

Company number: 06332267

Charity Number: 1125805

Zest – Health for Life Limited

Report and financial statements
For the year ended March 2019

Zest – Health for Life Limited
Reference and administrative information
for the year ended March 2019

Company number 06332267

Charity number 1125805

Registered office and operational address The Old Fire Station, Gipton Approach, Leeds LS9 6NL

Zest – Health for Life Limited also uses the name Zest Leeds for operational and marketing purposes

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

Anne Sherriff	Chair	
Julian Kelly (Resigned 26/09/18)	Vice Chair	up to 29/11/19
Dan Barnett	Vice Chair	from 27/02/19
Barbara Rhodes		
Ann Nicholl		
Jessalyn Luna		
Michelle Regan	Appointed 05/12/2018	

Trustees who held title to property belonging to the charity during the reporting period or at the date of approval were: none

Key management personnel

Susie Brown	Chief Executive
Dominic Charkin	Deputy Chief Executive
Prett Tejura	Finance Manager
Simon Chappelow	Food Projects Manager

Bankers Unity Trust Bank
Nine Brindley Place
Birmingham, B1 2HB

Solicitors Wrigleys Solicitors LLP
19 Cookridge Street, Leeds LS2 3AG

Independent examiner Catherine Hall FCCA DChA
Slade & Cooper Limited
Greenfish Resource Centre, 46-50 Oldham St, Manchester, M4 1LE

Zest – Health for Life Limited
Trustees' annual report
for the year ended March 2019

The trustees present their report and the audited financial statements for the year ended March 2019. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The objects of the organisation, as stated in the constitution adopted in August 2007 are to promote, preserve and protect the physical health and mental wellbeing of the inhabitants of Yorkshire, in particular by providing or supporting the provision of facilities in the interests of the social welfare or other leisure time occupation, and by providing education, training, advice and support.

Zest works for the purpose of daily use to the following Vision, Values and social objectives:

Our Vision - Leeds is a city where everyone has the same opportunities

Our Mission - To improve life chances in Leeds

Who we work with – All ages

Our personality - Local – Inclusive – Positive – Knowledgeable – Supportive

Our Social Objectives:

To promote healthier lifestyles

- Supporting and developing cooking skills
- Improving physical and mental wellbeing
- Creating pathways to healthier choices

To enable fulfilling lives

- Preventing social isolation
- Engaging creatively with vulnerable people
- Bringing communities together
- Building peoples' skills and confidence

All of Zest's work is in line with the social objectives above. Each project meets one or several of the objectives and as well as monitoring and reporting to funder's on their particular requirements, staff report bi-monthly to the board on how their work meets Zest's social objectives.

Main Activities

Zest's current activities include the following:

Jamie's Ministry of Food Leeds – a cooking skills and healthy eating programme funded by Leeds City Council

Better Together – a community health development programme funded by Leeds City Council

Men's Health – a community health development project funded by Henry Smith Charity, Big Lottery Building Communities Fund, and Leeds Suicide Prevention Grants

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DWELL – a community health development programme funded by Big Lottery Reaching Communities

Meet me Downstairs a community engagement project to address the social isolation of people living in tower blocks

Suicide Prevention project – a project to support men with common mental health problems

All these projects are focussed on serving the charity's aims, objectives and stated purposes, and benefit the people Zest was set up to support. All projects are meeting or surpassing the targets and outcomes set by funders and are successfully operating in the charity's stated area of operation.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The trustees and senior management team seek to further the charity's aims and objectives by seeking funding to benefit the people of Leeds who live in the city's most disadvantaged areas and are suffering from health and social inequality of both opportunity and life expectancy.

The charity's main activities and who each project helps its beneficiaries are described below. All its charitable activities focus on improving health and wellbeing, addressing health and social inequalities, and are undertaken to further Zest's charitable purposes for the public benefit.

All our funding requires slightly different monitoring reporting. Over the past year we:

Engaged with over 1000 people through our *Better Together* contract of which 303 new people attended our activities and a further 106 people continued to attend services. Through the funding we are required to complete Well Being Wheels and SWEMWEBs (Short Warwick Edinburgh Mental Wellbeing Scale) with a percentage of service users. Through this we know that the majority of service users record improvement in at least one area of wellbeing through attending our activities. Where possible we record successes in case study.

