



Charity Annual Report & Accounts

1 April 2017 - 31 March 2018

Registered Charity Number: 1151705

Authors: P Bailey, J Rafferty, M Forman, R Spurling

Date: August 2018

Chair's Report

I am delighted to report that the Foodbank Charity has had another successful year developing its services and facilities to help Cheshire people in need. In particular

- Foodbank demand has risen. There was a 33.6% increase in vouchers processed in the last 12 months and we have successfully managed this significant growth
- To help meet this demand we now run supermarket collections in most months and we collect in a larger number of stores
- We continue to provide include toiletries in our standard regular 'food' parcels investing some of our cash resources to create stocks of these items.

Of course, we would all prefer to be in a situation where no one is in need, but it is good that we have the resources to help in so many people.

Our success is due to the enthusiasm and commitment of our many volunteers and I would like to say a big thank you to everyone who has given their support to the charity. We are celebrating 5 years since opening our first distribution centre.

Key to our ongoing development has been building support from a wide range of churches and establishing key relationships with government agencies, schools, charities, voluntary groups and businesses. Every one of these relationships is immensely important to us. They enable us to operate effectively and meet the needs of people in poverty in Mid Cheshire, which is our primary aim.

We continue to seek feedback from key stakeholders and clients it has been encouraging to see the positive comments about our services from all our key contacts and that clients' feel welcomed and supported by the Foodbank.

There have been some changes to our Trustee board. Rodger Spurling, our Warehouse Manager has agreed to join the Trustee Board in July 2017. Also within the last few weeks Jo and I met with Sarah Saward, Income Manager, Weaver Vale Housing Trust and she has agreed to become join the Trustee Board. These appointments will strengthen and enrich our team.

I would like to thank my fellow Trustees, who have successfully and effectively managed these developments, for their commitment and support.

We are also delighted to have appointed Catherine Lawton as Volunteer Co-ordinator.

I am looking forward to the further development of the charity as we plan for the future and continue to meet the needs of people in Mid Cheshire.

May I encourage everyone to keep up the excellent work we have begun together and continue to offer hope and love to people of Mid Cheshire.

Cheshire people helping Cheshire people.

Matthew 25v35 I was hungry and you gave me something to eat.

Michael Forman

Chair of Trustees

Mid Cheshire Foodbank Limited

Mid Cheshire Foodbank Limited (MCFB) is a registered charity (No. 1151705) and a limited company (No. 08372107). This report covers a full year of operation from 1 April 2017 to 31 March 2018. MCFB's financial year coincides with the Trussell Trust's, which makes annual reporting easier for all. MCFB continues to be part of the Trussell Trust's network of foodbanks.

There were four Trustees/Directors in office during the year as follows:

Rev. Michael Forman, Chair

Mr Paul Bailey, Treasurer

Mrs Jo Rafferty

Mr Rodger Spurling (joined September 2017)

The Members' Group met throughout the year and benefitted from the addition of new members.

Mr David Briggs, MBE, KStJ, Her Majesty's Lord-Lieutenant of Cheshire, continued as the Charity's patron and attended a number of events.

There were several changes to the managerial team during the year including the departure and replacement of several Food Distribution Centre Managers.

Key Facts

- 5,511 people were fed between April 2017 and March 2018. This is an increase of over 40% on the previous year. 2,154 (40%) of those fed were Children.
- 2158 vouchers were received.
- 8 food distribution centres (FDCs) were running throughout the year, namely 5 in Northwich (Barnton, Bethel, Greenbank, Leftwich and Town) and 3 in Winsford (Christchurch, St Joseph's and St John's).
- 55 tonnes of food were received from a variety of sources.
- Top 4 Reasons for Referral were: Low Income, Benefit Delays and Benefit Changes and Debt.

Food Donations

55 tonnes of non-perishable food were donated to MCFB during this period, of which 26% came from regular church congregation and school donations, 20% from supermarket collections and 34.1% from public and business donations. This shows a good range of sources of donation throughout the year. For the 17/18 year we were the nominated charity for both Kingsmead Primary School and Weaver Vale Housing Trust. This saw significant donations from both organisations for which we were very grateful.

Harvest Festival collections at churches and schools were also particularly fruitful and 5.4 tonnes were donated between late September and the end of November 2017. As a result the Warehouse was busy during this period and then even busier in the run up to Christmas and beyond with over 12.5 tonnes of donations processed in December and January.

As a consequence of the national agreement between the Trussell Trust and Tesco, Tesco's Northwich Superstore has been the supermarket at which the most supermarket collections have been conducted. We were fortunate also during the year to make 3 collections at local ALDI stores where the customers were extremely generous. There was also a collection at ASDA and Waitrose in Northwich.

There have been permanent collection boxes in both Tesco and Waitrose stores in Northwich, in Booths in Knutsford, in Sainsbury's local at Hartford and in a number of other locations. The Abbeycroft Veterinary Practice and St Helens Church Witton in Northwich and All Your Appliances in Winsford continued as a food collection points throughout the year.

Whilst food donations have been far greater than the previous year (44 tonnes) there has again been a need for MCFB to purchase some stock items especially toiletries, but increasingly other food items, with money donated. This trend has continued throughout the year with stock purchases becoming 10.1% of all stock in an attempt to keep pace with the increasing demand for food parcels.

