

Registered Company Number: 08503050 (England and Wales)
Charity Registration No. 1166696

THANET FOOD LINK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

THANET FOOD LINK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D J Ellisdon - Chairman P L S Ellisdon J M Gration (Appointed 29 Apr 2020) J C Overin N H B Ratcliffe (Resigned 23 Oct 2019) E Weitzel (Appointed 12 Sep 2019) J E Wickenden
Charity number	1166696
Registered company number	08503050
Registered office	54 Bromstone Road Broadstairs Kent CT10 2HT
Principal office	Unit 3C Westwood Business Park Strasbourg Street Margate Kent CT9 4JJ
Independent examiner	M Wilkes FCA Azets Audit Services Delandale House 37 Old Dover Road Canterbury Kent CT1 3JF
Bankers	HSBC 26 Westwood Cross Shopping Centre Margate Road Broadstairs Kent CT10 2BF

THANET FOOD LINK LIMITED

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THANET FOOD LINK LIMITED

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MARCH 2020

At our AGM in October 2019, I reported that it had been a very quiet year as regards changes. The organisation was running smoothly with a firmly established way of operating.

Heather Ratcliffe had left and Emily Weitzel joined us in the directorship. In early 2020 Nick Ratcliffe also left us as the family moved away and Judy Gratton joined us. We are very grateful for the invaluable input of all directors past and present to Thanet Food Link.

Our regular income had increased after an appeal to cover warehouse rent which was a great blessing. Food donations were also very generous especially at harvest time. We had good links with the community and were encouraged by how much they wanted to support us. Our major decision at that time was to move towards paper bags to curtail the usage of plastic and help the environment, which we have successfully done.

In the early months of 2020, we learned about Covid 19 and the impact it was beginning to have in other countries. By mid March we had moved into total lockdown. Many of our volunteers were shielding, voucher distribution centres closed, certain food essentials were becoming scarce through panic buying, and the demand for food parcels began to rise quite dramatically. Following a brief distanced meeting of directors at the warehouse, we devised a way whereby packing could be done at the warehouse by family groupings to meet social distancing requirements, and all voucher assignment and food distribution was moved to St Pauls Church which had closed for public worship.

This was the beginning of what has proved to be a phenomenal 2020 with demand increasing from 150 parcels per month to 1,000 at the peak. Miraculously food and financial donations have increased to meet demand and volunteers were able to reorganise their sorting, packing and distribution responsibilities to meet every request for food, even when we were distributing 300 parcels a week.

The overwhelming message to all volunteers is thank you for your time, your skills and the food that you give, especially stepping up to meet the demands of Covid 19. We are Food Link - simply providing a link to pass food on from those who have enough food to those in Thanet who find themselves without. This year we have shown that we are actually much more than that – we are a lifeline to many in our local community.

D J Ellison

Date: 24 September 2020

THANET FOOD LINK LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014, as amended by bulletin 1.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The charity's objective is primarily to provide relief for the public benefit of poverty, hardship and distress through the provision of food parcels, toiletries and other essentials to people in crises. The charity relies on voluntary help.

b. Strategies for achieving objectives

The charity has strong links with the local community and works with over 15 local agencies to ensure that the food parcels reach the intended beneficiaries.

c. Activities for achieving objectives

The charity works in partnership with other organisations in the Thanet area to identify those in need. The organisations then issue vouchers to be redeemed at the charity's food distribution point.

d. Main activities undertaken to further the charity's purposes for the public benefit

All of the activities provided by the charity are for the benefit of the public with food parcels, toiletries and other essentials provided to anyone in need.

ACHIEVEMENTS AND PERFORMANCE

a. Review of activities

Working within the Thanet area, over 1,900 food parcels were distributed in the year under review. The parcels helped to feed almost 2,180 adults and children, representing over 20,000 meals in one year.

FINANCIAL REVIEW

The accounts to 31 March 2020 show a surplus for the year of £4,462 (2019: £961). Of the total income of £31,128, the majority (£18,498) represents the value of donated food.

All restricted funding for food parcel distribution and for warehouse rent was spent by the end of the year however general regular donations have increased to meet these costs. Additional funding for warehouse costs and to meet the sudden increase in demand for food parcels due to Covid 19 was applied for after the year end.

a. Going concern

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

The Trustees do not consider that the Covid 19 pandemic will effect the charity's ability to continue as a going concern

THANET FOOD LINK LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2020

b. Reserves policy

At the charity distributes donated food and food bought from donations, the trustees did not consider to necessary to hold significant reserves.

