees decided for the second year that the Foundation should bear the cost of the HMRC decision to treat funds spent on transporting trainees as taxable benefits, despite the young people we support being among the most disadvantaged in the country.

The statement of Group consolidated incoming resources of £3,119,893 can obscure the relatively small scale of the charity's actual activities. Trustees would like to take this opportunity to emphasise that the Foundation itself had income of just £462,005 (including £347,940 of gift aid from its trading subsidiary) and Trustees decided to draw on the charitable reserve to enable the Foundation strategy despite the shortfall in external funding. Trustees ask that potential investors and supporters bear in mind that we are a small charity operating a high profile brand under licence as part of a Group which includes a commercially focused subsidiary.

Name C Mead
Chair



Date 7 September 2017

**CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2017**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the consolidated financial statements and auditors' report of the Charity and its subsidiaries for the year ended 31 January 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

The Charity's core objects, as set out in its Memorandum of Association, are to:

1. Relieve unemployment for the public benefit of Cornwall
2. Advance vocational education for the public benefit in Cornwall
3. Alleviate sickness, poverty and distress
4. Promote such other charitable purposes as may from time to time be determined.

Cornwall is a place celebrated for great, outstanding food and food experiences. Conversely it is a place of poor eaters where entrenched food related problems include higher than average rates of obesity (adult and childhood), diabetes and heart disease as well as inequalities of food access, and where there is a shortage of people with employment ready food skills. We aim to take advantage of Cornwall's food strengths to enable us to benefit people experiencing multiple problems.

Our mission is to inspire people in Cornwall through food and enable them to achieve meaningful change in their lives. Our objectives are to run professional training, integrated with personal development support, in excellent hospitality and food business settings; and to deliver community training in a range of other settings. We believe food skills are life skills and that through work-integrated and community training, together with personal development and employment support, we can help people achieve better life opportunities while adding real value to the local economy.

The strategies employed to achieve the Charity's aims and objectives are to:

- Integrate technical skills training with psychological training, combining guided practical experience, coaching and wellbeing support personalised to the needs of each beneficiary.
- Collaborate with partners to improve progression opportunities for people through work and skills training.
- Operate according to the highest standards of commercial discipline to deliver maximum social impact while reducing dependency on grant income.
- Build a family of compelling social enterprise brands that inspire and empower people to make meaningful change in their lives.

The criteria the Charity uses to assess success are:

- 'Distance travelled' by people with multiple complex needs; measured through baseline and regular ongoing assessments of such characteristics as communication skill, confidence, motivation, focus, health, emotional health and wellbeing, and happiness.
- Progress made by young people overcoming barriers to their development including money, accommodation, relationships and influences, stress, alcohol, and drugs.
- Learning objectives achieved by trainees including technical and practical skills, food and nutritional knowledge.
- Programme completions by trainees measured through attendance.
- Number of people with multiple complex needs supported and/or trained.
- Partner engagement in our charitable activities, as suppliers, supporters, delivery partners and referral agencies.

CORNWALL FOOD FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017

The significant activities undertaken during the period were:

- Delivery of Jamie Oliver's Apprentice Programme: vocational chef training for disadvantaged young people from Cornwall, combining vocational technical training and work experience with personal development support.
- Delivery of FoodWorks Community Cooking Programme: refining and developing our pilot of community-based cooking and food skills training for unemployed and economically inactive people in Cornwall.
- Delivery of the Fifteen Schools programme introducing Jamie Oliver's Kitchen Garden Project and healthy eating to schools in Cornwall.
- Supporting the 'Food and Cornwall' network to tackle food poverty, formalising the Cornwall Food Partnership and creating within it the Food for Change project to attract European Social Funding.
- Initiation of a Hospitality Skills Network linking progressive hospitality businesses in using the toolkit we developed with the UK Commission for Employment and Skills to boost pay, progression and productivity.
- Working with partners Living Villages Ltd and Duchy College (part of the Cornwall College Group) to develop plans for our potential training farm and restaurant in Higher Newham, Truro.

The Charity has not made use of social investment or grant making in the year to deliver its charitable objects. Nor has the Foundation made wide use of volunteers in the year, but has enjoyed the support of volunteer drivers to help transport apprentices (from Volunteer Cornwall) and of a volunteer counsellor to augment the personal development support provided to apprentices. The Trustees take the opportunity of thanking all the Volunteers for the work they do throughout the year.

The Trustees have reviewed the activities of the Charity in the light of the guidance published by the Charity Commission on public benefit. The Trustees are satisfied that the Foundation's activities are for the public benefit, relating, as they do, to the relief of unemployment for the public benefit of Cornwall, through vocational training of people suffering poverty or distress; and the promotion of healthy eating education.