Worked with 103 people through our *DWELL* project groups, and ran 7 community events with 195 and 214 children attending. We employ an external evaluator who has developed an evaluation framework for the work. In the last year the following conclusions were drawn

- 1 Participants gained confidence and new skills that increase their contribution and involvement in community activities;
- 2 Participants reported increased health and wellbeing through their involvement in DWELL activities;
- 3 Project participants reported stronger networks and connections with all sections.

However the evaluation noted that quality of life has worsened in recent years for those in deprived areas of Leeds, and there are signs that this situation has worsened in the second year of DWELL. The increased use of food banks and the popularity of DWELL projects that provide food for participants is a particular concern.

Through our funded men's work we have worked with over 65 men, many of whom attend at least one activity regularly, helping to improve the physical and mental wellbeing of all participants and increasing their social networks. 8 of the men are now involved in a peer support project, having been on a variety of training and are now actively recruiting and supporting other men onto the groups and activities.

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Beneficiaries of our services

While our services are open to all, the communities we target in Leeds with fall into the bottom 10% super output areas nationally and are ranked as among the most disadvantaged in the district. People living in these areas experience multiple disadvantage that have dramatic and negative impacts on their lives.

All our current funding is aimed at adults over the age of 16. However during school holidays we also provide low or no cost family activities. Aimed at alleviating holiday hardship experienced by those living in disadvantaged areas, and recruiting new users to our services outside of school holidays.

Achievements and performance

Zest has had a year of growth, change and development. To reinforce the new strategy devised last year of a three-strand fundraising model, a total rebranding exercise was undertaken by a marketing company who worked pro bono to develop a visible, memorable and future-proof logo, straplines, marketing tools and website www.zestleeds.org.uk This rebrand has given the charity a consistent set of messages to raise awareness of the work it does and created a professional looking platform from which to open conversations with possible donors and sponsors. It has also been a boost to the staff team who have a brand and key messages to use confidently and proudly. For example all our activity marketing is uniform in colour and font with each activity headed A Place to xxx e.g. to learn, to get active, to cool off, to access training, to meet people, get involved etc.

Zest has met or surpassed all its key project targets in terms of numbers of people reached and outcomes achieved. It continues to identify gaps and need in its communities and seeks to meet that need by designing engagement projects and finding funding to enable those projects to get started. Of particular note is the collaborative Orion Men's Project which comprises four workers across four organisations working on linked activities through both independent and jointly raised income across a common goal and brand. The project which includes high profile research and insight work has expanded over the last year and resulted in the creation of community MANbassadors, an increased range of opportunities for participants and the developing concept of the Northern Man Festival. Case studies show that long term involvement with this project is significantly improving the lives of working age men living in deprived Leeds, diverting suicide attempts, allowing supportive networks to be built and self-confidence gained.

All Zest's work over the last year has directly had a positive impact on its beneficiaries, aligned with its social objectives. Beneficiaries report increased confidence to cook from scratch, greater fruit and veg consumption, increased self-confidence, ability to cope better with episodes of mental stress, increased happiness and social networks made, better money management, increased skills, better understanding of other community cultures, better management of long term health conditions.

The year was the first full year of operating Ministry of Food Leeds as a sub-contractor to Prime contractor Reed Momenta who now hold a contract to deliver Integrated Healthy Living Services in Leeds. After seven years of operating the project independently this change was not without its challenges in terms of culture shift and new data management systems, but we have still been able to meet key targets and deliver sustainable behaviour change amongst participants whilst working positively to be part of the new One You Leeds programme.

Fundraising was also a key challenge for all staff as we introduced the concept of fundraising being a shared responsibility and all staff were trained in delivering key messages when networking and increasing their opportunities to be an ambassador for Zest and encourage financial contributions from a wide range of sources.

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Against our three fundraising targets we achieved the following actuals; a good start to a new way of income generating, but with work still to do next year.

<u>Targets 2018/19</u>	<u>Target</u>	<u>Actual 18/19</u>
New Business/Grants	£30,000	£24,841
Fundraising	£20,000	£15,124
Leeds Cookery School	£20,000	£ 1,350

Future Challenges

The operating environment for charities remains difficult, with local authorities still looking to reduce their expenditure and to consolidate contracts where possible, sometimes aiming to take services in house. Two of our larger projects will come to the end of three year funding contracts in 2020 and we will need to lobby hard for continuation funding. We have set ourselves an ambitious mixed fundraising strategy and should not underestimate the challenges involved in implementing it.