Warehouse

The warehouse received 55 tonnes of food throughout the year. The period from September to January was especially busy when 29.1 tonnes were received, including 5.4 tonnes from harvest festival events held by church congregations, schools and voluntary groups. During the same period 25.2 tonnes left the warehouse, most of which went to FDCs with some also going to organisations holding emergency boxes. Also during February and March 2017 the Warehouse saw another busy period when 10.2 tonnes of food was issued to FDCs.

In March 2017 the warehouse team assisted by Barclays (Gadbrook Park) volunteers undertook the annual stocktake, which was completed well ahead of schedule thanks to the commitment of all involved.

To balance the stock to within 2%, on a turnover of 55 tonnes, was a credit to the warehouse team.

MCFB Premises

MCFB is located at Unit 14, The Business Centre, Barlow Drive, Winsford, CW7 2GN and this is our Registered Charity address. Both Warehouse and Office are housed here.

Volunteers

By 31 March 2018 the volunteer database was as follows:

| Volunteer | Number |
|-----------|--------|
| Active | 163 |
| Barclays | 12 |
| Inactive | 22 |

The majority of active volunteers come from churches that support MCFB continuously in some way. However, the proportion of applications from members of the public who have been motivated to join us because of what they have learnt about Trussell Trust Foodbanks from the media has increased significantly. Putting the Volunteer Application Form on the MCFB website has made it easier to apply.

90 volunteers were allocated to at least one food distribution centre (FDC) with some working routinely in two FDCs or in other capacities. The teams in the FDCs meet and greet clients, prepare food parcels and where appropriate signpost them to other places for support. We ran 4 training course for volunteers in April, July and November 2016 and March 2018. All FDCs have regular teams but we continue to see some natural turnover. So there is an on-going need to train further volunteers.

The warehouse core team comprises 15 volunteers and is augmented at busy times with people willing to be called in on an ad hoc basis. This team manage the incoming and outgoing stock and ensure we use donated food within date. There is an office team of 4 volunteers, which is responsible for entering data in the Trussell Trust system, managing the email account and issuing vouchers to referrers.

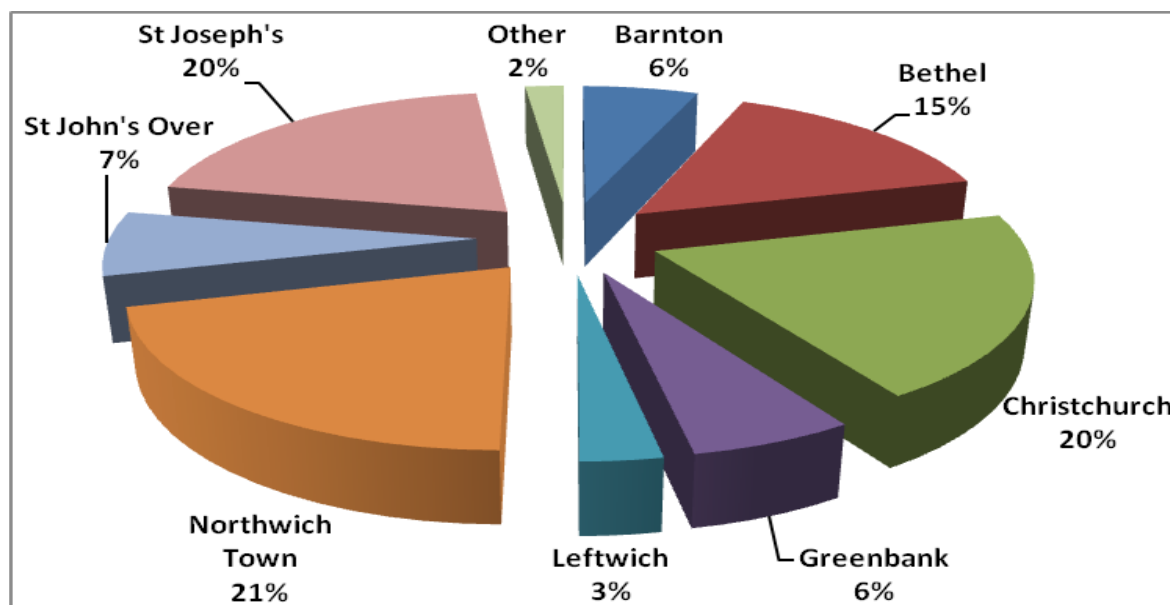
15% of active volunteers participated in the supermarket collections and with the increase in the number of collections we have had fewer volunteers able to help at each. There are also small teams of volunteers who empty the permanent box at Tesco, Booths, Waitrose and Sainsbury's Local op on a regular basis. The Barclays volunteers are a special category as they provide invaluable help during the stocktake in March 2018.

Inactive volunteers are individuals who need to step down on a temporary basis and hope to be back with us in the future.

MCFB continues to be run solely by volunteers.