ACHIEVEMENTS AND PERFORMANCE

In 2016, the Foundation supported twelve young people from disadvantaged backgrounds in their training in the Fifteen Cornwall Apprenticeship Programme, seven of whom graduated and were employed in restaurants in the South West, London. The Foundation recruited and supported a further 24 unemployed and otherwise disadvantaged young people to study for their Professional Cookery VRQ1 at Cornwall College. These young people were drawn from across Cornwall and were all experiencing multiple complex needs. At the time of reporting ten of these are in one-to-one training in the Fifteen Cornwall restaurant, learning to be professional chefs.

The decline in public funding for welfare to work programmes and the delay in the European funding programme continues to demonstrate the importance of the profits from our very successful Fifteen Cornwall restaurant to deliver the vital coaching, counselling and welfare support on which the success of our programme rests. This year, Fifteen Cornwall has generated £347,940 of gift aided profits for the charity as well as delivering an unrivalled vocational learning environment for the charity and a world class dining experience for over 70,000 guests. The restaurant is therefore a vital asset for the charity instrumental to its charitable delivery as well as to its income generation.

Through a combination of practical skills training and personal development coaching, our new community training programme FoodWorks continues in partnership with job centres in, helping unemployed people overcome a range of personal barriers preventing them from working. With the support of the Hospital Saturday Fund the Foundation worked with Newquay Health Centre to tailor the programme to newly-diagnosed diabetics and people at risk of diabetes. The first delivery of FoodWorks for Health has gone well and a total of 74 participants completed the FoodWorks programme in the year. The Foundation has continued to become more embedded in Cornwall's diverse communities of need through the Cornwall Food Partnership. This work was the basis of a collaborative application to the European Social Fund that resulted in a £1.05million grant offer in January 2017 for the Food For Change project. Food for Change will enable FoodWorks to be scaled up in partnership with foodbanks, community gardens and kitchens and other community partners.

**CORNWALL FOOD FOUNDATION LIMITED
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017**

FINANCIAL REVIEW

The results for the year and Group financial position are shown in the financial statements and Trustees feel the charity is in a stable and sound financial position. Focus remains on generating cash and building reserves. Trustees are mindful of the economic backdrop and every effort is being made to sustain the Group's performance. The Group's consolidated net resources for the year is a deficit of £70,451 (2016: £25,852 surplus).

The charity's £491,702 expenditure (2016: £526,291) was focused on supporting disadvantaged young people within the Fifteen Cornwall Apprentice Programme and long-term unemployed people within the FoodWorks community cooking programme.

Most of the charity's income is obtained from the surpluses achieved by the charity's wholly owned trading subsidiary augmented by donations from restaurant guests and independent supporters and trusts. The Foundation has also secured contract income from Job Centres Plus and the Learning Partnership Company which has supported its core activities. The Foundation generated £58,962 this year (2016: £144,157) through such contracts. The lion's share of the net Foundation income of £462,005 (2016: £594,472) was generated by its subsidiary Fifteen Cornwall, which made a gift aid contribution of £347,940 (2016: £405,409). When taken together with the voluntary donations of £41,016 collected in the restaurant (2016: £42,892) this means over three quarters of the charity's income is derived through its subsidiary.

● **PRINCIPAL RISKS AND UNCERTAINTIES**

The consolidated position of the Fifteen Cornwall restaurant business, the stability of the Brand Licence and a number of new project opportunities mean the Foundation has a positive outlook despite the funding challenges faced across the charitable sector.

Through effective meetings of the Boards and Committees within the Group, medium and long-range planning and close, supportive oversight of the executive team, Trustees identify and address key operational, financial, compliance and strategic risks and review the organisational risk register once a year.

● **RESERVES POLICY**

The trustees consider that its policy should be to maintain sufficient free reserves to:

- Ensure the elimination and continued avoidance of net current liabilities
- Provide sufficient liquid resources to meet both revenue and capital needs of the Charity.

Free reserves are the net current assets of the Charity less any restricted reserves. Sufficient resources are defined as the amount required to ensure that the current cohort completes its course. The Trustees consider that the ideal level of reserves as at 31 January 2017 should be about £250,000 equating to 6 months' of charitable activities costs. The charity's free reserves as at 31 January 2017 was £346,556, excluding fixed assets. The trustees believe this to be an acceptable level within their stated policy, while earmarking reserves to fund much needed future capital expenditure, such as a disabled lift to the restaurant.

