

**THE FOOD CHAIN (UK) LIMITED**

**DIRECTOR'S AND  
TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**Company No: 02580505  
Charity No: 1003014**

**THE FOOD CHAIN (UK) LIMITED**

**REPORT AND ACCOUNTS**

**C O N T E N T S**

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**THE FOOD CHAIN (UK) LIMITED**  
**DIRECTOR'S AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2023, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OUR PURPOSE AND ACTIVITIES**

The charity was founded to provide a nutritional meal service to people living with HIV, their dependents and carers. The company's objects as amended in Articles on 16 October 2013 are:

*"the relief of sickness by providing nutritional support service to those living with infection, illness and related conditions caused by the Human Immunodeficiency Virus (HIV) or other causative agents, and to the housebound with specific dietary needs arising from a medical condition; and*

*To provide a nutritional support service for their dependents and for partners, carers or family members who are directly engaged in caring for the person living with infection, illness and related conditions caused by the Human Immunodeficiency Virus (HIV) or other causative agents or housebound by other medical condition and who are in conditions of need or hardship."*

The subsidiary undertaking, Food Chain Kitchen Limited has entered into a Deed of Covenant with the company under which its taxable income each year is covenanted to the Charity. As a result the trading subsidiary will be making a Gift Aid payment of £nil (2023– £nil).

The nutritional support services provided are designed to help people living with HIV in London to get well, stay well and live independently. Services are free, are not subject to financial means testing and are provided to eligible people who are identified as being in nutritional need.

Our package of support, uniquely tailored for each individual, can include one or more of the following services; home-delivered meals, a grocery delivery service for a defined period of time; Eating Positively, nutrition and cookery classes to meet the needs of people living with HIV; and Eating Together, a communal eating service for isolated individuals. Every service user also has access to a fully qualified dietitian for nutritional advice.

Information and recipes collected by The Food Chain over the years have been developed into fact sheets, and are made available to a wider audience through The Food Chain website, [www.foodchain.org.uk](http://www.foodchain.org.uk), which offers nutritional advice designed for people living with HIV

# THE FOOD CHAIN (UK) LIMITED

## DIRECTOR'S AND TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### Achievement and activities summary

We continued to meet the nutrition and support needs of PLWHIV in London many of whom have complex lives and very challenging circumstances

#### Service level and demographics

##### New referrals

422 individuals plus their 236 family members = 658 individuals

##### Ethnicity

Black 58%

Asian 4%

White 31%

Mixed Ethnicity 2%

Latin American 2%

Other 1%

Prefer not to say 2%

##### Gender

Male 53.5%

Female 44.5%

Transgender 2%

##### Sexuality

Heterosexual = 59%

LGBTQ+ = 33%

Prefer not to say = 8%

##### Average household income

£142 a week

##### Age

Youngest: 15

Oldest: 83

15-25 = 5%

26-40 = 27%

41-55 = 40%

56-75 = 27%

75+ = 1%

##### Accommodation Status

Stable/Permanent = 59%

Unstable/Temporary = 31%

Unknown = 10%

##### HIV Health

Average CD4 count = 521 (healthy range = 500 – 1,500)

77% undetectable viral load (national rate is 97%, PHE 2018)

# THE FOOD CHAIN (UK) LIMITED

## DIRECTOR'S AND TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### **Number of grocery deliveries and meal equivalents**

Groceries

1,688 grocery deliveries = 94,528 meal equivalents

#### **Wiltshire Farm Food deliveries**

1,299 Hot meals served to 123 people 223 onward referrals made

**Formula milk** We were able to support 42 parents living with HIV with new born babies and infants up to the age of one year, with formula milk.

#### **Number of volunteer hours as posts @ London living wage**

4,812 volunteer hours provided by 127 people x £11.95 London Living wage = £ 57,503.40

### **Overview of 2022-2023**

With grocery price inflation in the UK hitting a record high of 16.7% in January 2023 and our café energy bills doubling to £50 a day The Food Chain undertook a thorough and measured review of our operations. The aim of the trustees and the senior staff team was to maintain meeting our charitable objectives in such a way as to sustainably continue supporting people living with HIV many of whom live highly challenging and vulnerable lives. Our aim was to be able to continue our tailored support programmes delivered by volunteers including the most appropriate package of home-delivered meals, groceries, nutrition and cookery classes and communal dinners.