Food Distribution Centres

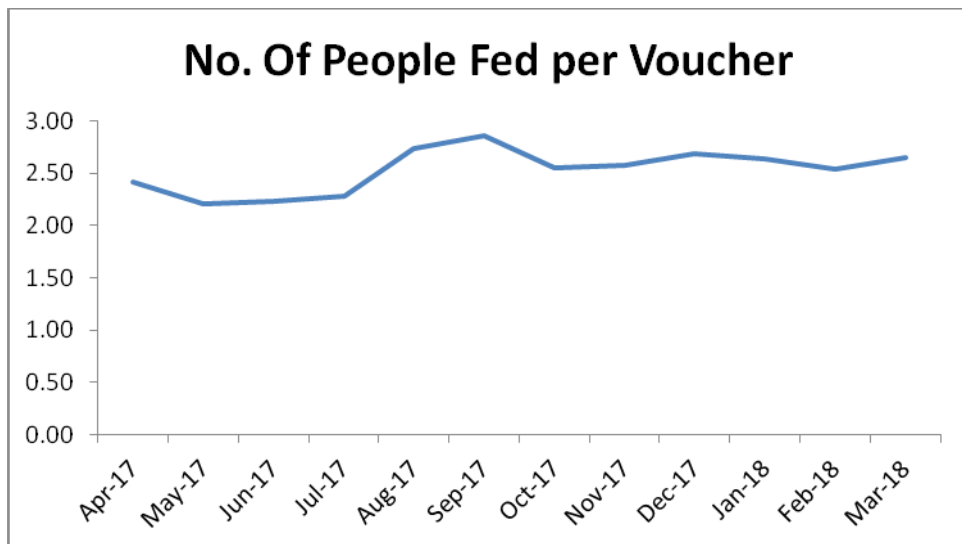
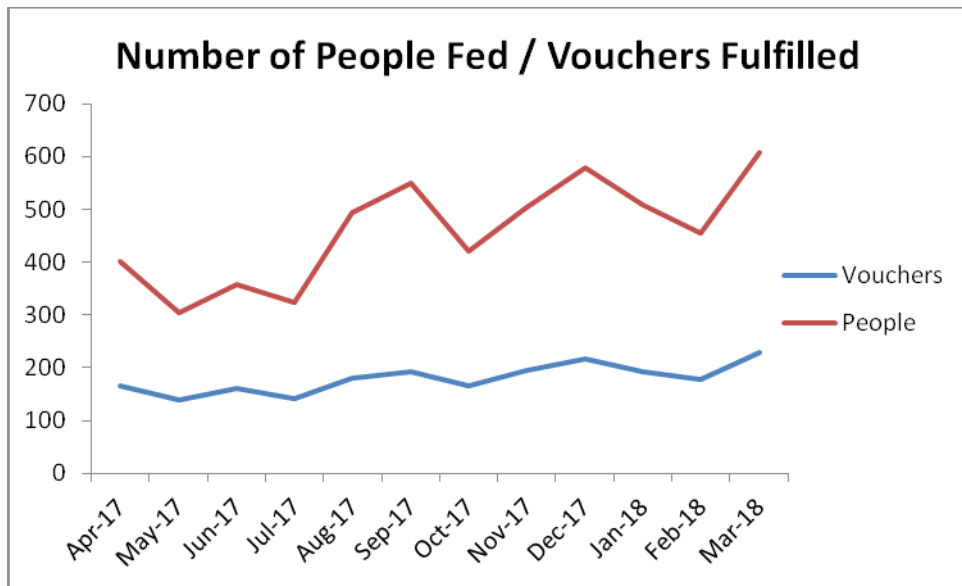
All eight FDCs have operated throughout the year - Bethel, Barnton Greenbank, Leftwich and Town in Northwich and Christchurch, St John's and St Joseph's in Winsford. There is an FDC open every weekday in both the Winsford and the Northwich areas. This increase in the number of centres and opening times appears to be adequate to meet the needs of our area at present.



Based on the number of vouchers received Northwich Town was the busiest centre closely followed by Christ Church. St Joseph's was the third busiest centre. The numbers received at Bethel increased during the year with Greenbank and Leftwich continuing to establish themselves. The other centres maintained their previous positions. There was a significant decrease in the number of vouchers issued from the Foodbank Office. These were for food parcels to organisations that hold emergency boxes, e.g. P3 and the CWAC Help Team. During the year 48 such vouchers were fulfilled feeding 60 adults and 27 children. This could be as a result of us having centres open each weekday and/or the expansion of services to support vulnerable clients.

2158 vouchers were fulfilled by the FDCs, this is an increase of over 30% on the previous year. There was a 50/50 split of vouchers between the Winsford and the Northwich locations. Where vouchers are presented is not always an accurate reflection of where people live. Some will come a significant distance, possibly to avoid being recognised, or come to the centre that is open on the day they receive the voucher.

Based on the number of people fed the pattern across the FDCs alters slightly with Christchurch the busiest, followed by St Joseph's and then Town.



September and December 2017 and March 2018 were again busy months with FDCs feeding over 551, 580 and 609 people respectively. Additional seasonal food items were provided for individuals and families for the Christmas and Easter periods.

Again this year MCFB participated in a Holiday School Meals initiative extending the provision to cover all school holidays. The aim was to support families normally in receipt of free school meals. As a result 159 individuals received food. This is a significant increase over the previous year's numbers but often school holiday meals is given as a secondary reason for referral so it is an understatement of the true picture.

Reasons for Referral

The voucher provides the referrer with 12 options to describe the nature of the crisis the client is experiencing. Some clients' issues are complex and the referrers select the crisis relevant to why they have issued a particular voucher.