**CORNWALL FOOD FOUNDATION LIMITED
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

• CONSTITUTION

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 19 August 2005, as amended on 21 October 2013.

Cornwall Food Foundation was established as a registered charity and a Company Limited by Guarantee. The Foundation is the sole owner of a company limited by share, Fifteen Cornwall Ltd, which it operates as a trading subsidiary. The Foundation is also the sole owner of a dormant subsidiary, Cornwall Food Foundation Enterprises Limited.

MEMBERS' LIABILITY

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a member.

• METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

As set out in the Articles of Association, the board of trustees elects one of their number as Chair, one as Vice-Chair and one as Treasurer, based on nominations made by trustees. New Trustees are appointed by existing Trustees and the members of the charitable company and serve for a period of 3 years. The Memorandum and Articles provides a minimum of 3 Trustees with no more than one third Trustees due for re-appointment in any one year.

All members are circulated with invitations to nominate Trustees prior to the AGM advising them of any retiring Trustees and requesting nominations for the AGM. When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Charity's development. New trustees may be sought by open advertisement or through existing members.

• POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new Trustees observe at least one Board meeting before joining the Board and are briefed on the structure, governance, policies, history and operations of the organisation upon joining the Board. Periodically Trustees are trained on their fiduciary and governance responsibilities by qualified experts.

**CORNWALL FOOD FOUNDATION LIMITED
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017**

• ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board of Trustees normally meets at least once per quarter. The Board establishes an overall framework for the governance of the Charity and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its executive officers and Committees for information, approval, or action. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale that fall outside of the Committees' remit.

There are two committees of the Board, each of which meet at least once a year:

- Finance Committee is responsible for framing, monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting. It also incorporates the role of an audit committee.
- HR & Remuneration Committee is responsible for framing, monitoring, evaluating and reviewing policy and performance in relation to human resources management, compliance with reporting and regulatory requirements and reporting. It has a specific delegated responsibility to fix the remuneration of directors of the trading subsidiary on behalf of Trustees.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Charity and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Charity by the use of budgets and other data, and making major decisions about the direction of the Charity, capital expenditure and staff appointments.

• RISK MANAGEMENT

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

• KEY MANAGEMENT PERSONNEL

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Charity to an executive team. The key management personnel currently comprise the Chief Executive, supported by the General Manager and Head of Finance. The key management personnel implement the policies laid down by the Trustees and report back to them on performance.

• PAY POLICY FOR SENIOR STAFF

The Trustees consider the Charity's Trustees and the senior management team, comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 27 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

• RELATED PARTY RELATIONSHIPS

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any related party transactions are disclosed in the notes to the accounts.

**CORNWALL FOOD FOUNDATION LIMITED
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017**

The Charity has a wholly owned subsidiary, Fifteen Cornwall Limited. The purpose of the subsidiary is to provide the platform for the delivery of the Foundation's training objectives and to generate income for the charity. The Cornwall Food Foundation and Fifteen Cornwall Ltd have distinct boards of directors and currently have two directors in common, and the Chief Executive reports to both boards. Trustees appoint the Directors of the trading subsidiary Fifteen Cornwall, and fix their remuneration, since it is wholly owned by the Cornwall Food Foundation. Trustees have appointed the Chief Executive to the Fifteen Cornwall Ltd Board as the Shareholder representative. A further subsidiary of the Foundation incorporated to manage the Brand Licence Agreement between Cornwall Food Foundation and Jamie Oliver Food Foundation had no financial activity in the period. Minutes of each meeting of each Board are shared promptly with the other Board.

The Charity has a close relationship with Watergate Bay Hotel Ltd of which it is a tenant and with which its subsidiary Fifteen Cornwall shares the common interest of promoting Watergate Bay. Watergate Bay Hotel Ltd has one director in common with Cornwall Food Foundation and two directors in common with Fifteen Cornwall Ltd. The Charity also enjoys a close relationship with The Cornwall College Group, whose Chief Executive serves as the honorary Treasurer for Cornwall Food Foundation.

PLANS FOR FUTURE PERIODS

With the Fifteen Cornwall restaurant continuing to perform well and significant European Social Funding secured for charitable activities over the next three years, the Boards of the Cornwall Food Foundation and Fifteen Cornwall Ltd remain confident about growth prospects for the near-term future. FoodWorks is growing in reach and scale, evidence of the programme's efficacy is gathering and the Food for Change project will embed it with partners across Cornwall. The Fifteen brand, and the hospitality expertise that sits behind it, continues to be sought after by commercial and social partners.