To achieve a position of stability and a breakeven position going forward we had to take various remedial actions. Through the generous offers of partnership working with other HIV organisations in the sector, the reduction in the overall staffing budget, a temporary pause in our grocery delivery service from December the 14th 2022 to February 27th 2023 and on reopening a new management system of grocery deliveries capped at a specific number of service users at any one time dependent on our current and forecasted financial situation.

From January 19th of 2023, we have been hosted by the Terence Higgins Trust at their offices Cally Yard on the Caledonian Road. At the end of the financial year we commenced our communal Eating Together and eventually Eating Positively Programmes from Positive East based next door to Stepney East tube station in East London.

Both the THT offices and the Positive East café space are ideal for our operation and we are extremely grateful to be working alongside such excellent and generous partners in the sector.

We were sad that the economic climate was such that we were unable to stay in our relatively new community café space on the Gray's Inn Road and offices at Lumen (The United Reform Church) in Bloomsbury. The Food Chain had been part of the King's Cross Community for nearly a decade and we have made many great connections which we continue to maintain from our new locations.

The reduction in the overall staffing budget was achieved by following the retirement of Siobhan Lanigan in December 2022 after ten years in the role, deleting the Chief Executive post and concomitantly strengthening our senior management team. In addition, we held over indefinitely recruitment to a vacant Community and Events Fundraiser post by absorbing their activities across our staff team and enthusiastic volunteers and trustees.

We are very lucky to be able to conserve our specialist HIV dietetic and nutrition team which are the core of making us the only HIV specialist dietetic charity in the UK. We value the support of all our stakeholders – volunteers, trustees, staff, supporters, HIV organisations and funders and the most important of all those who use our services. The impact of these changes on our current and future service users has been minimised.

**THE FOOD CHAIN (UK) LIMITED**  
**DIRECTOR'S AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**Case studies/testimonials**

Comment received directly from service users.

"I cannot express how helpful you have been for me during this very dark time. I am beginning to change my relationship with food. To take the time to prepare my food is very satisfying if not nurturing."

"It was good know different skills - how to eat well and spend less money. I appreciate how well you explained, it was nice to learn from you"

"The Food Chain has changed my life. It has helped me take my medication because I need food to take it and I did not have any food."

"Whenever I attend Eating Together I always feel so well connected to my peers. It gives me hope for the future"

"I deeply appreciate coming here to join others in the same condition with me, and have lovely conversation as well and a lovely meal. This has greatly changed my wellbeing "

The Consolidated Statement of Financial Activities shows a deficit of total incoming resources compared with expended resources of £61,335 reduced in relation to the 2022 deficit of £103,923 primarily due to the impact of the cost containment exercise undertaken in January 2023 and the pause in groceries started in December 2022.

Expenses increased from £566,941 to £585,241 with the main increase being in the increased level of service and the associated cost of living increases throughout the year.

**Principal funding sources**

The main funding sources for the charity are charitable trust income and individual donors.

**Investment powers and policy**

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. The policy of the Trustees is to invest any surplus funds on bank deposit

**Reserves policy**

The charity has a reserves policy that has a short term aim to maintain sufficient funds to operate at our current level over a 3 month period. The medium term aim is to maintain sufficient funds to enable the expansion of current service and the long-term aim is to maintain sufficient funds to extend and provide new services.

The Net Current Assets at the end of the year stood at £9,915 in 2022 they were £47,904

The Net Assets at the end of the year stood at £25,946 in 2022 they were £86,949

Trustees undertake ongoing risk assessment in relation to the level of reserves. The cost containment measures taken in December 2022 and from January 2023 ensured that the charity was able to operate efficiently and effectively to meet its charitable objectives and assist people living with HIV to get well, stay well and live healthy independent lives and over time to work towards ensuring it meets the aims of its reserve policy.

