

REGISTERED COMPANY NUMBER: 1613085 (England and Wales)
REGISTERED CHARITY NUMBER: 284907

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
For The Year Ended 31 March 2013
FOR
THE MUDCHUTE ASSOCIATION
(GROUP ACCOUNTS)

Hewitt Warin Limited
Chartered Accountants and Registered Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNT)

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for the Year Ended 31 March 2013

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THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

1613085 (England and Wales)

Registered Charity number

284907

Registered office

Mudchute Farm
Pier Street
Isle of Dogs
London
E14 9HP

Trustees

M Barraclough	
P Fordham	- resigned 26.5.13
M Frith	- resigned 28.11.12
Cllr R Eckhardt	
J Abbott	Chair
Mrs L Cavanagh	
Mrs K P McTasney	
C Stuart	
B Teece	- resigned 28.11.12
Cllr M Francis	- resigned 28.11.12
D F Tipple	- resigned 28.11.12
S I Bull	
S Wade	- resigned 25.9.13
J Pryce	- appointed 28.11.12
H Lewis	- appointed 28.11.12
R J Swindells	- appointed 13.1.13
M Phillips	- appointed 25.9.13

Company Secretary

Cllr R Eckhardt

Senior Staff

M Tracey

Bankers

Barclays Bank plc	CAF Bank
Docklands	25 Kings Hill Avenue
Leicestershire	Kings Hill, West Mailling
LE87 2BB	Kent, ME19 4JQ

Auditors

Hewitt Warin Limited
Chartered Accountants and Registered Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REVIEW OF THE YEAR

I am delighted to report an excellent year across the Mudchute. During the year the staff, volunteers and trustees built on the solid platform that has been developed across the farm, and despite the severity of the financial climate and the adverse effects this has had on small charitable organisations we have managed to sustain all services, implementing any changes necessary to meet the needs of local people.

We continue to optimise the wonderful natural environment of Mudchute for the benefit of the community and this is reflected in the diversity of the services we provide, ensuring that opportunities are open to all who wish to participate. Additionally, improved transport links have enabled more from neighbouring London Boroughs to benefit from the Mudchute.

We saw a number of changes in people over the year. In January, I was very pleased that Vicky Strong was appointed as Assistant Director of the Mudchute. Vicky has been instrumental in the success of the Muddy Boots nursery, as well as in practice being a key member of the team across all areas of the Mudchute. As our activity levels continue to increase, it was clear we needed a deputy for Margaret Tracey, and in Vicky we are lucky to have someone of the right level of skill and drive for this important role. In addition, the year saw the staff team strengthened by the arrival of Nick Golson as our Park and Farm Manager, filling an important gap, and the farm has benefited considerably from Nick's contribution.

Otherwise we benefited from another year of stability across the staff team. This stability has allowed other members of the team to further develop in their skills and abilities, and I am pleased to thank Margaret for another year of excellent leadership under which we can see people flourishing across the many projects at the Mudchute. The individual sections below describe in greater depth the developments during the year.

There were also a few changes among the trustees. At our AGM in November, some changes were made to the constitution of the Mudchute, which affected the composition of the trustee board. The objective of the changes was to maintain the local community nature of the charity, while ensuring that we have access to as wide a pool of volunteer experts and also that supporters of the Mudchute who are not local residents can also have a say in voting for one of the trustees.

With these changes we lost the appointee of the London Borough of Tower Hamlets. Unfortunately, the people nominated by LBTH have tended to have a large number of commitments, and so we have never benefited from their regular attendance, and so the Association voted to free up this space for a trustee who would have more time to dedicate to the Mudchute.

Three other trustees also stood down. Maureen Frith has retired from her position as trustee after many years as a trustee and volunteer. Maureen made a great contribution during her time at the Mudchute; not least at the stables, where she was a very important member of the team, and we miss her contribution. We were also very sorry to say farewell due to family commitments to Bronwen Teece, who has helped in particular within Children's Services, although we hope to see Bronwen back with us at the farm soon. Finally, Danny Tipple, who had joined the previous year, stood down and we appreciate his honesty in informing us that he was not able to make the commitment he had hoped.