Financial review

Overview

The accounts reflect all of the activities listed above.

Income rose slightly from £497,918 in 2017/18 to £507,722 in 2018/19. Existing grants and contracts makeup the majority of income. Fundraising has contributed £15k to this year's income. Costs have decreased from £565,776 in the previous year to £499,366 in 2018/19. This reflects the new projects and any savings on various cost lines. Overall, Zest has made a surplus for the year of £8,356, leaving a reserve balance of £80,582.

Our principal sources of funding were Leeds City Council (Public Health Directorate), Big Lottery Fund, Reed Momena and Henry Smith Fund. We are grateful to all of our funders for their continued support.

Reserves policy

The Members consider that it is prudent to operate with a level of reserves to cover the following contingencies: redundancy and other costs in the event of the charity winding up through a substantial loss of funding; to provide working capital where contracts are paid in arrears; to finance existing or new activities until adequate external funding is obtained.

At 31st March 2019 the level of free reserves was £69,041. This will be used to maintain charitable work on a short-term basis once funding has come to an end and before new funding has been secured.

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Plans for the future

Zest aims to continue to implement its three-strand fundraising strategy with the aim of remaining sustainable and diversifying its income streams to become less dependant on local authority funding.

Funding – Zest will continue to apply to grant-making foundations and trust for money to both support creative community engagement work which helps achieves Zest's social objectives and to generate management fees which support the core business costs. A target of £25,000 of management fees on new projects has been set for 2019/20. There are several large projects we will seek funding for including a Fire Station Community Hub and Volunteering Development project, a Self-Care and resilience project and further Tower Block development work. These have been identified as meeting the needs of our local communities and aligning with Zest's social objectives.

Direct Fundraising – 2018/19 was the first full year of this type of activity and can be seen as a learning year to inform future plans. £15,124 was raised through a combination of activities including corporate partner initiatives, sponsored events and sales. We have set an ambitious target of £20,000 to raise through this strand in 2019/20.

Social Enterprise – see below

Leeds Cookery School

We hope to build the business to generate a profit of circa £16,000 in the year 2019/20, which will then be used to repay the original loan to Zest and donate unrestricted funds into Zest's core. One area we are working on is a detailed cost analysis of each course allowing us to set profit margins to achieve against each. As we now have to charge VAT we need to ensure we recoup that through strategic pricing.

Investment is needed to achieve our profit target; we plan to employ a part time kitchen assistant and look at other ways we can increase capacity for the chefs to deliver classes. We will look to possibly expand the kitchen to allow another 4 work stations and secure regular venue hire business, review our marketing statistics with a view to driving more enquirers to book, and be better at horizon scanning.

Zest will seek other opportunities to generate income through social enterprise e.g. it is currently in discussions about acquiring a local jam and chutney making business which may generate some unrestricted income for the charity.

We will also seek to add additional management capacity within the staff team through introducing Team Leader roles, and aspirationally would like to recruit a Fundraiser.

Structure, governance and management

Recruitment, appointment and induction of trustees

Appointment of Trustees is governed by the Memorandum and Articles of Association. The Management Committee is authorised to appoint new members to fill vacancies arising through resignation or death of an existing Member. Membership of the Management Committee is review annually and the confirmation or retirement of Members will be considered at the Annual General Meeting.

As part of a Good Governance action plan, the Trustees follow a protocol for the recruitment and induction of new Trustees, which ensures effective understanding of the trustee role and mutual expectations from the beginning. Prospective Trustees are invited to visit Zest projects and meet with the CEO /Deputy CEO before having a discussion with the Chair and observing a Management Committee meeting. If both sides agree to proceed the formal application process will then take place via an application form, and relevant training offered to the new trustee.

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Organisational Structure

The Management Committee, this year comprising 6 members, meets bi-monthly. On a day to day basis management is delegated to the CEO Susie Brown and Senior Management Team – Dominic Charkin (Operations Manager), Prett Tejura (Finance Manager) and Simon Chappelow (Food Projects Manager). There is an HR sub group of the Management Committee which convenes quarterly to review salaries, review policies and to oversee substantive HR issues such as restructures, new post creation and disciplinary proceedings.