**THE FOOD CHAIN (UK) LIMITED**  
**DIRECTOR'S AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**FUTURE ACTIVITIES**

Our strategic aims are:

**Maintain our core nutrition support services**

- HIV specialist dietetic assessment and advice
- Essential grocery deliveries
- Eating Together communal lunches
- Eating Positively cookery and nutrition classes

**Develop ways of alleviating the hardship experienced by our service users by:**

- Signposting to other providers
- Creating partnerships that bring other providers into The Food Chain
- Accessing hardship related grants, funds, and items

**Raise awareness of the complex and multiple needs of people who are not living well with HIV by:**

- Sharing our experience and demonstrating the impact of our support services at every opportunity.

**Open and fully develop a community café in our new kitchen at Headland House**

**Build the long-term financial sustainability of The Food Chain** by diversifying our income and providing cost effective services.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Directors/Trustees:**

Teresa Rider (Chair)  
Christopher Buckley  
Allan Anderson  
Jose Carlos Mejia Asserias  
Michael Barker  
Laura Waters  
Rachel Margaret Coyle – Resigned on 21<sup>st</sup> October 2022  
Caroline Ann Missen – Resigned on 21<sup>st</sup> October 2022

**Company No:** 02580505

**Charity No:** 1003014

**Secretary:** Mark Reynolds

**Senior Management:** Siobhan Lanigan – Chief Executive until 31/12/2022  
Anna Brewster – Director of Services and Development appointed 1/11/2022  
Richard Mills – Director of Income and Generation appointed 1/3/2022  
P Blowers – Kitchen Services Manager

**THE FOOD CHAIN (UK) LIMITED**  
**DIRECTOR'S AND TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**Registered Office:** Cally Yard 439 Caledonian Road London England N7 9bg

**Independent Examiner:** Samir Shah ACA,  
Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

**Bankers:** The Co-operative Bank, P.O. Box 250, Delf House, Skelmersdale WN8 6WT  
Charities Aid Foundation, Kings Hill, West Malling, Kent ME19 4TA

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Food Chain (UK) Limited is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 6<sup>th</sup> February 1991 and is a registered charity constituted as a limited company under the Memorandum and Articles of Association. The charity registration number is 1003014 and the company registration number is 2580505.

### **Appointment of trustees**

As set out in the Articles of Association the Chair of the Trustees is nominated by The Food Chain (UK) Limited. The Executive Committee of Trustees have power to appoint additional Trustees as it considers fit to do so.

The Board of Trustees is elected at the Annual General Meeting in accordance with the Articles when at least one third of the Trustees retire from office. Trustees are eligible for re-election but cannot serve for more than six consecutive years. Between Annual General Meetings, additional Trustees may be co-opted by the Board for a term of up to one year.

### **Trustee induction and training**

The Trustees maintain a good working knowledge of charity and company law and best practise through their professional and business interests. New Trustees are given copies of the Memorandum and Articles of Association.

External training is promoted and funded in the areas of governance, finance and other specialist areas as required.

### **Organisation**

The company is organised so that the Directors and Trustees meet regularly to manage its affairs. The Executive Committee comprises members from a variety of backgrounds, local knowledge and professional qualification.

The daily operations are the responsibility of the Chief Executive who reports to the Board of Trustees.

### **Risk management**

The Management Committee has conducted a review of the major risk to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

### **Related parties**

The charity is independent of any other charities or organisation but works closely with other organisations, HIV support charities, local authorities and health & social care professionals.

The charity's wholly owned subsidiary, Food Chain Kitchen Limited, was incorporated on 16<sup>th</sup> January 1997 with the intention that it might one day manage the purchase and development of a building to further the objectives of the charity. The subsidiary changed its name in November 2012 to Food Chain Kitchen Limited.

The Trustees have no beneficial interest in the company other than as members. There are no Trustees who are also a director of Food Chain Kitchen Limited.

### **Members of the Management Committee**

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 4.