Looking beyond European funding, the Boards will evaluate carefully the best options for expanding Fifteen Cornwall and is committed to commercial growth to underpin the extension of Foundation activities. Plans for the new training farm and restaurant on the edge of Truro continue to develop. While plans for opening have been put back to 2020 due to development and planning constraints, the Foundation will initiate community food-growing on the site in 2017. The charity's growth plans will continue to focus on commercial excellence in hospitality, rigorous professional training and inclusive community training.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Cornwall Food Foundation for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the

**CORNWALL FOOD FOUNDATION LIMITED
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2017**

Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report was approved by the trustees on 7 September 2017 and signed on their behalf by:



C Mead
Chair of Trustees

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL FOOD FOUNDATION LIMITED

We have audited the financial statements of Cornwall Food Foundation Limited for the year ended 31 January 2017 set out on pages 12 to 33. 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).

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, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charity 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.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2017 and of the group's 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 and the Charities Act 2011.

OPINION ON OTHER MATTER 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

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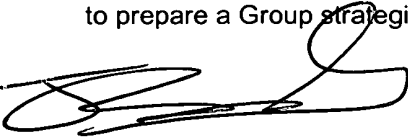
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL FOOD FOUNDATION LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity 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 Group strategic report.



Joseph Scaife FCA DChA (Senior statutory auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP
Date: 17/10/19.

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CORNWALL FOOD FOUNDATION LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	55,102	-	55,102	44,882
Charitable activities	4	13,412	45,550	58,962	144,157
Other trading activities	3	3,005,829	-	3,005,829	3,137,494
Investments		-	-	-	24
TOTAL INCOME		3,074,343	45,550	3,119,893	3,326,557
EXPENDITURE ON:					
Raising funds	3	2,690,831	-	2,690,831	2,761,226
Charitable activities		452,677	39,025	491,702	526,801
Other expenditure		7,811	-	7,811	12,678
TOTAL EXPENDITURE	8	3,151,319	39,025	3,190,344	3,300,705
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(76,976)	6,525	(70,451)	25,852
NET MOVEMENT IN FUNDS		(76,976)	6,525	(70,451)	25,852
RECONCILIATION OF FUNDS:					
Total funds brought forward		462,470	7,692	470,162	444,310
TOTAL FUNDS CARRIED FORWARD		385,494	14,217	399,711	470,162

The notes on pages 17 to 33 form part of these financial statements.

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 05541800

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		613,529		727,053
CURRENT ASSETS					
Stocks	16	56,725		49,520	
Debtors	17	143,900		160,290	
Cash at bank and in hand		345,622		433,904	
		<u>546,247</u>		<u>643,714</u>	
CREDITORS: amounts falling due within one year	18	<u>(378,045)</u>		<u>(447,816)</u>	
NET CURRENT ASSETS			168,202		195,898
TOTAL ASSETS LESS CURRENT LIABILITIES			781,731		922,951
CREDITORS: amounts falling due after more than one year	19		(382,020)		(452,789)
NET ASSETS			399,711		470,162
CHARITY FUNDS					
Restricted funds	21	14,217		7,692	
Unrestricted funds	21	385,494		462,470	
TOTAL FUNDS			399,711		470,162

The financial statements were approved and authorised for issue by the trustees on 7 September 2017 and signed on their behalf, by:



C Mead
Chair of Trustees

The notes on pages 17 to 33 form part of these financial statements.

CORNWALL FOOD FOUNDATION LIMITED
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REGISTERED NUMBER: 05541800

CHARITY BALANCE SHEET
AS AT 31 JANUARY 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		2,198		3,527
Investments	15		151		151
			2,349		3,678
CURRENT ASSETS					
Debtors	17	302,094		299,075	
Cash at bank and in hand		105,405		135,056	
		407,499		434,131	
CREDITORS: amounts falling due within one year	18	(46,726)		(44,990)	
NET CURRENT ASSETS			360,773		389,141
NET ASSETS			363,122		392,819
CHARITY FUNDS					
Restricted funds	21		14,217		7,692
Unrestricted funds	21		348,905		385,127
TOTAL FUNDS			363,122		392,819

The financial statements were approved and authorised for issue by the trustees on 7 September 2017 and signed on their behalf, by:



C Mead
Chair of Trustees

The notes on pages 17 to 33 form part of these financial statements.

