

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
For The Year Ended 31 March 2014
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 2014

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THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2014**

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
Cllr R Eckhardt	- resigned 20.03.14
J Abbott	Chair
Mrs L Cavanagh	
Mrs K P McTasney	
C Stuart	- resigned 12.12.13
S I Bull	- resigned 10.8.14
S Wade	- resigned 25.9.13
J Pryce	
H Lewis	
R J Swindells	
M Phillips	- appointed 25.9.13
J AW	- appointed 12.12.13

Company Secretary

J Pryce

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

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.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2014**

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 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 the Mudchute's Director Margaret Tracey and Assistant Director Vicky Strong 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.

At the trustee level, we also enjoyed a year of stability and the excellent mix of mix of experience and expertise our trustees bring to the Mudchute. We were delighted to welcome to the trustee board Justine Aw, a volunteer at the Mudchute for many years.

Towards the end of the year Rupert Eckhardt stepped down from the trustee board, after a decade of support to the farm. Rupert began initially as a representative of the London Borough of Tower Hamlets, but then continued as a trustee in his personal capacity, becoming the Deputy Chair and Company Secretary in 2008. His knowledge of the Mudchute and the area, and his calm and thoughtful judgement, proved invaluable during periods of change at the farm, and we are enormously grateful for his contribution. Lorraine Cavanagh agreed to take on the role of Deputy Chair, and our Treasurer Jennifer Pryce has taken on the role of Company Secretary.

Regrettably for a further year I need to report that our recurring funding for the 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 wraparound care throughout the year, hence the demand for places from local families.

The Muddy Boots Nursery serves as a nursery for some sixty local children, and 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 also have a mailing list with over two hundred families waiting to register with the Nursery. In addition to this core nursery provision, the Mudchute also provides an after school club for local children, with over 6,000 attendances over the course of the year.

Forest School sessions have been a huge success during the year. Working closely with the Education team has given us the opportunity to work with their staff and work with children from different sections of the community. We will continue to build and extend this successful experience to a wider audience.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2014

There have been some new additions to the staff team in the past year: we now have three young apprentices from the Bromley-By-Bow Centre, joining a well-established team for one year and at present they are working towards their level three in Education and Child Care. 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 we are extremely proud of our record for providing work placements for school pupils and college students of all abilities. Corporate Groups have once again been invaluable to the Children's Services with their support and hard work. We continue to maintain and enhance our external environment work which we would not be able to carry out ourselves.

This is the second year we have worked in partnership 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 fishing, rock climbing, outdoor pursuits and cinema.

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. Close to ninety school visits occurred over the year, and approximately 11,000 children attended Mudchute education projects. Our new projects have now been established, children and young people now muck and skip out two stables eight times a week. Education has expanded this to incorporate grooming and tacking up lessons.

The Education team are currently working with nine groups of children and young people that are undertaking much needed open space work, such as maintaining the 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.

There continues to be a wide range of other activities run either by or together with the Education team. For example, the project is now working in partnership with the nursery staff team to deliver forest school workshops, and the children and young people built 'the ginger bread house, making many sweets out of wood.' Deservedly the children's growing project picked up an award for 'Best Education Establishment 1st place, through which children and young people have enhanced their life skills by cooking the produce that they have grown.

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.

1.3 The Farm

It has been another year of relentless and rewarding activity on the Farm, with the staff and volunteers focused on improving facilities as well as enhancing our animal and natural resources. The multiplicity of projects and initiatives has at times stretched staff resources, and the importance of a small cadre of dedicated volunteers in keeping the Mudchute project going cannot be overstated. Volunteers come as individuals, in groups, and as part of work experience programmes and bring us an extraordinary breadth of talents and character. It reflects well on the Mudchute that so many of our permanent Farm staff started out as volunteers.