The Fundraising sub group comprising both Management Committee and staff members meets monthly to monitor the fundraising strategy streams and oversee direct fundraising initiatives.

Leeds Cookery School (LCS) is an incorporated business, wholly owned by Zest, which donates 100% of its profits to Zest. Two members of its board remain on the Zest Management Committee whilst the Chair and other members are independent. The LCS board is therefore able to make independent business decisions, but submits reports to the Zest Management Committee which retains oversight of activity and finances, and whose primary aim is to protect the charity from any financial losses incurred by the cookery school.

One long-standing member of the Zest Management Committee resigned this year upon his retirement and one new member was recruited, so the total number of trustees remains at six.

The organisation is a charitable company limited by guarantee, incorporated on 2/08/2007 and registered as a charity on 10/09/2008.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at Mar 2019 was 7. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Related parties and relationships with other organisations

Leeds Cookery School

Overview

Leeds Cookery School (LCS) was established in September 2017 as a trading subsidiary of Leeds charity Zest – Health for Life. Following a business review, Zest developed a three-strand fundraising strategy to reduce its reliance on local authority grant and contract funding, and to generate unrestricted income to ensure the charity's survival. LCS is an independent social enterprise wholly owned by the charity, and Gift Aids 100% of any profit to Zest.

Set up and launch

In September 2017 Zest moved into The Old Fire Station, a repurposed and redeveloped fire station in East Leeds which is now a community hub hosting seven local charities, a community cafe, meeting rooms and Zest's social enterprise – Leeds Cookery School. The LCS kitchen – located in a former double fire engine bay – was redeveloped and fitted out by Leeds Community Foundation, with money from the Jimmy Heselden Legacy Fund. This gave us us the opportunity to quickly launch the business

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just weeks after moving into the building. Zest allocated some reserves to the cookery school and loaned it some cash for a cash-flow buffer in its first year. Equipment was donated by Hotpoint, The John Lewis Partnership, and Rotherham Borough Council following the closure of Ministry of Food Rotherham.

LCS was formally constituted in September 2017, with founder directors consisting of two trustees of Zest who have specific food industry experience and now provide continuity by sitting on both boards, and two independent directors with relevant food knowledge and experience. One of the independent directors serves as Chair. The Zest CEO also sits on the board of directors, and the Zest finance manager is Company Secretary.

Objectives

The overriding objective of LCS is to generate income to support the work of the Zest charity. Other objectives are:

- to be the best cookery school in Yorkshire
- to offer an unrivalled customer experience to both individuals and corporate customers
- to be fun and accessible
- to be respected in the business community, to win recognition, and to remain innovative
- to instil a love of cooking and provide a range of learning opportunities

Risk Management

Finance and operational overview reports are made by LCS at each Zest trustee meeting but the division is clear; the LCS board concentrates on directing the business and ensuring profitability whilst the Zest board seeks to protect the charity from any financial liabilities or losses caused by the LCS.

The finance manager and LCS manager meet regularly each month to review cashflow, future booking levels and expenditure. Regular LCS team meetings inform the schedule and marketing campaigns. The LCS board meets bi-monthly and retains a strategic overview of business operations and profitability. An awayday with staff is scheduled for April 2019 to enable a full review of year one and to plan strategy for the second year of business.

Achievements and Performance

The cookery school has remained within its cash-flow parameters and made a small profit in this first year which it has transferred to Zest. As this is the first year of operation we see this as a huge achievement which we can build on.

Orion Consortium

Zest is part of a consortium – Orion – comprising of four like-minded Leeds charities working with similar social objectives and values. The four Orion partners – Feel Good Factor, Space 2 and Shantona collaborate on a variety of funding bids and resulting projects, with each organisation acting as the lead partner on occasion, and sub-contracting the other partners to deliver parts of the project work. A partnership agreement is put in place for each project, and a conflict resolution protocol is also available should the need ever arise. Staff members from all four organisations work closely together at all levels and share resources, line management responsibilities and reporting accountabilities.