CORNWALL FOOD FOUNDATION LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	<u>(18,626)</u>	<u>243,847</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	24
Purchase of tangible fixed assets		(9,656)	(8,187)
Purchase of investments		-	(150)
Net cash used in investing activities		<u>(9,656)</u>	<u>(8,313)</u>
Cash flows from financing activities:			
Repayments of borrowings		(60,000)	(133,730)
Net cash used in financing activities		<u>(60,000)</u>	<u>(133,730)</u>
Change in cash and cash equivalents in the year		(88,282)	101,804
Cash and cash equivalents brought forward		<u>433,904</u>	<u>332,100</u>
Cash and cash equivalents carried forward	24	<u>345,622</u>	<u>433,904</u>

The notes on pages 17 to 33 form part of these financial statements.

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CHARITY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	<u>(29,156)</u>	<u>67,195</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(495)	(1,292)
Purchase of investments		<u>-</u>	<u>(150)</u>
Net cash used in investing activities		<u>(495)</u>	<u>(1,442)</u>
Change in cash and cash equivalents in the year		(29,651)	65,753
Cash and cash equivalents brought forward		<u>135,056</u>	<u>69,303</u>
Cash and cash equivalents carried forward	24	<u>105,405</u>	<u>135,056</u>

The notes on pages 17 to 33 form part of these financial statements.

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Cornwall Food Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

1.2 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE

In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The only restatement required was the reclassification of governance costs within support costs, in accordance with the Charities SORP FRS 102.

1.3 COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.4 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

1. ACCOUNTING POLICIES (continued)

1.5 INCOME

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

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

General donations are recognised in the period of receipt. The value of services provided by volunteers have not been included in the financial statements.

Where entitlement to a grant is not conditional on delivery of specific performance by the charity, grants are recognised when the charity becomes unconditionally entitled to the grant. Where specific deliverables exist grants are account for as the charity earns the right to that income by its performance.

1.6 RESTAURANT INCOME

Turnover comprises revenue recognised by the charity' trading subsidiary in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.7 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017**

1. ACCOUNTING POLICIES (continued)

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	over life of lease
Plant and machinery	-	5 years straight line
Motor vehicles	-	2 years straight line
Fixtures and fittings	-	3 - 5 years straight line
Office equipment	-	3 years straight line

1.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity's trading subsidiary; this is normally upon notification of the interest paid or payable by the Bank.

1.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.13 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

1. ACCOUNTING POLICIES (continued)

1.14 TAXATION

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

The Cornwall Food Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.15 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.

1.16 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.17 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.18 FINANCIAL INSTRUMENTS

The charity's trading subsidiary only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.19 PENSIONS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

CORNWALL FOOD FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	55,102	-	55,102	44,882
<i>Total 2016</i>	44,882	-	44,882	

3. TRADING ACTIVITIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
ACTIVITIES FOR GENERATING FUNDS			
Restaurant income	3,005,829	3,005,829	3,137,494
ADMINISTRATIVE EXPENSES			
Restaurant cost of sales	913,713	913,713	951,006
Restaurant administrative expenses	538,723	538,723	542,875
Restaurant staff costs	1,114,658	1,114,658	1,143,048
Restaurant depreciation	123,737	123,737	124,297
	2,690,831	2,690,831	2,761,226
Net income from trading activities	314,998	314,998	376,268

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Delivery of training programme	13,412	45,550	58,962	144,157
<i>Total 2016</i>	104,476	39,681	144,157	

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

5. DIRECT COSTS

	Delivery of training £	Total 2017 £	Total 2016 £
Depreciation	-	-	900
Delivery of Fifteen Apprentice programme	201,322	201,322	202,028
	201,322	201,322	202,928
<i>At 31 January 2016</i>	202,928	202,928	

6. SUPPORT COSTS

	Delivery of training £	Total 2017 £	Total 2016 £
General costs	39,429	39,429	52,640
Insurance	2,373	2,373	2,167
Bank charges	293	293	289
Auditor's fees	2,524	2,524	3,756
Wages and salaries	223,350	223,350	234,121
National insurance	17,702	17,702	21,856
Pension cost	2,885	2,885	7,296
Depreciation	1,824	1,824	1,748
	290,380	290,380	323,873
<i>At 31 January 2016</i>	323,873	323,873	

Support costs are costs incurred by the Charity to support income generating activities.

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Delivery of Fifteen Apprentice programme	201,322	290,380	491,702	526,801
<i>Total 2016</i>	202,928	323,873	526,801	

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	1,114,658	123,737	1,452,436	2,690,831	2,761,226
COSTS OF GENERATING FUNDS	1,114,658	123,737	1,452,436	2,690,831	2,761,226
CHARITABLE ACTIVITIES:					
Delivery of Fifteen					
Apprentice programme	243,937	1,824	245,941	491,702	526,801
TAXATION	-	-	7,811	7,811	12,678
	1,358,595	125,561	1,706,188	3,190,344	3,300,705
<i>Total 2016</i>	<i>1,406,321</i>	<i>126,945</i>	<i>1,767,439</i>	<i>3,300,705</i>	

9. TURNOVER

All turnover arose within the United Kingdom.