We enjoy ever-increasing visitor numbers, which is testament to the Mudchute's appeal, but which inevitably puts pressure on our infrastructure. We have taken steps to better use our water supply and to maintain hand washing facilities and toilets at our busiest times; although we have succeeded thus far, there is no question that continued growth in visitors over the coming years will require us to upgrade our plumbing system. This will be a major and costly undertaking.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2014

One of the year's major milestones was the completion of the new Pet's Corner. Completely roofed, the area now houses our rabbits, guinea pigs, fancy rats, and also features a multi-purpose pen. This versatile space has already been used for activities such as donkey and horse grooming, events such as Harvest Festival and the Nativity, and occasional emergency storage. The project is a great example of low-cost sustainable building. It has been constructed by volunteer labour using recycled materials – in this case stripped and sanded pallet wood. We have our volunteer Colin Mulvey to thank for designing the structure and supervising the work over many, many Saturdays.

Out on the Farm, we continue to renovate and improve livestock shelters, as well as to maintain the fencing around our fields, much of which is coming to the end of its life. The arrival of a compact tractor, funded by proceeds from the summer banquet, will allow us to undertake more land management ourselves in coming years. We are trying to use best practice wherever possible, resting fields and rotating livestock, and implementing a winter programme of fertiliser spreading. The effects of climate change, with season after season of extreme and record-breaking weather, are likely to make this task more of a challenge in coming years. We are planning accordingly.

We continue to enjoy a close relationship with our local Biodiversity Officer, John Archer, and with the help of volunteer groups we have started a number of wildlife habitat initiatives. We are going to recycle our felled wood and clippings into a barrier known as a "dead hedge", and we are building a number of loggeries which we hope will become beetle habitats. Both these features will enhance our biodiversity. We have also continued to renovate some of the bank areas around the Mudchute, with the intention of encouraging the return of a more diverse flora at the expense of the brambles and nettles that have colonised these areas in recent years. Tree management remains an ongoing challenge for us, and while we deal with safety and disease issues promptly, we would still like to be more proactive in thinning and reducing some areas to improve overall tree health. The wetland area has been enhanced with new, reshaped ponds and replanted margins and we continue to work with specialist wildlife charity Froglife to manage this area.

The end of the reporting period saw the beginning of a collaboration with the London Orchard Project to plant a community orchard, and we also hope to get bees on the site during the summer of 2014.

On the livestock front, the return of cattle to the Farm has been a very welcome development – with the help of a generous donation we were able to acquire a pair of lovely Dexter cows, Dora and Delilah, who have quickly become firm favourites with visitors. We have also welcomed Princess the Vietnamese pot-bellied pig as well as Bruiser, a splendid Gloucester Old Spot Boar whom we hope will sire plenty of piglets, although our current pig population is five. Our goats now number fourteen, and many will have seen them play a star role in our now annual summer goat race. Among larger animals we continue to nurture our alpacas and llamas. We continue to reduce gradually our sheep numbers to achieve an optimum balance with our grazing, and aim to eventually have a flock of about twenty-five ewes. We lambed again this year, giving visitors the pleasure of seeing spring lambs bouncing around the fields. The popularity of our animals is something of a mixed blessing, as they tend to get overfed with treat foods. We have added educational signage and have switched to selling grass pellets as animal snacks in order to forestall this burgeoning obesity crisis.

There are plenty of smaller animals too for visitors to enjoy, with approximately forty chickens as well as plenty of ducks, geese and other small animals such as ferrets, rabbits and guinea pigs.

We continue to host and stage many events throughout the year, and we have now reintroduced donkey rides during holiday periods. At Easter, over five hundred children had a donkey ride, and over two hundred and fifty took part in small animal handling sessions. We hope to build on this success over the summer.

The plethora of projects and energy around the Farm may give the appearance of rude health, but as ever harsh financial realities lie just beneath the surface. We face relentless inflation in many of our main cost areas such as feed, hay and straw, and the fund-raising climate is tougher than ever as so many charities and good causes compete for limited resources. We will endeavour to be creative and enterprising in facing the financial challenge, whilst never losing sight of the Mudchute's history and culture

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2014**

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.

1.5 Events

2013 - 2014 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; the year saw close to forty different groups attend, with over 1,100 individuals taking part in volunteering at the farm.