Remuneration policy for key management personnel

An organisational Remuneration Policy is in place which outlines the procedures followed on an annual basis. A salary band table is in place which is reviewed annually in March, and all new jobs are

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evaluated and allocated a banding within this structure. Salary Reviews take place annually in March and the HR Sub Group makes recommendations for the board of trustees to ratify. Salary increases are not automatic or on an incremental basis but are awarded on the basis of increased responsibility and personal development. Employees would expect to be at the middle of their salary band when competently fulfilling all aspects of their job.

Risk Management

The Members have examined the major strategic, business and operational risks that Zest faces and confirm that systems have been established to lessen these risks. A risk register is in place which is reviewed annually and input is made by both the IT and HR consultants which Zest retains as specialist advisers.

Funds held as custodian trustee on behalf of others

Not applicable

Statement of responsibilities of the trustees

The trustees (who are also directors of Zest – Health for Life for the purposes of company law) 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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Zest – Health for Life Limited
Trustees' annual report
for the year ended March 2019

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on _____ and signed on their behalf by

Anne Sherriff

Chair

Independent examiner's report
to the trustees of
Zest – Health for Life Limited

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2019 which are set out on pages 12 to 30.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

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

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

Catherine Hall FCCA DChA
Slade & Cooper Limited
Green Fish Resource Centre, 46-50 Oldham Street
Manchester, M4 1LE

Date.....

Zest - Health for Life Limited
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	3	8,121	-	8,121	3,491
Charitable activities: Community Health	4	205,748	293,571	499,319	494,353
Investments	5	282	-	282	74
Total income		214,151	293,571	507,722	497,918
Expenditure on:					
Charitable activities: Community Health	6	212,792	286,574	499,366	565,776
Total expenditure		212,792	286,574	499,366	565,776
Net income/(expenditure) for the year	8	1,359	6,997	8,356	(67,858)
Transfer between funds		722	(722)	-	-
Net movement in funds for the year		2,081	6,275	8,356	(67,858)
Reconciliation of funds					
Total funds brought forward		66,960	5,266	72,226	140,101
Total funds carried forward		69,041	11,541	80,582	72,243

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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Company number 6332267
Balance sheet as at 31 March 2019

	Note	2019	2018
		£	£
Fixed assets			
Tangible assets	13	-	-
Total fixed assets		-	-
Current assets			
Debtors	14	37,195	37,522
Cash at bank and in hand		99,136	79,750
Total current assets		136,331	117,272
Liabilities			
Creditors: amounts falling due in less than one year	15	(55,749)	(45,029)
Net current assets		80,582	72,243
Total assets less current liabilities		80,582	72,243
Net assets		80,582	72,243
The funds of the charity:			
Restricted income funds	17	11,541	5,266
Unrestricted income funds	18	69,041	66,960
Total charity funds		80,582	72,226

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime (of the Companies Act 2006).

The notes on pages 15 to 30 form part of these accounts.

Approved by the Board of Trustees, and signed on their behalf by:

Anne Sherriff (Trustee)

Date _____

Zest - Health for Life Limited

Statement of Cash Flows
for the year ending 31 March 2019

	Note	2019 £	2018 £
Cash provided by/(used in) operating activities	24	19,121	(78,059)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		282	74
Cash provided by/(used in) investing activities		282	74
Increase/(decrease) in cash and cash equivalents in the year		19,403	(77,985)
Cash and cash equivalents at the beginning of the year		79,750	157,735
Cash and cash equivalents at the end of the year		99,153	79,750

Zest - Health for Life Limited
Notes to the accounts for the year ended 31 March 2019

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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) issued on 16th July 2014 (as updated through Update Bulletin 1 published on 2nd February 2016) -(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Zest - Health for Life Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income 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 by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual 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.

e Interest receivable

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

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Fund accounting

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Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

j Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Computer equipment	33% straight line
Office fixtures and equipment	25% straight line

l Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m Cash at bank and in hand

Cash at bank and cash 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.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o Financial instruments

The charity 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.

p Pensions

The charity contributes to defined contribution pension schemes in respect of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity in respect of the employees. There were pension payments outstanding at the year end of £2,077.46 (2018: £1,281)

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. 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. The registered office address is disclosed on page 1.