The charity has continued with the short term lease of a warehouse. Fundraising to cover the cost has been successful and with increased regular giving from churches and individuals, sufficient funds are in place to cover most of the lease obligation to the current lease end date on June 2020.

Unrestricted funds at 31 March 2020 totalled £21,699 (2019: £12,982).

There were no restricted funds at 31 March 2020 (2019 - £4,255).

Total funds at 31 March 2020 totalled £21,699 (2019: £17,237).

c. Future developments

As outlined in the Chairman's report, Covid 19 caused a huge rise in demand for food parcels from March 2020 onwards which peaked in May/June at around 1,000 parcels per month. The Charity was able to meet this demand from the generosity of donors of both cash and food, support from local agencies such as Ramsgate Town Council, donations from supermarkets, and emergency grant funding from Kent Community Foundation and Kent County Council. Volunteers also reorganised and stepped up responsibility massively. Although demand has eased slightly (to around 500 parcels per month), Covid 19 continues to be a national issue threatening jobs as well as health.

d. Post Balance Sheet Events

The lease on the warehouse has been renewed for a further 3 years and grant funding obtained to finance the first year. With the demands of Covid 19 still very real and volunteers returning to their regular jobs and responsibilities, the Charity is looking to employ a part time coordinator to oversee its operations at a cost of £10K pa. Funding for the first year has been applied for although with the generosity of recent donations in recent months, the appointment would be affordable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

Thanet Food Link Limited is a company limited by guarantee governed by its Memorandum and Articles of Association adopted 1 April 2019 (the original Memorandum and Articles of Association dated 24 March 2013 were replaced to reflect the change from a CIC to a charitable company)

b. Method of appointment or election of Trustees

Trustees are appointed by a resolution of the trustees at a general meeting. They are chosen with regards to the skills, knowledge and experience needed for the effective administration of the charity. If a trustee is deemed appropriate and willing to make the required commitment then they are proposed to the committee.

c. Policies adopted for the induction and training of Trustees

New Trustees are given training by the Trustees as necessary.

d. Organisational structure and decision making

The general direction of the charity is under the control of the Trustee.

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

THANET FOOD LINK LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2020

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 24 September 2020 and signed on their behalf by:

Mrs D J Ellisdon
Trustee

THANET FOOD LINK LIMITED

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THANET FOOD LINK LIMITED (the "company")

I report on the accounts 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 financial statements 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

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:

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
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
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 to the UK (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 financial statements to be reached.

M A Wilkes (FCA)

Azets Audit Services

Delandale House, 37 Old Dover Road, Canterbury, Kent, CT1 3JF

Date: 21 October 2020

THANET FOOD LINK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted fund 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Donations and legacies	2	31,128	-	31,128	28,506
Total income		31,128	-	31,128	28,506
<u>Expenditure on:</u>					
Charitable activities	3	22,411	4,255	26,666	27,545
Total expenditure		22,411	4,255	26,666	27,545
Net movement in funds		8,717	(4,255)	4,462	961
Fund balances at 1 April 2019		12,982	4,255	17,237	16,276
Fund balances at 31 March 2020		21,699	-	21,699	17,237

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THANET FOOD LINK LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

Registered company number: 08503050

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	6		<u>1,017</u>		<u>1,481</u>
			1,017		1,481
Current assets					
Debtors	7	953		528	
Cash at bank and in hand		<u>20,509</u>		<u>16,236</u>	
		21,462		16,764	
Creditors: amounts falling due within one year	8	<u>(780)</u>		<u>(1,008)</u>	
Net current assets			<u>20,682</u>		<u>15,756</u>
Total assets less current liabilities			<u><u>21,699</u></u>		<u><u>17,237</u></u>
Income funds					
Unrestricted funds			<u>21,699</u>		<u>12,982</u>
Restricted funds	10		<u>-</u>		<u>4,255</u>
			<u><u>21,699</u></u>		<u><u>17,237</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

The Trusees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trusees on 24 September 2020

D J Ellisdon
Trustee

J E Wickenden
Trustee

THANET FOOD LINK LIMITED

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

1. Accounting policies

1.1 Charity information

Thanet Food Link Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 54 Bromstone Road, Broadstairs, England, CT10 2HT.