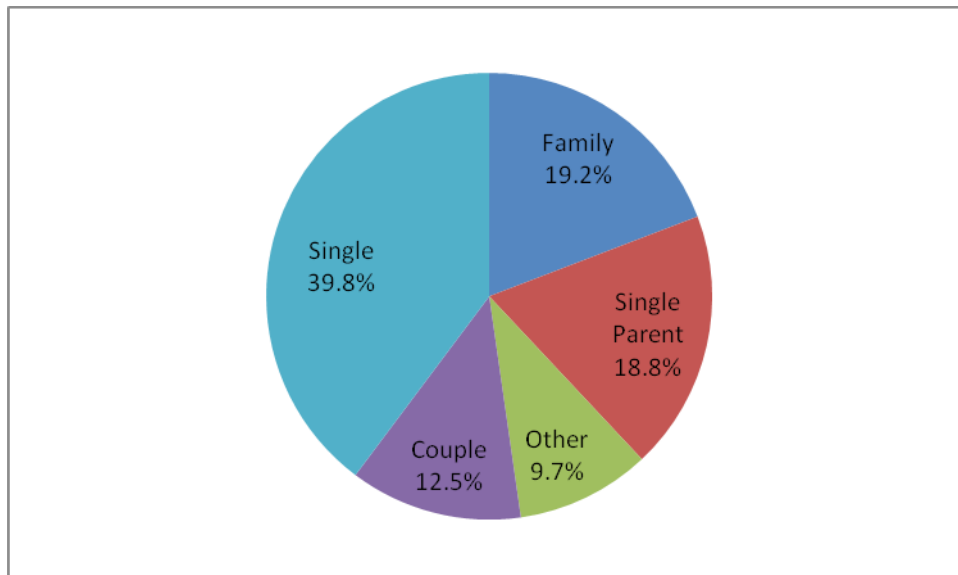
| Crisis | No. Vouchers | People | % Total People |
|-----------------------------|---------------------|---------------|-----------------------|
| Low income | 447 | 1670 | 30.0% |
| Benefit Changes | 280 | 1100 | 20.0% |
| Benefit Delays | 207 | 978 | 18.0% |
| Debt | 189 | 914 | 16.0% |
| Other | 149 | 326 | 8.4% |
| Homeless | 76 | 102 | 2.6% |
| Sickness | 42 | 94 | 2.4% |
| Delayed wages | 28 | 90 | 2.3% |
| Holiday meals | 26 | 105 | 2.7% |
| Domestic violence | 16 | 45 | 1.2% |
| Unemployed | 1 | 1 | 0.2% |
| No recourse to public funds | 0 | 0 | 0.0% |

The top 3 reasons for client referrals are Low income (30.0%), Benefit changes (20.0%) and Benefit Delays (18.0%), which collectively account for 68.0% of individuals receiving vouchers. In the last year low income remained the number one reason for referral. Based on information from our clients and referrers the roll out of Universal Credit has had a significant impact on the Benefits Delays and Changes categories. This is in line with national trends reported by the Trussell Trust. We have also this year seen a significant increase in the Debt category from 11 to 16%. Locally we have seen a decline in the numbers of single homeless men referred to the foodbank. This may be as a result of further support being provided to this group.

In March 2018 we again surveyed a sample of clients attending all FDCs, with one of our FDCs (Christchurch) surveying clients throughout the year. This provided us with further useful information from the client's perspective. The information obtained helps confirm that we continue to help those in crisis. This feedback is also really useful in informing our training for new volunteers and to share with our current volunteers about how their services are appreciated and the difference they are making.

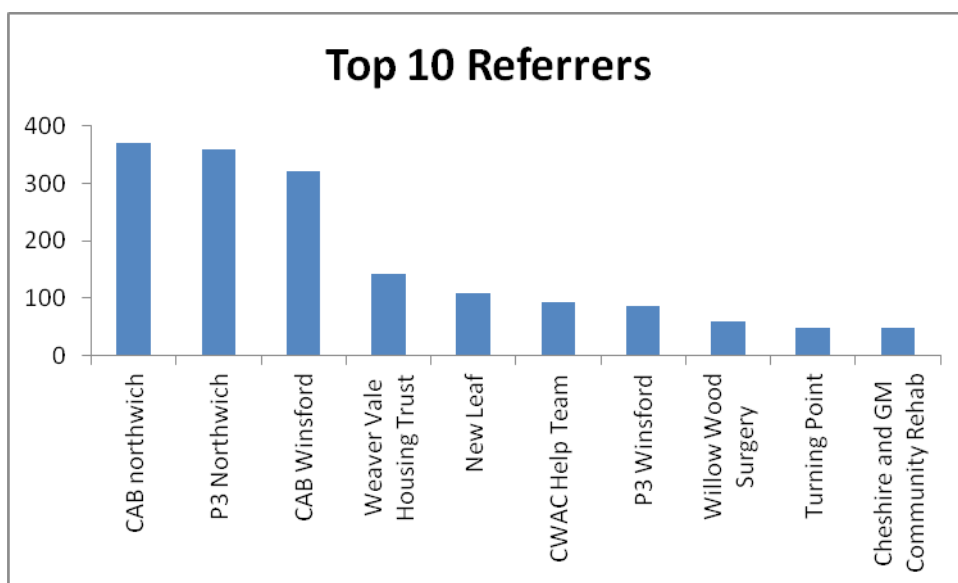
Family Classification

Around 40% of the vouchers were presented by single people. However Families make up nearly 75% of all people fed. In the second half of the year there was a small increase in the number of families and single parent families visiting MCFB.