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 summer of 2013 saw the Mudchute's third summer fundraising event. The summer party has now become a core part of the Mudchute's fundraising strategy, and 2013 marked the introduction of the Mudchute goat race, an amazing racing spectacle which promises to attract large audiences for years to come.

2. The Allotments

I am sorry to report that (for yet another year) 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 – and the year before that - 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 other team members, have ensured the smooth running of the administration and finances of the farm.

I am delighted to report that we recorded a surplus for this year, despite during the year expanding our scope of services and making a number of investments in our facilities. 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.

This year saw a project to revamp the branding of the Mudchute. I would like to thank the Champion Agency for their tremendous work and support during this project, and we are delighted with the resulting new logo and look for the Mudchute, maintaining our heritage while projecting our work in a clear and professional manner, consistent with the quality of what we do at the Mudchute.

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES for the Year Ended 31 March 2014

Warren Bunce has continued to play a much appreciated role as IT volunteer, and Justine Aw has very kindly continued with the maintenance of our website and our excellent social media presence, giving us a significant saving each year

4. Mudchute Park and Farm Limited

The stables worked hard this year to resolve the VAT issue which left them in the red at the end of March 2013. This was resolved and they managed to turn over a profit, allowing them to begin 2014 positively.

In spring and summer the stables ran the Tower Hamlets funded Positive Activities for Young People scheme during the school holidays, offering free riding and stable management sessions to Tower Hamlets residents aged between 8 and 21yrs, this resulted in many new volunteers and most children attending the sessions every day, so a real improvement in equine knowledge and working together was seen. The stables are looking forward to continuing this and developing the scheme to include more informative sessions and offering an AQA or BHS qualification for those who attend all sessions.

Talks were made to offer more charitable work to the local area and the stables will now be working closely with Denise Lara from the Education Department, focusing on delivering riding and horse care sessions to school groups during the day, as well as continuing with commercial lessons on evenings and weekends.

Unfortunately the new arena surface was not the answer to uphold lessons during the winter months, with twelve evening lessons being cancelled November – February and 25% of the arena flooded most of the time. Focus is on raising the funds to have new drainage for the arena to continue lessons, horse exercise and staff training in all weathers.

The year closed with manager of fifteen years Jac Cheeseman leaving the stables at the end of March 2014.

Looking forward to the March 2014 – 15 period the stables hope to change their current timetable to accommodate the school groups as well as their current stock so they can offer more adaptable horses for a variety of clients as well as encourage more volunteers from the local area to become involved in the equine industry and aid our future development.

The café is now under new management, after the withdrawal of Frizzante, the previous tenants. The new café team have proved popular, and are making a reasonable financial contribution to the Farm.

5. Procedures and policies

The trustees have decided to review various policies, in particular risk management. The reserves policy targets a modest increase in unrestricted cash reserves, which is an objective to meet in the coming year or two, and a financial procedures policy is in place. The risk register is to be reviewed by both staff and trustees during the course of the year.

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

6. Governance

The year has seen stability among the trustee group, who have committed substantial time to the governance of the charity. 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

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014

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: 18/12/2014

**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 2014 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 2014 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: 23rd December 2014

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2014

	Notes	Unrestricted Funds £	Restricted funds £	31.3.14 Total funds £	31.3.13 Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	59,159	229,632	288,791	329,895
Investment income	3	61,433	-	61,433	37,470
Incoming resources from charitable activities					
Operation of park and farm	4	<u>926,131</u>	<u>-</u>	<u>926,131</u>	<u>813,330</u>
Total incoming resources		1,046,723	229,632	1,276,355	1,180,695
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	5	263,610	-	263,610	263,009
Charitable activities	6				
Operation of park and farm		678,127	261,118	939,245	934,412
Governance costs	7	<u>11,980</u>	<u>-</u>	<u>11,980</u>	<u>12,839</u>
Total resources expended		953,717	261,118	1,214,835	1,210,260
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		93,006	(31,486)	61,520	(29,565)
Gross transfers between funds	15	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		93,006	(31,486)	61,520	(29,565)
RECONCILIATION OF FUNDS					
Total funds brought forward		183,251	493,501	676,752	706,317
TOTAL FUNDS CARRIED FORWARD		<u>276,257</u>	<u>462,015</u>	<u>738,272</u>	<u>676,752</u>