1.2 Basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2014, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015 updated for bulletin 1.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.3 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trustees do not consider the impact of Covid 19 will affect the charity's ability to continue as a going concern due to the increased giving, healthy bank balance and good levels of food stocks.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have 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.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Food goods donated to the charity have been measured by weight giving a monetary fair value which has been included within the accounts at the time of distribution. Food donated and held as stock for distribution by the charity is recognised as income when distributed.

THANET FOOD LINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies (continued)

1.6 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Fixtures and fittings - 20% on cost
- Computer equipment - 33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.10 Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

THANET FOOD LINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies (continued)

1.11 Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.12 Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THANET FOOD LINK LIMITED

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

2. Donations and legacies	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations - cash	11,790	-	11,790	7,991
Donations - food	18,498	-	18,498	19,347
Gift aid	840	-	840	418
Grants - Tesco "Bags of help" scheme	-	-	-	750
	31,128	-	31,128	28,506
For the year ended 31 March 2019	<u>27,756</u>	<u>750</u>	<u>28,506</u>	

Food donations	2020 kg	2019 kg
Weight of food distributed	13,601	14,112
	£	£
Value of food distributed	19,993	20,745
Less: cost of food purchased	(1,495)	(1,398)
	18,498	19,347

Donated food has been valued at 50% of retail value at £1.47 per kg (2019: £1.47).

3. Expenditure on charitable activities	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Direct costs				
Distribution of food	17,843	655	18,498	19,347
Food purchases	1,495	-	1,495	1,398
Storage and packaging costs	127	-	127	200
Legal fees	-	-	-	-
Warehouse rent	-	3,600	3,600	3,600
Warehouse service charge	480	-	480	360
	19,945	4,255	24,200	24,905
Share of support costs (see note 5)	1,686	-	1,686	1,632
Governance costs - Audit fees	780	-	780	1,008
	22,411	4,255	26,666	27,545
For the year ended 31 March 2019	<u>23,778</u>	<u>3,767</u>	<u>27,545</u>	

THANET FOOD LINK LIMITED

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

4. Support costs	2020	2019
	£	£
Insurance	451	560
Light and heat	239	333
Postage and stationery	325	244
Sundries	122	97
Volunteers expenses	18	80
Repairs and maintenance	67	-
Depreciation	464	318
	1,686	1,632

5. Trustees and employees

The charitable company has no employees. The trustees did not receive any remuneration, benefits or received reimbursement of expenses in either the current or previous year.

6. Tangible fixed assets

	Fixtures & Fittings £	Computer equipment £	Total £
Cost			
At 1 April 2019 and 31 March 2020	2,693	349	3,042
Depreciation			
At 1 April 2019	1,503	58	1,561
Depreciation charged in the year	348	116	464
At 31 March 2020	1,851	174	2,025
Carrying amount			
At 31 March 2020	842	175	1,017
At 31 March 2019	1,190	291	1,481

7. Debtors

	2020	2019
	£	£
Other debtors	840	418
Prepayments	113	110
	953	528

THANET FOOD LINK LIMITED

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

8. Creditors: amounts falling due within one year	2020	2019
	£	£
Accruals and deferred income	780	1,008
	<u>780</u>	<u>1,008</u>
	<u><u>780</u></u>	<u><u>1,008</u></u>

9. Leasing Agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	900	3,600
Between one and five years	-	900
	<u>900</u>	<u>4,500</u>
	<u><u>900</u></u>	<u><u>4,500</u></u>

10. Restricted funds

	Balance at 01 Apr 19 £	Income £	Expenditure £	Balance at 31 Mar 20 £
CURRENT YEAR				
Restricted funds				
Warehouse Rents Fund	3,702	-	(3,702)	-
Food and Food Storage Fund	553	-	(553)	-
	<u>4,255</u>	<u>-</u>	<u>(4,255)</u>	<u>-</u>
	<u><u>4,255</u></u>	<u><u>-</u></u>	<u><u>(4,255)</u></u>	<u><u>-</u></u>
PRIOR YEAR				
Restricted funds				
Warehouse Rents Fund	6,552	750	(3,600)	3,702
Food and Food Storage Fund	720	-	(167)	553
	<u>7,272</u>	<u>750</u>	<u>(3,767)</u>	<u>4,255</u>
	<u><u>7,272</u></u>	<u><u>750</u></u>	<u><u>(3,767)</u></u>	<u><u>4,255</u></u>

Warehouse Rents Fund

Grant received to be used on the rent and services charge for the warehouse.

Food and Food Storage Fund

Grants received to be spent on items for the storage of food and also on food for the food parcels.