Referrers

During the year we have updated information on our existing referrers. We have also seen a number of new organisations start to issue vouchers. As a result the number of referring organisations has increased during the year. 94 organisations have registered with MCFB to act as referrers and received vouchers to issue to their clients. 61% of referrers are statutory agencies, e.g. Job Centre Plus, CWAC agencies, Children's Centres, Schools, Doctors' surgeries; 37% are charities, e.g. Citizens Advice Bureau, and P3 and the remainder comprise churches, community groups and other.



The role of the Referrers is critical to us as they know the clients and their circumstances and they act as gatekeepers to ensure the food goes to those in crisis/real need. The top ten referrers shown above issue 76% of all vouchers redeemed and cover 70.5% of all people fed.

Based on the number of vouchers issued CAB Northwich (370) was the largest referrer followed by P3 Northwich (360), CAB Winsford (320) and Weaver Vale Housing Trust (143). These organisations between them issued 50.2% of all vouchers redeemed.

Public Benefit Report

Purpose

MCFB's stated aim is to provide relief to individuals and families in crisis in Mid Cheshire and surrounding areas, through the provision of a sustainable foodbank and associated activities.

Key Activities 2017/18

MCFB has fed 5511 people

MCFB has collected 55 tonnes of food from donors

MCFB has received 2158 vouchers from its referring partners

MCFB operates through 8 Food Distribution Centres 3 in Winsford and 5 in Northwich covering between them each day of the week

MCFB has provided emergency food parcels to 60 Adults and 27 Children.

MCFB has provided school holiday meals to 159 individuals.

Public Benefit

The Trustees have taken account of the Charity Commission's guidance on public benefit when reviewing the aims and objectives and in planning future MCFB activities. The Trustees have taken note of the following:

- The information publicised by Cheshire West and Chester Council, for 2015 indicated that MCFB is providing services in some of the most deprived areas in the country
- The top 4 reasons for referrals to MCFB were Low Income, Benefit Changes and Benefit Delays and debt with the largest increase in the previous year being for low income and debt.
- The client survey undertaken during the year confirmed that clients, if they had not been able to access the foodbank, would have gone without food (31%), suffered increased depression (27%), used a loan shark/other lender (16.5%) felt increased strain on family relationships (10.5%)
- The Royal College of Paediatrics and Child Health State of Child Health Report 2016 identified that 1 in 5 children is living in poverty and we fed 1480 children in our area
- The Food Standards Agency Food and You report in 2017 concluded that 8% of the UK population lived in low or very low food secure households (for 16 to 24 year olds it was 16%, for 25 to 34 year olds 11% and for 65+ it was 1-2%. Low income was our highest reason for referral and our breakdown of age groups reflects that reported by the FSA
- MCFB is reaching vulnerable individuals and families in crisis and so benefiting the appropriate members of the local community in line with our aims.

The Trustees consider that all activities undertaken within MCFB match with our aims and objectives.

Financial Review

At 31st March 2018 we held cash reserves of £60,037, which will be used as required to fund future running costs. The formal reserves policy has been reviewed and amended where appropriate.

Our two main sources of cash funds were grants (£5,500) and donations from various sources, including individuals, churches, and other local organisations and charitable bodies (£16,892). Gift Aid totalling £1,029 was claimed on donations made by individuals.

In addition, the value of food donated by local churches and other organisations, and by individuals through supermarket collections amounted to £86,403. This amount is also shown as expenditure, being the amount of food distributed to clients through our distribution centres, in accordance with the Statement of Recommended Practice (SORP) for charities.

Other expenditure was £20,422.

£6,000 of this related to the Rent of the warehouse, with £1,280 being associated running costs.

The cost of running the distribution centres was £330, and administration costs were £2,120.

Other expenditure related to Insurance (£726) and purchases of stock for distribution to clients (£9,729)

The foodbank has assets of £547 relating to furniture and equipment at 31st March 2018, after charging in-year depreciation of £237.

We have no paid employees - all our activities are undertaken by dedicated teams of volunteers.

The more detailed financial statement, which has been inspected by an independent examiner, follows this summary review.

MID CHESHIRE FOODBANK LTD
A company limited by Guarantee
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1st APRIL 2017 TO 31st MARCH 2018

| | Note | 2017/8 | 2016/7 |
|------------------------------------|-------------|-----------------|----------------|
| | | £ | £ |
| <hr/> | | | |
| INCOME | | | |
| Donations and Grants | 2 | 111,993 | 91,160 |
| TOTAL INCOME AND ENDOWMENTS | | <hr/> 111,993 | <hr/> 91,160 |
| EXPENDITURE | | | |
| Charitable activities | 3 | <hr/> 106,825 | <hr/> 86,550 |
| TOTAL EXPENDITURE | | <hr/> (106,825) | <hr/> (86,550) |
| NET MOVEMENT IN FUNDS | | 5,168 | 4,610 |