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	125,561	126,045
Amortisation of intangible fixed assets	-	900

During the year, no trustees received any remuneration (2016: £NIL).

During the year, no trustees received any benefits in kind (2016: £NIL).

During the year, no trustees received any reimbursement of expenses (2016: £NIL).

11. AUDITORS' REMUNERATION

	2017 £	2016 £
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	2,100	2,100
Fees payable to the charity's auditor and its associates in respect of:		
The auditing of accounts of associates of the charity	6,770	6,700
All other non-audit services not included above	1,416	5,400

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

12. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,220,963	1,253,182
Social security costs	118,301	125,213
Other pension costs	19,331	27,926
	<u>1,358,595</u>	<u>1,406,321</u>

The average number of persons employed by the charity during the year was as follows:

	2017 No.	2016 No.
Director of trading subsidiary	2	2
Administration	4	5
Operational (Charity)	5	5
Operational (Trading)	61	62
	<u>72</u>	<u>74</u>

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

13. INTANGIBLE FIXED ASSETS

GROUP	Print Design
COST	£
At 1 February 2016 and 31 January 2017	<u>2,700</u>
AMORTISATION	
At 1 February 2016 and 31 January 2017	<u>2,700</u>
CARRYING AMOUNT	
At 31 January 2017	<u>-</u>

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

14. TANGIBLE FIXED ASSETS

GROUP	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST						
At 1 February 2016	1,107,145	295,080	3,400	255,276	36,282	1,697,183
Additions	4,705	2,678	-	340	1,933	9,656
At 31 January 2017	1,111,850	297,758	3,400	255,616	38,215	1,706,839
DEPRECIATION						
At 1 February 2016	502,652	203,123	900	232,001	31,454	970,130
Charge for the year	61,768	45,095	1,200	11,672	3,445	123,180
At 31 January 2017	564,420	248,218	2,100	243,673	34,899	1,093,310
NET BOOK VALUE						
At 31 January 2017	547,430	49,540	1,300	11,943	3,316	613,529
At 31 January 2016	604,493	91,957	2,500	23,275	4,828	727,053

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
CHARITY				
COST				
At 1 February 2016	4,572	653	2,274	7,499
Additions	-	-	495	495
At 31 January 2017	4,572	653	2,769	7,994
DEPRECIATION				
At 1 February 2016	2,667	239	1,066	3,972
Charge for the year	914	131	779	1,824
At 31 January 2017	3,581	370	1,845	5,796
NET BOOK VALUE				
At 31 January 2017	991	283	924	2,198
At 31 January 2016	1,905	414	1,208	3,527

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

15. INVESTMENTS

	Shares in group undertakings £
CHARITY	
Carrying value at cost	
At 1 February 2016 and 31 January 2017	151

Cornwall Food Foundation owns 100% of the share capital of Fifteen Cornwall Limited, a company registered in England and Wales. The principal activities of Fifteen Cornwall Limited are running a restaurant and providing a training facility.

Cornwall Food Foundation owns 100% of the share capital of Cornwall Food Foundation Enterprises Limited, a company registered in England and Wales, which was dormant during the accounting period.

Summary statement of comprehensive income for the year ended 31 January 2017

	2017 £	2016 £
Fifteen Cornwall Limited		
Turnover	2,985,899	3,077,958
Cost of sales	(912,204)	(949,601)
Gross profit	<u>2,073,695</u>	<u>2,128,357</u>
Administrative expenses	(1,772,489)	(1,800,050)
Operating profit	<u>301,206</u>	<u>328,307</u>
Other income	19,930	56,448
Interest payable and similar charges	(6,138)	(9,897)
Profit on ordinary activities before taxation	<u>314,998</u>	<u>374,858</u>
Tax on profit on ordinary activities	(7,811)	(12,678)
Profit for the year	<u>307,187</u>	<u>362,180</u>
Gift aid donation to parent undertaking	(347,940)	(405,409)
Surplus brought forward	77,343	120,572
Retained profit in subsidiary carried forward	<u>36,590</u>	<u>77,343</u>

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

Statement of financial position as at 31 January 2017

	2017 £	2016 £
Tangible fixed assets	611,331	723,526
Current assets	428,996	485,795
Creditors falling due within one year	(566,777)	(679,189)
Creditors falling after more than one year	(382,020)	(452,789)
Total	<u>91,530</u>	<u>77,343</u>