In spite of these changes, I am happy that the trustee board brings a strong mix of experience and expertise to the Mudchute, and we were pleased to add to this during the year with the appointment of John Swindells, a recognised expert in bio-diversity and local resident. I would like to thank all trustees for their support over the year which across the trustee group has again involved a very significant amount of volunteer commitment.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

While, thanks to the very hard work of those involved, the Mudchute remains financially stable and growing, I would like to take this opportunity to emphasise again the unfair position we have with regard to public funding. We continue to receive only £31,000 to run the park and farm from LBTH; this is a small fraction of the costs to provide this key public service, and considerably less than the equivalent spend on other open spaces in the borough. It is a source of great disappointment that our relationship with LBTH, strong on many levels, treats us so unfairly in this regard.

I would like to thank the wonderful team of staff and volunteers, both corporate and individual, aided by my Trustee colleagues, who give so much of their time to make the Mudchute what it is today. We remain sincerely grateful for the generosity of those who support us, whether financially or in kind; without you our work would not be possible.

1. The Association

1.1 Children's Services

It has been another successful year in the children's services, with all services once again operating to full capacity. These services are an invaluable support to local families, providing excellent wrap around care throughout the year, hence the demand for places from local families.

The Nursery continues to be as popular as ever and once again we have a huge waiting list for places which we constantly strive to reduce. We have now become part of Tower Hamlets Early Years "Start For Life" Project and Senior Staff have been trained to ensure that children receive the best possible nutrition.

There have been changes to the services and the environment during the year, one being the introduction of a much needed second playgroup session, which now provides an additional sixteen part time childcare places. This has been a huge success especially as it has created much needed places for two year old children.

The outside area has had some improvements which have enhanced what was already a lovely area by introducing a Vietnamese Quiet Garden with exotic plants and a wonderful Natural Play Garden for our younger children. This has been achieved by the hard work from the Corporate Groups that give their support throughout the year.

This year Mudchute staff became accredited Forest School Leaders, an achievement that has assisted us to use the wonderful natural environment of Mudchute to benefit local children in a new and innovative fashion. Staff members trained in delivering Forest School Sessions are working with local schools, taking children into a designated woodland area to experience natural environmental play. The initial scheme has been extremely successful and we hope to extend the experience to a wider audience in the future.

There have been some changes to the staff team in the past year, with well-established team members moving on to further their careers and these have been replaced with a new intake that are proving to be as committed and professional as those who have moved on. Personal development continues to be a priority and we carefully monitor individuals to ensure that they are given the opportunity to participate in available training that is appropriate to the service and their own self development.

We continue to place great value on the input from volunteers and have seen a steady increase in the numbers looking for volunteering experiences and are extremely proud of our record for providing work placements for school pupils and college students of all abilities.

Our After School Club was awarded Quality in Play the Quality Assurance Kite mark for the third time in succession an achievement made possible once again through the dedication and commitment of the staff team.

This year has seen our first venture into partnership work with Tower Hamlets Youth Service through MAYP Projects. We have provided opportunities for children and young people age 8 -19 years to participate in meaningful activities during school holidays. These have included, horse riding, design and build, horticulture and a variety of trips off site such as canoeing, rock climbing, outdoor pursuits and cinema.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES

for the Year Ended 31 March 2013

1.2 The Education Project

This year has been highly rewarding once again for the education staff team, albeit working with a small team which has handled a great number of visitors and participants over the year. New bold and exciting projects are being developed; children and young people now muck and skip out two stables eight times a week.

The Education team are currently working with nine groups of children and young people that are undertaking much needed open space work, such as creating a new pony paddock, mulching flowerbeds and enhancing animal pens with their design for animal enrichment. From Monday to Thursday small groups of children and young people are engaged in all areas of the Park & Farm. An army of children worked alongside the farm staff and volunteers to harvest the hay, this was a wonderful for children and young people to come together, children and young people with disabilities also participated in this activity.

The Mudchute's children's growing project was awarded the following 'Tower Hamlets in Bloom' awards:

- Best Children's Centre 1st Place
- Best Wildlife 2nd Place
- Best Education 3rd Place
- Best newcomer 2012

In addition, Tina Kelly was awarded a Certificate of Excellence.

The project is now working in partnership with the farm staff team to deliver workshops using our small and large animals. Large numbers of schools continue to visit Mudchute, with three classes at a time can be seen engaging in many Environmental Education activities.

The project has overseen thousands of children and young people visiting the Park & Farm once again this year and the team endeavour to provide all topics requested by schools. The team also ensure the smooth running of independent visits.