RECONCILIATION OF FUNDS

| | | |
|-----------------------------|--------|--------|
| TOTAL FUNDS BROUGHT FORWARD | 54,869 | 50,259 |
| TOTAL FUNDS CARRIED FORWARD | 60,037 | 54,869 |

MID CHESHIRE FOODBANK LTD**BALANCE SHEET****31ST MARCH 2018**

| | Note | 2017/8 | 2016/7 |
|-----------------------|------|--------|--------|
| | | £ | £ |
| <i>FIXED ASSETS</i> | | | |
| Tangible assets | 4 | 547 | 55 |
| CURRENT ASSETS | | | |
| Debtors | 5 | 427 | 2,147 |

| | | |
|-----------------------------|--------|---------------|
| Payments in Advance | 56 | 136 |
| Investment Account | 30,000 | 30,000 |
| Cash at Bank and in hand | 29,218 | <u>23,429</u> |
| TOTAL CURRENT ASSETS | 59,701 | 55,712 |

LIABILITIES

| | | | |
|---------------------------------------|---|------|-------|
| Creditors falling due within one year | 6 | -211 | - 898 |
|---------------------------------------|---|------|-------|

| | | |
|---------------------------|--------|--------|
| NET CURRENT ASSETS | 59,490 | 54,814 |
|---------------------------|--------|--------|

| | | |
|--|--------|--------|
| TOTAL ASSETS LESS CURRENT LIABILITIES | 60,037 | 54,869 |
|--|--------|--------|

FUNDS

| | | | |
|-------------------------------|-------|--------|--------|
| Unrestricted charitable funds | 1. 3) | 60,037 | 54,869 |
|-------------------------------|-------|--------|--------|

| | | |
|--------------------|--------|--------|
| TOTAL FUNDS | 60,037 | 54,869 |
|--------------------|--------|--------|

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31st March 2018.

Members have not required the charitable company to obtain an audit of its financial statements for the period ended 31st March 2018, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 9th July 2018 and were signed on their behalf by

Michael Forman
Trustee & Chair

MID CHESHIRE FOODBANK LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1st April 2017 to 31st March 2018

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the historical cost convention and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS 102) effective from 1st January 2015 and as amended from 1st January 2016 with compliance with the Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008. A summary of the more important accounting policies of the Trust and the group, which have been applied consistently, are set out below:-

1) Incoming resources

All incoming resources are recognised once entitlement to the resources has been established, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Gift Aid reclaimable on donations is included when the amount is receivable.

Donations of food are recognised in the accounts only when they are distributed to clients. They are valued by weight at a calculated average retail cost per kg.

2) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Any irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

3) Funds

Unrestricted charitable funds comprise those funds, which the Trustees are free to use for any purpose in furtherance of the charitable objects. All funds held by the Foodbank are unrestricted

4) Tangible Fixed Assets

Expenditure is capitalised where the Trustees expect to derive future economic benefits over a period exceeding one year. Tangible Fixed assets are stated at cost, are all items of furniture and equipment, and are depreciated at a rate of 25% per annum.

5) Stocks

In accordance with the SORP, donated items for distribution are recognised in the accounts only when distributed to clients. Thus when the value of stock distributed is calculated as expenditure, an equal amount is stated as income from donations.

The stock in the warehouse at 31st March 2018 is not required to be recorded in the balance sheet. A stocktake was undertaken during March 2018 and, for transparency of the total resources of the Foodbank, it is noted here that the value of the stock held in the warehouse at 31st March 2018 was £17,317

6) Disclosures required by the SORP

Trustees' Remuneration and Benefits -none of the trustees have received any remuneration or other benefits.

Related Party Transactions- There were no related party transactions.

Costs of independent examination- No payments were required in respect of independent examination.

Staff Remuneration- The charity does not have any paid employees.

7) Reserves

1. The Mid Cheshire Foodbank is required to formulate a reserves policy, to ensure that unrestricted funds donated towards the cost of running the foodbank are adequate to cover risks pertaining to a requirement for unforeseen expenditure, unexpected reductions in income (eg reduced grant income), or others changes to the way the foodbank operates, whilst also ensuring that reserves are not excessive.

2. The trustees have decided that it would be appropriate to ensure that reserves are retained equivalent to at least 6 months revenue expenditure as detailed in the business plan, amounting to £6,000. This would ensure that operations would continue while plans are put in place to seek additional funds.

3. The actual reserves as per the Foodbank's accounts at 31st March 2018 are £60,037, all of which are unrestricted.

4. The trustees have decided that in addition to the general reserves detailed in paragraph 2, there are a number of other areas of risk for which further reserves need to be retained, as follows:

Reductions in the level of food donations and increasing demand are likely to require additional funds to be allocated to purchases of items for stock

The foodbank at present is fortunate to be able to operate entirely staffed by volunteers. However, it is acknowledged that, in the future, this may not be possible, and some paid staff may be required, particularly, but not solely, in the areas of warehouse management, and volunteer coordination. It is felt that £15,000 to £20,000 would be a reasonable provision at present.

Transport, particularly related to transport of food to and between Food Distribution Centres and Collection Points and the warehouse is achieved through volunteers offering to provide this service through using their own vehicles. Again this may not always be the case, and reserves should be retained to ensure the ability to purchase or hire suitable transport as required. £5,000 to £10,000 should be adequate to cover these costs.