# THE FOOD CHAIN (UK) LIMITED

## DIRECTOR'S AND TRUSTEES' REPORT

### FOR THE YEAR ENDED 31ST MARCH 2023

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Food Chain (UK) Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

#### APPROVAL

This report was approved by the Board of Trustees and signed on its behalf by:



**TERESA RIDER**  
(Chair)

**27<sup>th</sup> NOVEMBER 2023**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE FOOD CHAIN (UK) LIMITED**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 10 to 23.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

**Respective responsibilities and basis of report**

As the charity's trustees of the Company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

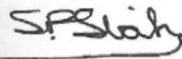
**Independent examiner's statement**

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



**SAMIR SHAH ACA  
RAMON LEE LTD  
93 TABERNACLE STREET  
LONDON EC2A 4BA**

**27<sup>th</sup> NOVEMBER 2023**

**THE FOOD CHAIN (UK) LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£
<b>Income</b>					
Grants, donations and legacies	2	106,113	15,000	121,113	71,886
Charitable activities	3	115,222	227,813	343,035	350,055
Other trading activities	4	59,660	-	59,660	41,065
Investment income		98	-	98	12
<b>Total income</b>		<u>281,093</u>	<u>242,813</u>	<u>523,906</u>	<u>463,018</u>
<b>Expenditure</b>					
Raising funds	6	64,442	-	64,442	77,553
Charitable activities	7	317,820	202,979	520,799	489,388
<b>Total expenditure</b>		<u>382,262</u>	<u>202,979</u>	<u>585,241</u>	<u>566,941</u>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(101,169)	39,834	(61,335)	(103,923)
<b>Reconciliation of funds</b>					
Total funds, brought forward		71,338	13,525	84,863	188,786
<b>Total funds, carried forward</b>		<u>(29,831)</u>	<u>53,359</u>	<u>23,528</u>	<u>84,863</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 13 to 23 form part of these accounts.

**THE FOOD CHAIN (UK) LIMITED**  
**CONSOLIDATED BALANCE SHEET**

**AS AT 31ST MARCH 2023**

	Notes	GROUP 2023 £	GROUP 2022 £	CHARITY 2023 £	CHARITY 2022 £
<b>Fixed assets</b>					
Tangible assets	12	26,030	39,044	26,030	39,044
Investments	13	-	-	1	1
<b>Total Fixed Assets</b>		<u>26,030</u>	<u>39,044</u>	<u>26,031</u>	<u>39,045</u>
<b>Current assets</b>					
Debtors	14	4,691	7,122	7,154	9,225
Cash at bank and in hand		30,772	90,073	30,366	89,667
<b>Total Current Assets</b>		<u>35,463</u>	<u>97,195</u>	<u>37,520</u>	<u>98,892</u>
<b>Liabilities</b>					
Creditors falling due within one year	15	(27,965)	(51,376)	(27,605)	(50,988)
<b>Net Current Assets</b>		<u>7,498</u>	<u>45,819</u>	<u>9,915</u>	<u>47,904</u>
Creditors falling due after more than one year	15	(10,000)	-	(10,000)	-
<b>Net assets</b>		<u>23,528</u>	<u>84,863</u>	<u>25,946</u>	<u>86,949</u>
<b>The funds of the charity:</b>					
Unrestricted funds	16	(29,831)	71,338	(27,413)	73,424
Restricted funds	16	53,359	13,525	53,359	13,525
<b>Total charity funds</b>		<u>23,528</u>	<u>84,863</u>	<u>25,946</u>	<u>86,949</u>

In preparing these financial statements:

For the financial period ended 31<sup>st</sup> March 2023 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial period and of its surplus or deficit for the financial period 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 charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These accounts were approved by the Board of Directors and Trustees on 27<sup>th</sup> November 2023 and signed on its behalf by:



..... Teresa Rider

**Company No: 02580505**

The notes on pages 13 to 23 form part of these accounts.

**THE FOOD CHAIN (UK) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

	Notes	2023 £	2022 £
<b>Cash used in operating activities</b>	18	<u>(59,399)</u>	<u>(59,981)</u>
<b>Cash flows from investing activities</b>			
Interest income		98	12
Purchase of tangible fixed assets		-	(43,775)
Purchase of investment		-	-
<b>Cash provided by / (used in) investing activities</b>		<u>98</u>	<u>(43,764)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowing		-	-
Cash inflows from new borrowings		-	-
Interest on borrowing		-	-
<b>Cash used in financing activities</b>		<u>-</u>	<u>-</u>
Increase / (decrease) in cash & cash equivalents in the year		<u>(59,301)</u>	<u>(103,745)</u>
Cash & cash equivalents at the beginning of the year		90,073	193,818
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u>30,772</u>	<u>90,073</u>

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of accounts**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The presentation currency of the financial statements is the Pound Sterling (£).