The Education team bid farewell to Molly, who volunteered at the project, the team would like to thank her for the dedication shown during her placement and congratulate her on the completion of her childcare NVQ.

1.3 The Farm

It has been an exciting and productive year on the farm, as staff and volunteers have come together to focus on improving both the visitor experience and our animal facilities. We have seen ever greater visitor numbers throughout the year, and we remain committed to giving them an entertaining, informative and safe experience.

Our overall animal numbers have been reduced slightly, to better match the amount of grass they need to the amount we can grow, and our sheep flock is now a more appropriate size at just over thirty. We still have our three rare breeds – Oxford Downs, Whitefaced Woodlands and Jacobs, and we may introduce another breed in the near future.

As we have been reducing numbers, the decision was taken not to lamb our flock in 2013, and instead four orphan lambs were brought in to provide Spring entertainment. We made an effort to sell more of the wool from our sheep in 2012, and the contacts we made with spinners have led us to look into producing our own wool in the coming year. We will be able to produce unique, "reared and sheared on the Isle of Dogs" yarn, and perhaps offer some knitted merchandise.

Our lack of grazing land also meant that we reluctantly waved goodbye to our two Irish Moiled cows, who are now happily ensconced on more extensive pasture. We will reintroduce cows to Mudchute once we can put them back in our big field, and we are hoping to have made the necessary changes and additions to hand washing facilities early in 2014.

The farm benefits enormously from the many corporate volunteers that come to Mudchute, who among a wide range of jobs this year have funded and built several new animal shelters, as well as helped us to renew miles of fencing. Special thanks are due to our stalwart volunteer Peter Turner, who plans and oversees many of the corporate days. We have also enjoyed having work experience placements from Hadlow, Capel Manor, Writtle and Bromley colleges during the year. Mudchute offers an unrivalled opportunity for animal care and animal management students to get practical experience without travelling outside London, and we are always looking to build on our strong links with the colleges.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

We have taken a more pro-active approach to managing the open space in the past year, and have built pro-biodiversity measures into our management plan. We have been actively reclaiming some of the areas lost to brambles and nettles, and are hoping to see the Mudchute's historically unique flowers and plants make a comeback. We are benefiting from a strong working relationship with Tower Hamlets Biodiversity Officer John Archer as well as the expert knowledge of our new Trustee, local botanist John Swindells. We hosted a dawn chorus walk in the summer as well as a well-attended "Go Wild at Mudchute" day.

We are moving towards a more active tree management policy, working to make the site's wonderful areas of woodland as safe and healthy as possible. We have so far not seen any Dieback Disease in our many Ash trees, but we are monitoring them closely.

As well as supporting the Education Department in hosting thousands of school children, the Farm has also been doing more mobile Farm visits, taking small animals out to schools and fetes. At Easter we provided an entire Farm attraction at the Westfield Shopping Centre in Stratford, which brought us a great deal of publicity and attracted crowds of visitors despite some brutally cold weather. Early morning shoppers were amazed to see sheep walking past on their way to their pens.

As the reporting year drew to a close, we started an ambitious project to build a new all-weather Pet's Corner. This will move our small animals under cover and also provide a dry space where we can showcase some of the larger animals from time to time. We had invaluable help from a group of Time Warner volunteers in getting the project going, and are carrying on entirely with volunteer labour and recycled materials.

The Park and Farm faces the same harsh financial realities as many other charities and community projects. We will never charge an entry fee, and never compromise on the safety of our visitors or the welfare of our animals. We face rising feed, hay and straw costs as well as the same increases in energy and insurance as everyone else. We have started to sell bags of feed to visitors, and hope to introduce low-cost donkey rides in the near future as ways of offsetting our costs, but we remain dependent on the generosity of donors and visitors, and are grateful for the support we receive.

1.4 The Park

An immensely valuable green space in the heart of the Isle of Dogs, the Park has again seen a record number of visitors during the year. Together with the Farm, the Park (and the very limited overhead costs) are the areas which have limited funding. The Mudchute continues to make use of very considerable amounts of voluntary labour to support the Farm, including corporate groups as described in Events below, community service work supervised by John Cavanagh, and a number of Trustees and volunteers, in particular Mike Barraclough and Peter Turner, the combination of which delivers services to the public significantly in excess of those which would be available by the monies from the Service Level Agreement.