The Foodbank's lease is currently being rolled over at the original rental until further notice. Renewal of the lease may eventually be at a higher rental. Also, if demand

continues to rise, the current warehouse could prove to be inadequate. A larger warehouse could double the cost to £12,000 pa.

5. It is the trustees view that the funds currently held are thus adequate to cover the identified risks at the present time.

6. This policy, and that assumption, will be reviewed regularly, and at least annually

| <u>2. Donations, Legacies and Gifts</u> | | 2017/8 | 2017/8 | 2016/7 |
|--|--|---------------|---------------|---------------|
| Grants | Local Councillors | 500 | | 3,235 |
| | Cheshire West & Chester Council | 5,000 | | 5,000 |
| | | <hr/> | 5,500 | <hr/> 8,235 |
| Donations | | | | |
| | Organisations | 8,376 | | 7,689 |
| | Individuals | 8,516 | | 5,572 |
| | Top-up donations from Store collections | 1,877 | | 2,660 |
| | Donated Stock items distributed to clients | 86,403 | | 65,669 |
| | | <hr/> | 105,172 | <hr/> 81,590 |
| Other | | | | |
| | Gift Aid | 1,029 | | 973 |
| | Investment Interest | 292 | | - |
| | Other | - | | 362 |
| | | <hr/> | 1,321 | <hr/> 1,335 |
| | | | <hr/> | <hr/> |
| | Total Voluntary Income | | 111,993 | 86,325 |
| | | | <hr/> | <hr/> |

3. Expenditure – Charitable Activities

| | 2017/8 | 2017/8 | 2016/7 |
|--|--------|---------|--------|
| Donated stock items distributed to clients | 86,403 | | 65,669 |
| Purchased stock items | 9,729 | | 8,861 |
| Warehouse Rent | 6,000 | | 6,000 |
| Warehouse running costs | 1,280 | | 2,146 |
| Distribution Centres costs | 330 | | 163 |
| Depreciation of Tangible assets | 237 | | 462 |
| Insurance | 726 | | 709 |
| Governance Costs | 48 | | 48 |
| Administration costs | 2,072 | | 2,492 |
| | | 106,825 | 86,550 |

4. Tangible Assets

| | Furniture and Equipment | |
|---|----------------------------|------|
| Net Book Value at 31 st March 2017 | 55 | 517 |
| Assets purchased during period | 729 | - |
| Depreciation charge for period | - 237 | -462 |
| Net Book Value at 31 st March 2018 | 547 | 55 |

5. Debtors**Amounts falling due within one year**

| | | |
|---|-----|-------|
| Calculated cash donations from supermarket collections due, but not received in the period | 427 | 1,785 |
| Insurance claim- storm damage | - | 362 |
| | 427 | 2,147 |

6. Creditors

| | | |
|---|------|------|
| Accruals – Purchases for stock not yet billed | -211 | -833 |
| - Services provided- not yet invoiced | - | -65 |
| | -211 | -898 |

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| TOTAL FUNDS CARRIED FORWARD | | 60,037 | 54,869 |

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| TOTAL FUNDS | | | 60,037 | 54,869 |

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31st March 2018.

Members have not required the charitable company to obtain an audit of its financial statements for the period ended 31st March 2018, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 9th July 2018 and were signed on their behalf by

Michael Forman
Trustee & Chair

MID CHESHIRE FOODBANK LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1st April 2017 to 31st March 2018

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the historical cost convention and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS 102) effective from 1st January 2015 and as amended from 1st January 2016 with compliance with the Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008. A summary of the more important accounting policies of the Trust and the group, which have been applied consistently, are set out below:-

1) Incoming resources

All incoming resources are recognised once entitlement to the resources has been established, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Gift Aid reclaimable on donations is included when the amount is receivable.

Donations of food are recognised in the accounts only when they are distributed to clients. They are valued by weight at a calculated average retail cost per kg.

2) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Any irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

3) Funds

Unrestricted charitable funds comprise those funds, which the Trustees are free to use for any purpose in furtherance of the charitable objects. All funds held by the Foodbank are unrestricted

4) Tangible Fixed Assets

Expenditure is capitalised where the Trustees expect to derive future economic benefits over a period exceeding one year. Tangible Fixed assets are stated at cost, are all items of furniture and equipment, and are depreciated at a rate of 25% per annum.

5) Stocks

In accordance with the SORP, donated items for distribution are recognised in the accounts only when distributed to clients. Thus when the value of stock distributed is calculated as expenditure, an equal amount is stated as income from donations. The stock in the warehouse at 31st March 2018 is not required to be recorded in the balance sheet. A stocktake was undertaken during March 2018 and, for transparency of the total resources of the Foodbank, it is noted here that the value of the stock held in the warehouse at 31st March 2018 was £17,317

6) Disclosures required by the SORP

Trustees' Remuneration and Benefits -none of the trustees have received any remuneration or other benefits.

Related Party Transactions- There were no related party transactions.

Costs of independent examination- No payments were required in respect of independent examination.

Staff Remuneration- The charity does not have any paid employees.

7) Reserves

1. The Mid Cheshire Foodbank is required to formulate a reserves policy, to ensure that unrestricted funds donated towards the cost of running the foodbank are adequate to cover risks pertaining to a requirement for unforeseen expenditure, unexpected reductions in income (eg reduced grant income), or others changes to the way the foodbank operates, whilst also ensuring that reserves are not excessive.