The Food Chain (UK) Limited meets the definition of a public benefit entity under FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

**1.2 Preparation of accounts on a going concern basis**

The charity's Financial Statements show net deficit of £61,335 for the year and free reserves of £23,528 as at the year end. The Trustees are taking steps to reduce costs and secure additional funding so that the charity is able to operate on a satisfactory basis and are confident that the charity can continue to operate on a going concern.

**1.3 Group financial statements**

The group financial statements consolidate the accounts of The Food Chain (UK) Limited (the 'company') and its wholly owned subsidiary, The Food Chain Kitchen Limited. The Directors have taken advantage of the provisions of Section 408 of the Companies Act 2006 and do not present an individual profit and loss account for the company.

**1.4 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 amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of general nature which are not conditional on delivering certain levels of service are included as part of Grants, donations and legacies as shown under note 2 and 3.
- Capital grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when they are received or receivable. Depreciation on the related fixed assets is charged against the restricted fund.
- Facility hire income is recognised as earned (that is, as the related services are provided).
- Fundraising income are credited to incoming in the year in which they are received, as in practice this represents a receivable basis.
- Income from activities includes income recognised as earned (as the related goods and services are provided) under contract.
- Investment income is included when receivable.

**1.5 Volunteers and donated services, facilities and goods**

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), the general volunteer time of the Charity is not recognised in the main body of the financial accounts but detail is contained in the Trustees report.

On receipt, donated professional services, donated facilities and goods 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.

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**1.6 Expenditure recognition 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:

- (a) Costs of generating funds are those cost incurred in attracting voluntary income and those incurred in other trading activities that raise funds.
- (b) Expenditure on charitable activities includes the costs directly associated food delivery services and education and outreach services, to further the purposes of the Charity and their associated support costs.

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

**1.7 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 and administration personnel, payroll and governance costs which support the Trust'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 8.

**1.8 Fund's structure**

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor-imposed conditions.

**1.9 Pension costs**

The charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension cost charge represents contributions payable by the charity to the fund and amounted to £14,425 (2022 - £15,336). Contributions totalling £Nil (2022 - £Nil) were payable to the fund at the year end and are included in creditors.

**1.10 Operating leases**

The charity classifies the lease of property and copier rental as an operating lease. The rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration. No assets are held under hire purchase agreements.

**1.11 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.

**1.12 Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

<b>Asset Category</b>	<b>Annual Rate</b>
Office equipment	- 15% on the reducing balance basis
Kitchen equipment	- 33% on the reducing balance basis
Leasehold improvements	- 15% on the reducing balance basis

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**1.13 Cash at bank and in hand**

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

**1.14 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.

**1.15 Financial instruments**

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

**1.16 Judgement and key sources of estimation uncertainty**

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

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

**2. GRANTS, DONATIONS AND LEGACIES**

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Donations	100,878	-	100,878	59,926
Ocado Retail	-	15,000	15,000	-
Gift Aid	5,235	-	5,235	4,486
Legacies	-	-	-	1,495
Heatherwick Studios	-	-	-	1,000
CIB Charity committee	-	-	-	4,980
	<u>106,113</u>	<u>15,000</u>	<u>121,113</u>	<u>71,886</u>

The grants, donations and legacies income in 2022 totalling £71,886 was attributed to £6,980 restricted funds and £64,906 unrestricted funds.

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**3. CHARITABLE ACTIVITIES**

Grants and donations:

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
<b><i>Food delivery services:</i></b>				
Lottery Community Fund	-	120,000	120,000	150,000
City Bridge Trust	4,722	53,500	58,222	52,500
The National Lottery Fund	-	44,813	44,813	-
M.A.C Aids Fund	30,000	-	30,000	30,000
The Mill Charitable Trust	30,000	-	30,000	20,000
Terrence Higgins Trust	15,000	-	15,000	-
Other funders	5,500	9,500	15,000	9,055
Evan Cornish Foundation	10,000	-	10,000	-
Fast Track Cities	-	-	-	15,000
Hackney Parochial	-	-	-	5,000
The Truemark Trust	-	-	-	5,000
The Vintners Company	-	-	-	5,000
Westminster Amalgamated Charity	-	-	-	8,500
Clothworkers Foundation	-	-	-	5,000
Garfield Weston Foundation	-	-	-	20,000
ViiV Healthcare UK Ltd	-	-	-	15,000
	<u>95,222</u>	<u>227,813</u>	<u>323,035</u>	<u>340,055</u>
<b><i>Education and outreach:</i></b>				
ViiV Healthcare	-	-	-	10,000
Wandsworth Oasis	20,000	-	20,000	-
	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>10,000</u>
<b>Total</b>	<u>115,222</u>	<u>227,813</u>	<u>343,035</u>	<u>350,055</u>

The income from charitable activities in 2022 totalling £350,055 was attributed to £237,555 restricted funds and £112,500 unrestricted funds.

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**4. OTHER TRADING ACTIVITIES**

	GROUP AND CHARITY		Total 2023 £	Total 2022 £
	Unrestricted £	Restricted £		
Collections and Events	28,606	-	28,606	17,636
Community Café-Catering Income	14,467	-	14,467	2,817
Other Income and Partnerships	16,587	-	16,587	20,613
	<u>59,660</u>	<u>-</u>	<u>59,660</u>	<u>41,065</u>

The income from other trading activities in 2022 totalling £41,065 was all attributed to unrestricted funds.

**5. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

The wholly owned trading subsidiary, Food Chain Kitchen Limited, which is registered in England and Wales, pays all but a small proportion of its profits to the charity by gift aid. The principal activity of the subsidiary company is that of catering services.

The charity owns the entire issued share capital of 1 Ordinary Shares of £1 each. Accounts are filed with the Registrar of Companies. A summary of the trading results for the year ended 31<sup>st</sup> March 2023 is shown below:

	2023 £	2022 £
<b>SUMMARY PROFIT AND LOSS ACCOUNT:</b>		
<b>Turnover</b>	-	-
Cost of sales	-	-
Administration costs	(360)	(360)
Bank interest received	-	-
<b>Net profit</b>	<u>(360)</u>	<u>(360)</u>
Amount gift aided to the charity	-	-
Retained in subsidiary	(360)	(360)
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	406	406
Current liabilities	(2,823)	(2,463)
<b>Total net assets</b>	<u>(2,417)</u>	<u>(2,057)</u>
<b>Aggregate share capital and reserves</b>	<u>(2,417)</u>	<u>(2,057)</u>

**THE FOOD CHAIN (UK) LIMITED**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST MARCH 2023**

**6. RAISING FUNDS**

	<b>Raising Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	42,508	42,508	54,250
Fundraising activities	5,010	5,010	3,869
Support costs (Note 8)	11,948	11,948	14,572
Governance costs (Note 8)	4,976	4,976	4,862
	<u>64,442</u>	<u>64,442</u>	<u>77,553</u>

Of the £64,442 expenditure in 2023 (2022 - £77,553), £64,442 was charged to unrestricted funds (2022 - £77,553) and £nil to restricted funds (2022 - £nil).

**7. CHARITABLE ACTIVITIES**

	<b>Food delivery services £</b>	<b>Education &amp; Outreach £</b>	<b>Kitchen services £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	143,883	97,761	5,197	246,842	197,381
Direct project costs	83,245	14,852	-	98,097	163,597
Kitchen running costs	-	-	90,402	90,402	41,574
Volunteer costs	-	1,828	-	1,828	794
Depreciation	-	-	13,014	13,014	4,732
Support costs (Note 8)	31,442	16,979	2,515	50,936	62,121
Governance costs (Note 8)	12,148	6,560	972	19,680	19,190
	<u>270,719</u>	<u>137,980</u>	<u>112,101</u>	<u>520,799</u>	<u>489,388</u>

Of the £520,799 expenditure in 2023 (2022 - £489,388), £317,820 was charged to unrestricted funds (2022 - £240,563) and £202,979 to restricted funds (2022 - £248,735).