As mentioned previously, we continue to receive insufficient funding from LBTH. We reported last year that our funding was agreed to be doubled, but had not been implemented. Very disappointingly this is still the case.

1.5 Events

2012 - 2013 has been a great year for our Corporate Volunteer programme. Volunteers from companies small and global have completed volunteer days working with the staff on a variety of projects.

Maintaining the 32 acres is a constant challenge and the corporate volunteers played a huge part in ensuring the Park, Farm and Children's services were kept in tip-top condition. We were pleased to welcome back a number of old friends and new undertaking a variety of tasks that are essential for the upkeep of the Park and Farm.

Although the work for the groups was varied and sometimes difficult and with the added pressure of the poor weather conditions, one thing always evident was the enthusiasm and work ethic of the individual volunteers they were amazing.

We continue to build and strengthen our partnership with the business community in Canary Wharf and beyond, who in turn recognise the value Mudchute Park and Farm plays in the local community. The corporate event days were fantastic evidence of the whole community working together.

The challenges we face next year are to raise our profile further with our corporate partners, to find new companies who wish to support the Park and farm.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2013

The summer of 2012 saw the Mudchute's second summer fundraising event. We would like in particular to thank Jenny Barraclough for her invaluable work in bringing together a great party that not only raised the Mudchute's profile across a range of potential new supporters, but which also raised approximately £35,000 for the Mudchute, vital funding which enabled us to move forward with the purchase of vital farm equipment and funding of apprenticeships. The summer party has now become a core part of the Mudchute's fundraising strategy.

2. The Allotments

I am sorry to report that despite our repeated efforts, LBTH have still not resolved the position regarding the allotments. Therefore there remains an unsatisfactory position of no formal agreement between the Association and the allotments, the holders of which therefore currently have no formal status. The Association has again proposed a management agreement between the Association and the Allotment, and we are still awaiting the input of London Borough of Tower Hamlets legal department (this is the same position as reported last year and the year before, which is frustrating but we do hope it will be resolved).

3. Administration, Finance and Marketing and Staffing

A combination of Margaret Tracey, Vicky Strong and Finance officer Zemichael Abrha, supported by Laura Preshous and other team members, have ensured the smooth running of the administration and finances of the farm.

After moving the accounting function in-house on April 2010, Zemichael Abrha continued in his role as Finance officer, with Jenny Pryce leading great support as Treasurer. We are delighted with the progress that has been made in our financial policies, reporting and budgeting, and our financial performance of the Mudchute which for a further year realised an unrestricted fund surplus, although the surplus this year was down on previous years, and after book depreciation our net assets decreased slightly. It is important we continue to build on this success to strengthen the Mudchute's financial reserves and ensure we have sufficient income to maximise the services we provide and pay our staff fairly.

Warren Bunce has continued to play a much appreciated role as IT volunteer, and Justine Aw has very kindly taken on the maintenance of our website, giving us a significant saving each year.

Very limited progress was made in increasing membership, and numbers remained low and this really must be a priority for the coming year.

4. Mudchute Park and Farm Limited

This has proved a difficult year for the Equestrian centre trading below expectations. The issue with the VAT did not help matters. We remain positive going forward and with 30 tonnes of donated rubber from local company Mcgrath we are hoping that the arena surface will hold up better through another winter.

Hannah Walters joined the team in June and is proving to be a great asset winning clients over with her teaching ability and easy going personality.

Jac Cheeseman, the manager of the Equestrian centre, came back full time in January 2013 and we are hopeful that the next year will bring better trading.

The café continues to be managed by Frizzante, who operate also Hackney and Surrey Docks City Farm cafes, and are making a reasonable financial contribution to the Farm.

5. Procedures and policies

A risk management policy and a reserves policy and a financial procedures policy have all now been put in place. A risk register is in place and is reviewed by both staff and trustees annually.

A fresh review of the management structure was made during the course of the year, in part as a consequence of funding pressures. Post the departure of the Chief Executive, a revised structure was implemented, with senior managers reporting directly to the board of Trustees.

Recruitment takes place using a formalised procedure of advertisement, short listing, interviewing and selection. An equal opportunities policy is in place.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2013

6. Governance

The departure of some very experienced and greatly appreciated Trustees has been matched by some fresh input. The Sub-committee structure has been updated slightly as a way for trustees to work alongside both staff and expert volunteers to enhance the knowledge base of the organisation, together with the establishment of a Trustee Executive Committee as a delegated team to act as a day-to-day conduit with staff management.