16. STOCKS

	GROUP		CHARITY	
	2017 £	2016 £	2017 £	2016 £
Finished goods and goods for resale	<u>56,725</u>	<u>49,520</u>	<u>-</u>	<u>-</u>

17. DEBTORS

	GROUP		CHARITY	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	51,856	61,703	11,090	21,790
Amounts owed by group undertakings	-	-	290,351	276,363
Other debtors	1,803	1,412	124	490
Prepayments and accrued income	23,249	22,372	529	432
Deferred tax asset (see note 20)	66,992	74,803	-	-
	<u>143,900</u>	<u>160,290</u>	<u>302,094</u>	<u>299,075</u>

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2017 £	2016 £	2017 £	2016 £
Bank loans and overdrafts	5,000	67,813	-	-
Payments received on account	6,325	14,543	-	-
Trade creditors	62,154	71,558	14,103	2,429
Other taxation and social security	85,807	91,575	5,610	7,831
Other creditors	24,628	32,607	4,547	11,447
Accruals and deferred income	194,131	169,720	22,466	23,283
	<u>378,045</u>	<u>447,816</u>	<u>46,726</u>	<u>44,990</u>

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	GROUP		CHARITY	
	£	£	£	£
DEFERRED INCOME				
Deferred income at 1 February 2016	513,707	579,625	-	-
Amounts released from previous years	(65,843)	(65,918)	-	-
Deferred income at 31 January 2017	447,864	513,707	-	-

Deferred income included within creditors within one year at the year end was £106,369 (2016: £104,994).

The above bank loans and overdrafts are secured against the subsidiary's assets under a fixed and floating charge.

19. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	-	5,000	-	-
Government grants received	382,020	447,789	-	-
	382,020	452,789	-	-

The above bank loans and overdrafts are secured against the subsidiary's assets under a fixed and floating charge.

20. DEFERRED TAXATION

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
At beginning of year	74,803	87,481	-	-
(Charge for)/released during the year (P&L)	(7,811)	(12,678)	-	-
At end of year	66,992	74,803	-	-

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

20. DEFERRED TAXATION (continued)

The deferred taxation balance is made up as follows:

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Accelerated capital allowances	66,992	74,803	-	-

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 February 2016 £	Income £	Expenditure £	Balance at 31 January 2017 £
UNRESTRICTED FUNDS				
Charity Reserves	385,127	422,592	(458,815)	348,904
Subsidiary Reserves	77,343	2,651,751	(2,692,504)	36,590
	462,470	3,074,343	(3,151,319)	385,494
RESTRICTED FUNDS				
FoodWorks (Community Cooking fund)	7,692	29,400	(22,875)	14,217
Experts Grow	-	7,080	(7,080)	-
Careers programme	-	9,070	(9,070)	-
	7,692	45,550	(39,025)	14,217
Total of funds	470,162	3,119,893	(3,190,344)	399,711

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 February 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 January 2016 £
UNRESTRICTED FUNDS					
Charity Reserves	320,919	555,714	(491,506)	-	385,127
Subsidiary Reserves	120,572	2,731,162	(2,774,391)	-	77,343
	441,491	3,286,876	(3,265,897)	-	462,470

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

21. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

FoodWorks (Community Cooking fund)	2,819	21,700	(16,827)	-	7,692
Experts Grow	-	17,981	(17,981)	-	-
	<u>2,819</u>	<u>39,681</u>	<u>(34,808)</u>	<u>-</u>	<u>7,692</u>
Total of funds	<u>444,310</u>	<u>3,326,557</u>	<u>(3,300,705)</u>	<u>-</u>	<u>470,162</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 February 2016 £	Income £	Expenditure £	Balance at 31 January 2017 £
General funds	462,470	3,074,343	(3,151,319)	385,494
Restricted funds	7,692	45,550	(39,025)	14,217
	<u>470,162</u>	<u>3,119,893</u>	<u>(3,190,344)</u>	<u>399,711</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 February 2015 £	Income £	Expenditure £	Balance at 31 January 2016 £
General funds	441,491	3,286,876	(3,265,897)	462,470
Restricted funds	2,819	39,681	(34,808)	7,692
	<u>444,310</u>	<u>3,326,557</u>	<u>(3,300,705)</u>	<u>470,162</u>

Restricted Funds

Community Cooking fund arose from monies received from the Department of Work and Pensions for the Community Cooking project.

The Experts Grow fund arose from monies received from UK Commission For Employment and Skills (UKCES) to develop ways of improving the earnings and progression of low paid staff in the hospitality sector.