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2019 £	Total 2018 £
Donations	8,121	-	8,121	3,491
Total	8,121	-	8,121	3,491
<i>Total by fund 31 March 2018</i>	<i>8,121</i>		<i>8,121</i>	

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2019 £
Community Foundation	-	15,164	15,164
Garfield Weston	20,000	-	20,000
Henry Smith	-	46,500	46,500
Leeds City Council	-	10,632	10,632
Rotherham MBC	-	-	-
Space 2	-	-	-
Income from activities	14,239	-	14,239
Other income	850	268	1,118
Public Health (Feel Good Factor)	-	86,605	86,605
Lottery Fund	-	110,634	110,634
University of Leeds	-	7,655	7,655
Soil Association	-	10,000	10,000
Veolia	-	-	-
Reed Momena	170,659	-	170,659
Leeds Cookery School	-	-	-
Touchstone	-	600	600
Seedbed Christian	-	3,858	3,858
Leeds Soup	-	1,655	1,655
Total	205,748	293,571	499,319

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

Previous Year Income from charitable activities

<i>Total by fund 31 March 2018</i>	<i>95,572</i>	<i>398,781</i>	<i>494,353</i>
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total 2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>
<i>Community Foundation</i>	<i>-</i>	<i>4,000</i>	<i>4,000</i>
<i>Henry Smith</i>	<i>-</i>	<i>23,050</i>	<i>23,050</i>
<i>Leeds City Council</i>	<i>-</i>	<i>79,109</i>	<i>79,109</i>
<i>Rotherham MBC</i>	<i>-</i>	<i>49,095</i>	<i>49,095</i>
<i>Space 2</i>	<i>-</i>	<i>1,585</i>	<i>1,585</i>
<i>Income from activities</i>	<i>3,008</i>	<i>12,434</i>	<i>15,442</i>
<i>Other income</i>	<i>2,375</i>	<i>-</i>	<i>2,375</i>
<i>Public Health (Feel Good Factor)</i>	<i>-</i>	<i>83,462</i>	<i>83,462</i>
<i>Lottery Fund</i>	<i>-</i>	<i>129,754</i>	<i>129,754</i>
<i>University of Leeds</i>	<i>-</i>	<i>7,500</i>	<i>7,500</i>
<i>Soil Assoiation</i>	<i>-</i>	<i>8,000</i>	<i>8,000</i>
<i>Veolia</i>	<i>-</i>	<i>792</i>	<i>792</i>
<i>Reed Momenta</i>	<i>85,905</i>	<i>-</i>	<i>85,905</i>
<i>Leeds Cookery School</i>	<i>4,284</i>	<i>-</i>	<i>4,284</i>
	<hr/>	<hr/>	<hr/>
Total	95,572	398,781	494,353
	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

5 Investment income

	Unrestricted £	Restricted £	2019 £	2018 £
Income from bank deposits	282	-	282	74
	<u>282</u>	<u>-</u>	<u>282</u>	<u>74</u>

6 Analysis of expenditure on charitable activities

	Community Health £	Total 2019 £	Total 2018 £
Staff costs	246,818	246,818	292,818
Accommodation	43,604	43,604	60,290
Project costs	108,408	108,408	104,503
Governance costs (see note 7)	8,489	8,489	12,688
Support costs (see note 7)	92,047	92,047	95,477
	<u>499,366</u>	<u>499,366</u>	<u>565,776</u>
		2019 £	2018 £
Restricted expenditure		286,574	393,306
Unrestricted expenditure		212,792	172,470
		<u>499,366</u>	<u>565,776</u>

7 Analysis of governance and support costs

	Basis of apportionment	Support £	Governance £	Total 2019 £
Staff costs	Time spent	78,515	-	78,515
Office costs	Floor area	13,532	-	13,532
Independent examination	Governance	-	1,830	1,830
Legal and professional	Governance	-	6,659	6,659
		<u>92,047</u>	<u>8,489</u>	<u>100,536</u>

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2019 £	2018 £
Operating lease rentals:		
Property	20,000	20,000
Other	354	-
Independent examiner's fee	1,830	1,100
	<hr/>	<hr/>

9 Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	273,787	288,111
Social security costs	27,219	42,943
Pension costs	16,580	20,339
Redundancy and termination costs	-	12,566
Recruitment	1,107	252
Staff training	2,381	3,175
Travel expenses	4,259	5,338
	<hr/>	<hr/>
	325,333	372,724
	<hr/>	<hr/>
Allocated as follows:		
Charitable activities	246,818	292,818
Support costs	78,515	79,906
	<hr/>	<hr/>
	325,333	372,724
	<hr/>	<hr/>

No employees has employee benefits in excess of £60,000 (2018: Nil).