PUBLIC BENEFIT

The trustees have considered the Charity Commission guidance on public benefit and consider that the activities of the charity meet its charitable objects and provide a benefit to the public

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Mudchute Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Hewitt Warin Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
J Abbott - Trustee

Date: 12/12/2013

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)**

We have audited the financial statements of The Mudchute Association for the year ended 31 March 2013 on pages ten to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2013 and of the groups incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 1993

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 1993 requires us to report to you if, in our opinion:

- adequate accounting records by the parent charitable company have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.



Jeffrey Warin BSc ACA (Senior Statutory Auditor)
for and on behalf of Hewitt Warin Ltd
Chartered Accountants and Registered Auditors
Harlow Enterprise Hub
Edinburgh Way
Harlow
Essex
CM20 2NQ

Date:17th December 2013.....

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2013**

	Notes	Unrestricted Funds £	Restricted funds £	31.3.13 Total funds £	31.3.12 Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	98,922	230,973	329,895	333,856
Investment income	3	37,470	-	37,470	66,722
Incoming resources from charitable activities					
Operation of park and farm	4	<u>813,330</u>	<u>-</u>	<u>813,330</u>	<u>796,055</u>
Total incoming resources		949,722	230,973	1,180,695	1,196,633
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	5	263,009	-	263,009	293,752
Charitable activities	6	669,637	264,775	934,412	827,775
Operation of park and farm		<u>12,839</u>	<u>-</u>	<u>12,839</u>	<u>25,815</u>
Governance costs	7				
Total resources expended		945,485	264,775	1,210,260	1,147,342
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		4,237	(33,802)	(29,565)	49,291
Gross transfers between funds	15	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		4,237	(33,802)	(29,565)	49,291
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>179,014</u>	<u>527,303</u>	<u>706,317</u>	<u>657,026</u>
TOTAL FUNDS CARRIED FORWARD		<u>183,251</u>	<u>493,501</u>	<u>676,752</u>	<u>706,317</u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

CONSOLIDATED BALANCE SHEET

At 31 March 2013

		Group		Company	
	Note	2013	2012	2013	2012
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	515,875	552,809	507,366	541,464
Investments		-	-	2	2
		<u>515,875</u>	<u>552,809</u>	<u>507,368</u>	<u>541,466</u>
CURRENT ASSETS					
Stocks	12	2,124	3,668	165	-
Debtors	13	48,476	34,675	67,268	74,971
Cash at bank and in hand		167,702	207,906	166,426	148,687
		<u>218,302</u>	<u>246,249</u>	<u>233,859</u>	<u>223,658</u>
CREDITORS: Amounts falling due within one year	14	<u>(57,425)</u>	<u>(92,741)</u>	<u>(52,936)</u>	<u>(70,330)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>160,877</u>	<u>153,508</u>	<u>180,923</u>	<u>153,328</u>
Net assets		<u>676,752</u>	<u>706,317</u>	<u>688,291</u>	<u>694,794</u>
RESERVES					
	15				
Unrestricted funds		183,251	179,014	194,790	167,491
Restricted funds		493,501	527,303	493,501	527,303
		<u>676,752</u>	<u>706,317</u>	<u>688,291</u>	<u>694,794</u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

CONSOLIDATED BALANCE SHEET - CONTINUED

At 31 March 2013

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on12/12/2013..... and were signed on its behalf by:



.....
J H Abbott - Trustee

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

Donations and gifts are accounted for when receivable either as income or for capital tangible assets as appropriate. All other income is credited to the Statement of Financial Activities (SOFA) on an accruals basis. Income received for specific purposes relating to the achievement of the Association's objectives, are treated as restricted income.

Resources expended

Direct charitable expenditure comprises direct expenses incurred for the defined charitable purposes of the charity and includes direct staff costs attributable to charitable activities. All management and overhead costs are shown as management and administration costs of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	-over the term of the lease
Fixtures and fittings	-25% on reducing balance
Motor vehicles	-25% on reducing balance
Computer equipment	-15% on reducing balance

Additions of new buildings constructed after 31 March 2000 will be depreciated over the lower of 20 years or the unexpired term of the lease on the net costs to the company after crediting all grants received for these building works.