**8. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's three key activities undertaken (see note 6 & 7) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

	<b>Support costs £</b>	<b>Governance costs £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	19,184	-	19,184	49,021
Staff training and welfare	6,525	-	6,525	9,785
Premises	13,266	-	13,266	1,474
Volunteer costs	1,320	-	1,320	1,443
Communication costs	5,562	-	5,562	5,485
Computer and website costs	5,183	-	5,183	6,706
Other office costs	4,094	-	4,094	178
Trustee Recruitment	1,520	-	1,520	600
Professional fees and evaluation	6,230	21,596	27,826	22,991
Independent examination	-	2,700	2,700	2,700
	<u>62,884</u>	<u>24,296</u>	<u>87,179</u>	<u>100,383</u>

**THE FOOD CHAIN (UK) LIMITED**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST MARCH 2023**

**9. NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	13,014	4,732
Operating lease payments- rent	38,300	22,369
Independent examination fees	2,700	2,700
Other non-audit fees - payroll and accounts preparation	<u>360</u>	<u>360</u>

**10. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

**STAFF COSTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salary	271,872	264,605
National insurance	22,237	20,711
Pension	14,425	15,336
	<u>308,534</u>	<u>300,652</u>

No employee received remuneration in excess of £60,000 during the year.

No Trustee received any remuneration during the year (2022 - £nil). No Trustees received reimbursed expenses during the year (2022 - £nil).

The key management personnel of the charity comprise the Chief Executive, Kitchen services manager and Services manager. The total employee benefits of the key management personnel of the charity were £38,572 (2022 - £66,932).

**11. STAFF NUMBERS**

The average monthly number of staff employed, calculated as full time equivalent, during the year was as follows:

	<b>2023</b>	<b>2022</b>
Food delivery services	4.6	3.5
Education and outreach	3.0	1.9
Kitchen	0.1	0.2
Fundraising	1.1	1.4
Management and administrative work	0.6	0.8
Total	<u>9.4</u>	<u>7.8</u>

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**12. TANGIBLE FIXED ASSETS**

	GROUP & CHARITY			
	2023		2022	
	£		£	
<b>NET BOOK VALUES</b>				
Leasehold improvements	-		-	
Kitchen equipment	26,030		39,044	
Office equipment	-		-	
	<u>26,030</u>		<u>39,044</u>	
<b>MOVEMENTS IN YEAR</b>				
<b><u>Cost or valuation</u></b>	<b>Opening Balances</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balances</b>
	£	£	£	£
Leasehold improvements	70,745	-	-	70,745
Kitchen equipment	80,691	-	-	80,691
Office equipment	1,008	-	-	1,008
	<u>152,444</u>	<u>-</u>	<u>-</u>	<u>152,444</u>
<b><u>Depreciation</u></b>	<b>Opening Balances</b>	<b>Charge For Year</b>	<b>Disposals</b>	<b>Closing Balances</b>
	£	£	£	£
Leasehold improvements	70,745	-	-	70,745
Kitchen equipment	41,647	13,014	-	54,661
Office equipment	1,008	-	-	1,008
	<u>113,401</u>	<u>13,014</u>	<u>-</u>	<u>126,415</u>

**13. FIXED ASSET INVESTMENTS**

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Investment at cost	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>

The investment shown above represents the cost of the entire issued share capital of the subsidiary undertaking, Food Chain Kitchen Limited, which is incorporated in England & Wales. Results of the subsidiary are set out in note 5.

**14. DEBTORS**

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Amounts due by subsidiary undertaking	-	-	2,463	2,103
Other debtors	-	99	-	99
Prepayments and accrued income	4,691	7,023	4,691	7,023
	<u>4,691</u>	<u>7,122</u>	<u>7,154</u>	<u>9,225</u>

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**15. CREDITORS FALLING DUE WITHIN ONE YEAR**

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	-	20,172	-	20,172
Other creditors	7,795	12,343	7,795	12,343
Accruals	10,170	18,861	9,810	18,473
Deferred Income	10,000	-	10,000	-
	<u>27,965</u>	<u>51,376</u>	<u>27,605</u>	<u>50,988</u>

**CREDITORS FALLING DUE MORE THAN ONE YEAR**

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Deferred Income	10,000	-	10,000	-
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>