The average number of staff employed during the period was 17 (2018: 18).

The average full time equivalent number of staff employed during the period was 13.77 (2018: 15.03).

The key management personnel of the charity comprise the trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £115,980 (2018: £122,107).

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

10 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year. The Management committee received £26.00, for reimbursed expenses during the year (2018: Nil).

0 members of the management committee received travel and subsistence expenses during the year (2018: £0).

Aggregate donations from related parties were £0 (2018: £0).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2018: nil).

The Charity has one Subsidiary:

Leeds Cookery School Ltd, registered on 5th December, a company Limited by shares,
Company number - 11098044

	2019 £	2018 £
Transactions in the period Comprise		-
Recharge of expenses to Subsidiary	15,961	13,219
Services provided by Subsidiary	(8,200)	(8,200)
Balance owed by/(to) the Subsidiary at period end.	15,961	5,019

11 Government grants

The government grants recognised in the accounts were as follows:

	2019 £	2018 £
Leeds City Council	10,632	79,109
Rotherham MBC	-	49,095
	<hr/> 10,632	<hr/> 128,204
	<hr/> <hr/>	<hr/> <hr/>

There were no unfulfilled conditions and contingencies attaching to the grants.

12 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

13 Fixed assets: tangible assets

	Office Equipment £
Cost	
At 1 April 2018	860
Additions	-
Disposals	-
	<hr/>
At 31 March 2019	860
	<hr/>
Depreciation	
At 1 April 2018	860
Charge for the year	-
Disposals	-
	<hr/>
At 31 March 2019	860
	<hr/>
Net book value	
At 31 March 2019	-
	<hr/>
At 31 March 2018	-
	<hr/>

14 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	19,146	-
Other debtors	17,666	37,522
Prepayments and accrued income	383	
	<hr/>	<hr/>
	37,195	37,522
	<hr/>	<hr/>

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors and accruals	18,155	16,714
Deferred income	-	10,846
Grants received in advance	19,657	-
Taxation and social security costs	6,277	6,119
Vat control Account	9,583	9,771
Pension Control	2,077	1,579
	<hr/>	<hr/>
	55,749	45,029
	<hr/>	<hr/>

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

16 Deferred income

	2019 £	2018 £
Deferred grant brought forward	10,846	1,900
Grant received		10,846
Released to income from charitable activities	(10,846)	(1,900)
	<hr/>	<hr/>
Deferred grant carried forward	-	10,846
	<hr/>	<hr/>

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

17 Analysis of movements in restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Community Health					
DWELL	-	111,534	(111,534)		-
Caring Dads	-	3,858	(643)		3,215
Ministry of Food	-				-
Henry Smith	4,544	46,500	(43,563)		7,481
Love Food Hate Waste	722	-	-	(722)	-
Better Together (Public Health)	-	87,425	(87,425)		-
Sustainable Food Cities	-	23,655	(23,655)		-
Wellbeing Fund	-	2,860	(2,860)		-
Leeds Soup	-	1,655	(809)		846
Holiday Hungar	-	5,420	(5,421)		(1)
Cook Eat Chat	-	9,744	(9,744)		-
Itea	-	200	(200)		-
Small Funding Projects	-	720	(720)		-
Total	5,266	293,571	(286,574)	(722)	11,541

Analysis of movements in restricted funds 2018

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
Community Health					
Diabetes Awareness	1,319		-	(1,319)	-
DWELL	(36)	114,754	(103,889)	(10,829)	-
Men's Health Projects	2,644	5,585	(8,481)	252	-
Ministry of Food	15,100	126,400	(127,420)	(14,080)	-
New Opportunities	4,962	-	(4,861)	(101)	-
Pilot Lighters	4,120	-	(1,940)	(2,180)	-
Henry Smith		23,050	(18,506)	-	4,544
Love Food Hate Waste		722	-	-	722
Better Together (Public Health)	-	84,161	(84,161)		-
Leeds United Football	-	1,100	(1,100)	-	-
Lincoln Green Youth Group		1,362	(1,362)		-
Sustainable Food Cities		16,500	(16,500)		-
Zest Youth Projects		6,687	(6,687)		-
Richmond Hill Swimming Bus		792	(792)		-
Richmond Hill Fun days		2,608	(2,608)		-
Building Capabilities		15,000	(14,999)	(1)	-
Domestic violence		200	-	(200)	-
	28,109	398,921	(393,306)	(28,458)	5,266