Following the publication of FRS15 - Tangible Fixed Assets, the company has taken advantage of the transitional arrangements prior to the effective date of 23 March 2000 to retain the company's own revalued assets, certain leasehold land and buildings, at their book value of £538,766. The asset continues to be depreciated over the lease term, with annual transfers being made between the Revaluation Reserve and the Income Fund as set out in the accounting policies above.

Taxation

The Association is a registered charity and is not liable to Income Tax or Corporation Tax on income derived from its charitable activities. Any taxable profits arising in the subsidiary non-trading company are liable to Corporation tax. Income for non-charitable activities may be subject to taxation. The Association is not registered for VAT although its subsidiary company was registered until 20 December 2012. Amounts in the financial statements are shown inclusive of VAT, where relevant.

Fund accounting

Unrestricted funds comprise those monies which may be used for the defined charitable purposes of the charity at the discretion of the Committee of Management.

Restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by donors.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

2. VOLUNTARY INCOME

	31.3.13	31.3.12
	£	£
Voluntary Income	81,923	79,315
Grants	<u>247,972</u>	<u>257,541</u>
	<u>329,895</u>	<u>333,856</u>

Grants received, included in the above, are as follows:

	31.3.13	31.3.12
	£	£
London Borough of Tower Hamlets	210,485	135,686
Isle of Dogs Community Foundation	7,197	16,713
Jack Petchy	600	400
Robert Garvon Charitable Trust	2,500	5,000
Chevron Texaco Limited	-	5,000
Canary Wharf SPS	1,500	1,000
NHMF Lottery Fund	-	20,000
St Katherine & Shadwell Trust	-	-
London Youth Future Jobs Fund	-	-
HSBC Soft Play Grant	-	24,000
Veolia Environmental Trust	-	29,014
LFCYP	-	8,678
East End Homes	2,000	2,000
The Cutler Trust	750	750
The Worshipful Company of Innholders	-	750
The Worshipful Company of Plumbers	-	500
The Worshipful Company of Plaisterers	-	750
The Worshipful Company of Basket Makers	1,600	600
The Worshipful Company of Gold & Silver Wyre Drawers	500	500
The Worshipful Company of Chartered Secretaries & Administrators	500	500
The Worshipful Company of Tin Plate Workers	1,000	1,000
The Worshipful Company of Cutlers	-	500
The Worshipful Company of Insurers	-	500
The Worshipful Company of Builders Merchants	250	250
The Company of Watermen and Lightermen	-	250
James and Lucilla Joll Charitable Trust	500	2,000
Schroder Investments	1,200	1,200
Docklands Youth Services	1,198	-
East End Community Foundation	4,000	-
LSBU	1,358	-
NHLF	2,734	-
The Horners Charitable Fund	3,000	-
The Worshipful Company of Fletchers	200	-
The Worshipful Company of the Carmen's Benevolent Trust	500	-
The Worshipful Company of Coopers	1,000	-
The Worshipful Company of Int'l Bankers	1,500	-
The Worshipful Company of Parish Clerks	300	-
The Worshipful Company of Scriveners	100	-
The Worshipful Company of Tylers and Bricklayers	400	-
The Worshipful Company of Apothecaries	100	-
The Worshipful Company of Fan Makers	1,000	-
	<u>247,972</u>	<u>257,541</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

3. INVESTMENT INCOME

	31.3.13	31.3.12
	£	£
Rents received	22,510	27,040
Hire of Facilities	<u>14,960</u>	<u>39,682</u>
	<u>37,470</u>	<u>66,722</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	31.3.13	31.3.12
	£	£
Incoming resources from Charitable Activities		
Activity		
Operation of park and farm	<u>813,330</u>	<u>796,055</u>

5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31.3.13	31.3.12
	£	£
Opening stock	3,668	2,811
Purchases and wages	261,300	294,609
Closing stock	<u>(1,959)</u>	<u>(3,668)</u>
	<u>263,009</u>	<u>293,752</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Operation of park and farm	<u>934,412</u>	<u>934,412</u>

7. GOVERNANCE COSTS

	31.3.13	31.3.12
	£	£
Legal fees	-	-
Consultancy fees	4,459	11,537
Accountancy fees	3,350	8,902
Auditors' remuneration	<u>5,030</u>	<u>5,376</u>
	<u>12,839</u>	<u>25,815</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.13	31.3.12
	£	£
Auditors' remuneration	5,030	5,376
Depreciation - owned assets	40,719	44,790
Accountancy fees	-	8,902
Hire of plant and machinery	<u>4,276</u>	<u>5,609</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2013 nor for the year ended 31 March 2012.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2013 nor for the year ended 31 March 2012.