**16. ANALYSIS OF CHARITABLE FUNDS**

	Balance as at 01.04.22	Income	Expenditure	Balance as at 31.03.23
	£	£	£	£
<b>Restricted funds:</b>				
Lottery Community Fund	-	120,000	120,000	-
City Bridge Trust	13,525	53,500	53,800	13,225
The National Lottery Fund	-	44,813	11,140	33,673
M.A.C Aids Fund	-	-	-	-
The Mill Charitable Trust	-	-	-	-
Terrence Higgins Trust	-	-	-	-
Other funders	-	9,500	8,616	884
Evan Cornish Foundation	-	-	-	-
Ocado Retail	-	15,000	9,423	5,577
	<u>13,525</u>	<u>242,813</u>	<u>202,979</u>	<u>53,359</u>
<b>Unrestricted funds:</b>				
General funds	71,338	281,093	382,262	(29,831)
	<u>84,863</u>	<u>523,906</u>	<u>585,241</u>	<u>23,528</u>

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**Analysis of charitable funds – previous year**

	Balance as at 1.04.21 £	Income £	Expenditure £	Balance as at 31.03.22 £
<b>Restricted funds:</b>				
City Bridge Trust	12,725	52,500	51,700	13,525
The London Community Foundation	5,000	-	5,000	-
Lottery Community Fund	-	150,000	150,000	-
Fast Track Cities	-	15,000	15,000	-
Hyde Park Estate Charity	-	4,500	4,500	-
Westminster Amalgamated Charity	-	4,000	4,000	-
Hackney Parochial Charities	-	5,000	5,000	-
Clothworkers Foundation	-	5,000	5,000	-
CIB Charity committee	-	4,980	4,980	-
Heatherwick Studios	-	1,000	1,000	-
CAF - Donations	-	1,000	1,000	-
Other funders	-	1,555	1,555	-
	<u>17,725</u>	<u>244,535</u>	<u>248,735</u>	<u>13,525</u>
<b>Unrestricted funds:</b>				
General funds	171,061	218,482	318,206	71,338
	<u>188,786</u>	<u>463,017</u>	<u>566,941</u>	<u>84,863</u>

**16. ANALYSIS OF CHARITABLE FUNDS (continued)**

**Description, nature, and purpose of funds:**

**Restricted Funds:**

**City Bridge Trust** – Five-year funding towards the project to support disadvantaged PLWHIV with specialist dietetic, nutrition support as well as volunteering and work experience opportunities to support transition to independence. Fund ends 30/10/2024.

**London Catalyst** – Samaritan grant of £1,000 received for the relief of hardship.

**Westminster Amalgamated Charity** – Funding received towards the package of care costs for residents in Westminster.

**CIB Charity committee** – Funding towards emergency grocery.

**Fast Track Cities** – Funding received for the UK AIDS Memorial Quilt Partnership

**Hackney Parochial Charities** - Funding received towards the package of care costs for residents in Hackney

**Clothworkers Foundation** — Funding towards equipment costs for the new kitchen.

**Heatherwick Studios** - Funding received for the UK AIDS Memorial Quilt Partnership

**General funds:**

General fund represents funds available to spend at the discretion of the Trustees.

**THE FOOD CHAIN (UK) LIMITED**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST MARCH 2023**

**17. ANALYSIS OF GROUP ASSETS BETWEEN FUNDS**

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	26,030	-	26,030
Net current assets	(55,860)	53,359	(2,501)
	<u>(29,830)</u>	<u>53,359</u>	<u>23,529</u>

**Analysis of group assets between funds - previous year**

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	39,044	-	39,044
Net current assets	32,294	13,525	45,819
	<u>71,338</u>	<u>13,525</u>	<u>84,863</u>

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net movement in funds	(61,335)	(103,923)
Add back depreciation	13,014	4,732
Deduct interest income shown in investment activities	(98)	(12)
Decrease / (increase) in debtors	2,431	4,346
Increase / (decrease) in creditors	(13,411)	34,876
<b>Net cash used in operating activities</b>	<u>(59,399)</u>	<u>(59,981)</u>

**19. SHARE CAPITAL**

The company is limited by guarantee and does not have a share capital divided by shares.

**20. RELATED PARTY**

During the year, there was no related party transactions.