CORNWALL FOOD FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	613,529	-	613,529
Current assets	539,841	14,217	554,058
Creditors due within one year	(378,045)	-	(378,045)
Creditors due in more than one year	(382,020)	-	(382,020)
Provisions for liabilities and charges	(7,811)	-	(7,811)
	<u>385,494</u>	<u>14,217</u>	<u>399,711</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	727,052	-	727,052
Fixed asset investments	150	-	150
Current assets	648,550	7,692	656,242
Creditors due within one year	(447,815)	-	(447,815)
Creditors due in more than one year	(452,789)	-	(452,789)
Provisions for liabilities and charges	(12,678)	-	(12,678)
	<u>462,470</u>	<u>7,692</u>	<u>470,162</u>

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	group 2016 £	2017 £	charity 2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(70,451)	25,852	(84,637)	69,080
Adjustment for:				
Depreciation charges	123,180	126,945	1,824	1,747
Losses on investments	-	(24)	-	-
(Increase)/decrease in stocks	(7,205)	15,305	-	-
(Increase)/decrease in debtors	62,162	56,218	51,921	(18,182)
(Decrease)/increase in creditors	(126,312)	19,551	1,736	14,550
Net cash (used in)/provided by operating activities	<u>(18,626)</u>	<u>243,847</u>	<u>(29,156)</u>	<u>67,195</u>

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24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	group	2017	charity
	£	2016	£	2016
		£		£
Cash in hand	345,622	433,904	105,405	135,056
Total	345,622	433,904	105,405	135,056

25. PENSION COMMITMENTS

The Group operates defined contribution pension schemes, one for staff in the parent, one for salaries staff in the subsidiary company and another for hourly paid staff in the subsidiary company. The pension cost charge for the period represents contributions payable by the Group to the scheme and amount to £19,331 (2016: £27,926). The pension cost charge for the period represents contributions payable by the Company to the scheme and amount to £2,885 (2016: £7,296).

Contributions amounting to £2,665 (2016: £3,001) were payable to the schemes by the Group and are included in creditors. Contributions amounting to £Nil (2016: £Nil) were payable to the schemes by the Company and are included in creditors.

26. OPERATING LEASE COMMITMENTS

At 31 January 2017 the total of the group's future minimum lease payments under non-cancellable operating leases was:

GROUP	2017	2016
	£	£
AMOUNTS PAYABLE:		
Within 1 year	100,060	100,060
Between 1 and 5 years	400,240	400,240
After more than 5 years	500,300	500,300
Total	1,000,600	1,000,600

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27. RELATED PARTY TRANSACTIONS

During the year, Fifteen Cornwall Limited traded with the Watergate Bay Hotel Limited, a company in which William Ashworth and Judith Blakeburn are also directors. At the year end £31,754 (2016 £16,977) was owed to Watergate Bay Hotel by Fifteen Cornwall Limited. The amount invoiced to Fifteen Cornwall Limited was £188,824 (2016: £155,600), broken down as follows:

£14,577 (2016: £15,240) for management and administrative services
£54,175 (2016: £40,300) for goods purchased on behalf of Fifteen Cornwall Limited
£120,072 (2016: £100,060) for rent of restaurant, office areas and car parking spaces

Fifteen Cornwall Limited invoiced The Watergate Bay Hotel Limited £181,505 (2016: £184,744) during the year, as follows:

£176,308 (2016: £184,719) for Hotel guests dining in the restaurant
£5,197 (2016: £25) for goods purchased on behalf of Watergate Bay Hotel

At the year end £36,257 (2016: £39,195) was due from Watergate Bay Hotel Limited to Fifteen Cornwall Limited.

During the year, Fifteen Cornwall Limited traded with Graeme Blakeburn, husband of Judith Blakeburn (director of Fifteen Cornwall Limited). The amount invoiced to Fifteen Cornwall Limited was £9,952 (2016: £10,095) in respect of IT support. At the year end £1,152 (2016: £576) was owed to Graeme Blakeburn by Fifteen Cornwall Limited.

During the year, Fifteen Cornwall Limited paid amounts totalling £825 (2016: £4,950) to Lynher Dairies Cheese Co. Limited, a company in which the director Catherine Mead is also a director, for business advice. At the year end £Nil (2016: £990) was owed to Lynher Dairies Cheese Co. Limited by Fifteen Cornwall Limited.

Total key management personnel remuneration paid by the charity for the year was £67,437.

28. POST BALANCE SHEET EVENTS

On 11 July 2017, Cornwall Food Foundation Enterprises Limited, a dormant subsidiary of which Cornwall Food Foundation owned 100% of the share capital, was dissolved at Companies House.