10. STAFF COSTS

	31.3.13	31.3.12
	£	£
Wages and salaries	716,066	664,554
Social security costs	48,377	44,400
Other pension costs	<u>-</u>	<u>-</u>
	<u>764,443</u>	<u>708,954</u>

The average monthly number of employees during the year was as follows:

	31.3.13	31.3.12
Charitable activities	33	32
Office and management	3	2
Trading company	<u>6</u>	<u>6</u>
	<u>42</u>	<u>40</u>

No employee earned over £60,000 p.a.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2012	888,674	110,831	47,479	1,046,984
Additions	-	3,784	-	3,784
At 31 March 2013	<u>888,674</u>	<u>114,615</u>	<u>47,479</u>	<u>1,050,768</u>
DEPRECIATION				
At 1 April 2012	372,762	86,699	34,714	494,175
Charge for year	<u>30,955</u>	<u>6,572</u>	<u>3,191</u>	<u>40,718</u>
At 31 March 2013	<u>403,717</u>	<u>93,271</u>	<u>37,905</u>	<u>534,893</u>
NET BOOK VALUE				
At 31 March 2013	<u>484,957</u>	<u>21,344</u>	<u>9,574</u>	<u>515,875</u>
At 31 March 2012	<u>515,912</u>	<u>24,132</u>	<u>12,765</u>	<u>552,809</u>

The historical cost of the original leasehold land and buildings acquired on 14 June 1994 is £Nil and was valued by the Directors at £650,000 on acquisition. The company has adopted the transitional arrangements available on the introduction of FRS 15 - Tangible Fixed Assets, and will retain these leasehold land and buildings at cost being equivalent to their net book value at 31 March 2000 (£538,766). By taking advantage of the transitional arrangements, the Directors will not be required to carry out a periodic valuation of these land and buildings assets.

Additions of new buildings erected after 31 March 2000 will be shown at cost less related capital grants received.

12. STOCK

	2013 £	Group 2012 £	2013 £	Company 2012 £
Goods for resale and other stock	2,124	3,668	165	-
	<u>2,124</u>	<u>3,668</u>	<u>165</u>	<u>-</u>

13. DEBTORS

	2013 £	Group 2012 £	2013 £	Company 2012 £
Other debtors	48,476	34,675	47,819	31,017
Due from subsidiary undertaking	-	-	19,449	43,954
	<u>48,476</u>	<u>34,675</u>	<u>67,268</u>	<u>74,971</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2013

14. CREDITORS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	6,969	7,511	6,656	7,511
Taxes and social security	13,457	12,297	11,533	11,003
Accruals	36,999	59,933	34,747	51,816
Provisions	-	13,000	-	-
	<u>57,425</u>	<u>92,741</u>	<u>52,936</u>	<u>70,330</u>

15. MOVEMENT IN FUNDS

	At 1.4.12	Net movement	Transfers	At 31.3.13
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	179,014	4,237	-	183,251
Restricted funds				
Building	515,912	(30,954)	-	484,958
Minibus	<u>11,391</u>	<u>(2,848)</u>	<u>-</u>	<u>8,543</u>
	527,303	(33,802)	-	493,501
TOTAL FUNDS	<u>706,317</u>	<u>(29,565)</u>	<u>-</u>	<u>676,752</u>

Net movement in funds, included in the above are as follows:

	Incoming	Resources	Movement in
	resources	expended	funds
	£	£	£
Unrestricted funds			
General fund	949,722	(945,485)	4,237
Restricted funds			
Building	1	(30,955)	(30,954)
Isle of Dogs Community Fund	7,197	(7,197)	-
Minibus	-	(2,848)	(2,848)
LB Tower Hamlets Children's Work	210,485	(210,485)	-
Restricted grants	<u>13,290</u>	<u>(13,290)</u>	<u>-</u>
	230,973	(264,775)	(33,802)
TOTAL FUNDS	<u>1,180,695</u>	<u>(1,210,260)</u>	<u>(29,565)</u>