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

Name of	Description, nature and purposes of the fund
DWELL	This project is funded by the Big Lottery with the aim of improving the social and physical wellbeing of isolated and disadvantaged people in east Leeds. Activities start in April 2017.
Ministry of Food	This relates to cookery training in Leeds as part of Jamie's Ministry of Food. In September 2018 Reed Momenta subcontracted the work to Zest.
Sustainable Food Cities	National network to support healthy sustainable food. Funded by Leeds City council and match funded by the University of Leeds.
Henry Smith	Project to cover a range of activities to promote men's health.
Better Together (Public Health)	As part of the Orion Partnership, this is a 3 year contract to deliver community activity in NE Leeds. Started April 2018.

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

18 Analysis of movement in unrestricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	As at 31 March 2019 £
General fund	84,450	21,578	(43,889)	722	62,861
Volunteering fund	1,243	-	-	-	1,243
Fire station fund	10,000	-	-	-	10,000
Fundraising	(3,630)	14,241	(656)	-	9,955
Reed Momenta - MOF	90	178,332	(168,247)	-	10,175
Leeds Cookery School	(25,193)	-	-	-	(25,193)
	<u>66,960</u>	<u>214,151</u>	<u>(212,792)</u>	<u>722</u>	<u>69,041</u>

Analysis of movement in unrestricted funds 2018

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	As at 31 March 2018 £
General fund	100,631	5,768	(50,390)	28,458	84,467
Volunteering fund	1,361	-	(118)	-	1,243
Fire station fund	10,000	-	-	-	10,000
Fundraising	-	3,040	(6,670)	-	(3,630)
Reed Momenta - MOF	-	85,905	(85,815)	-	90
Leeds Cookery School	-	4,284	(29,477)	-	(25,193)
	<u>111,992</u>	<u>98,997</u>	<u>(172,470)</u>	<u>28,458</u>	<u>66,977</u>

Name of	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Volunteering fund	This amount has been put aside to support volunteers
Fire station	This amount has been put aside to support the business plan in respect of the proposed move to Gipton Fire Station.
Leeds Cookery School	Costs associated with the set up of the cookery school before incorporation.

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

19 Analysis of net assets between funds

General	Designated	Restricted
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	fund £	funds £	funds £	Total £
Tangible fixed assets	-	-	-	-
Fixed asset investments	-	-	-	-
Net current assets/(liabilities)	62,861	6,180	11,541	80,582
	<hr/>	<hr/>	<hr/>	<hr/>
Total	62,861	6,180	11,541	80,582

Analysis of net assets between funds 2018

	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
<i>Tangible fixed assets</i>	-	-	-	-
<i>Fixed asset investments</i>	-	-	-	-
<i>Net current assets/(liabilities)</i>	84,467	(17,490)	5,266	72,243
<i>Creditors of more than one year</i>	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total</i>	84,467	(17,490)	5,266	72,243
	<hr/>	<hr/>	<hr/>	<hr/>

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Less than one year	20,000	20,000	1,062	-
One to five years	80,000	80,000	531	-
Over five years	65,000	85,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	165,000	185,000	1,593	-
	<hr/>	<hr/>	<hr/>	<hr/>

21 Contingent assets

There were no contingent assets.

22 Contingent liability

There were no contingent liabilities.

23 Post balance sheet events

There were no post balance sheet events affecting these accounts.

Zest - Health for Life Limited

Notes to the accounts for the year ended 31 March 2019 (continued)

24 Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year	8,356	(67,858)
Adjustments for:		
Depreciation charge	-	-
Loss/(profit) on sale of fixed assets	-	-
(Gains)/losses on investments	-	-
Dividends, interest and rents from investments	(282)	(74)
Decrease/(increase) in stock	-	-
Decrease/(increase) in debtors	327	(32,030)
Increase/(decrease) in creditors	10,720	21,903
	<hr/>	<hr/>
Net cash provided by/(used in) operating	19,121	(78,059)
	<hr/>	<hr/>