2. The trustees have decided that it would be appropriate to ensure that reserves are retained equivalent to at least 6 months revenue expenditure as detailed in the business plan, amounting to £6,000. This would ensure that operations would continue while plans are put in place to seek additional funds.

3. The actual reserves as per the Foodbank's accounts at 31st March 2018 are £60,037, all of which are unrestricted.

4. The trustees have decided that in addition to the general reserves detailed in paragraph 2, there are a number of other areas of risk for which further reserves need to be retained, as follows:

- Reductions in the level of food donations and increasing demand are likely to require additional funds to be allocated to purchases of items for stock
- The foodbank at present is fortunate to be able to operate entirely staffed by volunteers. However, it is acknowledged that, in the future, this may not be possible, and some paid staff may be required, particularly, but not solely, in the areas of warehouse management, and volunteer coordination. It is felt that £15,000 to £20,000 would be a reasonable provision at present.
- Transport, particularly related to transport of food to and between Food Distribution Centres and Collection Points and the warehouse is achieved through volunteers offering to provide this service through using their own vehicles. Again this may not always be the case, and reserves should be retained to ensure the ability to purchase or hire suitable transport as required. £5,000 to £10,000 should be adequate to cover these costs.
- The Foodbank's lease is currently being rolled over at the original rental until further notice. Renewal of the lease may eventually be at a higher rental. Also, if demand continues to rise, the current warehouse could prove to be inadequate. A larger warehouse could double the cost to £12,000 pa.

5. It is the trustees view that the funds currently held are thus adequate to cover the identified risks at the present time.

6. This policy, and that assumption, will reviewed regularly, and at least annually

2. Donations, Legacies and Gifts

| | 2017/8 | 2017/8 | 2016/7 |
|--|--------|---------|--------------|
| Grants | | | |
| Local Councillors | 500 | | 3,235 |
| Cheshire West & Chester Council | 5,000 | | 5,000 |
| | <hr/> | 5,500 | <hr/> 8,235 |
| Donations | | | |
| Organisations | 8,376 | | 7,689 |
| Individuals | 8,516 | | 5,572 |
| Top-up donations from Store collections | 1,877 | | 2,660 |
| Donated Stock items distributed to clients | 86,403 | | 65,669 |
| | <hr/> | 105,172 | <hr/> 81,590 |
| Other | | | |
| Gift Aid | 1,029 | | 973 |
| Investment Interest | 292 | | |
| Other | - | | 362 |
| | <hr/> | 1,321 | <hr/> 1,335 |
| | | <hr/> | <hr/> |
| Total Voluntary Income | | 111,993 | 86,325 |
| | | <hr/> | <hr/> |

3. Expenditure – Charitable Activities

| | | | |
|--|--------|---------|--------------|
| Donated stock items distributed to clients | 86,403 | | 65,669 |
| Purchased stock items | 9,729 | | 8,861 |
| Warehouse Rent | 6,000 | | 6,000 |
| Warehouse running costs | 1,280 | | 2,146 |
| Distribution Centres costs | 330 | | 163 |
| Depreciation of Tangible assets | 237 | | 462 |
| Insurance | 726 | | 709 |
| Governance Costs | 48 | | 48 |
| Administration costs | 2,072 | | 2,492 |
| | <hr/> | 106,825 | <hr/> 86,550 |
| | | <hr/> | <hr/> |

| | 2017/8 | 2017/8 | 2016/7 |
|---|--------|-------------------------|--------|
| <u>4. Tangible Assets</u> | | Furniture and Equipment | |
| Net Book Value at 31 st March 2017 | | 55 | 517 |
| Assets purchased during period | | 729 | - |
| Depreciation charge for period | | - 237 | -462 |
| | | <hr/> | <hr/> |
| Net Book Value at 31 st March 2018 | | 547 | 55 |
| | | <hr/> | <hr/> |

5. Debtors

Amounts falling due within one year

| | | | |
|--|-------|-----|-------|
| Calculated cash donations from supermarket collections due, but not received in the period | 427 | | 1,785 |
| Insurance claim- storm damage | - | | 362 |
| | <hr/> | 427 | <hr/> |
| | | | 2,147 |

6. Creditors

| | | | |
|---|-------|------|-------|
| Accruals – Purchases for stock not yet billed | -211 | | -833 |
| - Services provided- not yet invoiced | - | | -65 |
| | <hr/> | -211 | <hr/> |
| | | | -898 |

Independent examiner's report to the trustees of Mid-Cheshire Foodbank Charitable Company

I report on the accounts of the company for the year ended 31 March 2018, which are set out in the Charity Annual Report & Accounts

Respective responsibilities of trustees and examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income was between £25,000 and £250,000, and therefore there is no requirement for the examination to be carried out by a qualified accountant.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to :

examine the accounts under section 145 of the 2011 Act;

to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) Which gives me reasonable cause to believe that in any material respect the requirements:

to keep accounting records in accordance with section 386 of the Companies Act 2006; and

to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alan F. Justice, 4, The Oaks, Sandbach Drive, Kingsmead, Northwich. Cheshire. CW9 8TY

13th August 2018.