The notes form part of these financial statements

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

CONSOLIDATED BALANCE SHEET

At 31 March 2014

		Group		Company	
	Note	2014 £	2013 £	2014 £	2013 £
FIXED ASSETS					
Tangible assets	11	497,015	515,875	485,532	507,366
Investments		-	-	2	2
		<u>497,015</u>	<u>515,875</u>	<u>485,534</u>	<u>507,368</u>
CURRENT ASSETS					
Stocks	12	5,885	2,124	975	165
Debtors	13	51,135	48,476	67,329	67,268
Cash at bank and in hand		236,953	167,702	217,422	166,426
		<u>293,973</u>	<u>218,302</u>	<u>285,726</u>	<u>233,859</u>
CREDITORS: Amounts falling due within one year	14	(52,716)	(57,425)	(46,716)	(52,936)
		<u>241,257</u>	<u>160,877</u>	<u>239,010</u>	<u>180,923</u>
NET CURRENT (LIABILITIES) / ASSETS					
Net assets		<u>738,272</u>	<u>676,752</u>	<u>724,544</u>	<u>688,291</u>
RESERVES					
Unrestricted funds	15	276,257	183,251	262,529	194,790
Restricted funds		462,015	493,501	462,015	493,501
		<u>738,272</u>	<u>676,752</u>	<u>724,544</u>	<u>688,291</u>

The notes form part of these financial statements

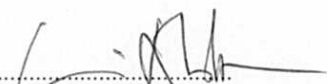
THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

CONSOLIDATED BALANCE SHEET - CONTINUED

At 31 March 2014

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 on 18/12/2014 and were signed on its behalf by:


.....
J H Abbott - Trustee


.....
L Cavanagh -Trustee

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2014

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.

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 2014

2. VOLUNTARY INCOME

	31.3.14	31.3.13
	£	£
Voluntary Income	44,808	81,923
Grants	<u>243,983</u>	<u>247,972</u>
	<u>288,791</u>	<u>329,895</u>

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

	31.3.14	31.3.13
	£	£
London Borough of Tower Hamlets	195,139	210,485
Isle of Dogs Community Foundation	-	7,197
Jack Petchy	400	600
Robert Garvon Charitable Trust	-	2,500
Canary Wharf SPS	2,000	1,500
East End Homes	-	2,000
The Cutler Trust	-	750
The Worshipful Company of Plumbers	500	-
The Worshipful Company of Basket Makers	-	1,600
The Worshipful Company of Gold & Silver Wyre Drawers	-	500
The Worshipful Company of Chartered Secretaries & Administrators	500	500
The Worshipful Company of Tin Plate Workers	-	1,000
The Worshipful Company of Builders Merchants	250	250
James and Lucilla Joll Charitable Trust	-	500
Schroder Investments	1,200	1,200
Docklands Youth Services	3,082	1,198
East End Community Foundation	1,600	4,000
LSBU	-	1,358
NHLF	-	2,734
The Horners Charitable Fund	2,500	3,000
The Worshipful Company of Fletchers	1,500	200
The Worshipful Company of the Carmen's Benevolent Trust	500	500
The Worshipful Company of Coopers	500	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	500	400
The Worshipful Company of Apothecaries	100	100
The Worshipful Company of Fan Makers	1,000	1,000
KEITS	7,200	-
One Housing Group Ltd	3,612	-
Merchant Taylors' Company	15,000	-
Valero Energy Ltd	5,000	-
The Worshipful Company of Glass Sellers	500	-
The Gunmakers' Company Charitable Trust	500	-
The Worshipful Company of Poulterers	500	-
Bewlay Charitable Trust	250	-
The Worshipful Company of Blacksmiths	150	-
	<u>243,983</u>	<u>247,972</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

3. INVESTMENT INCOME

	31.3.14	31.3.13
	£	£
Rents received	33,773	22,510
Hire of Facilities	<u>27,660</u>	<u>14,960</u>
	<u>61,433</u>	<u>37,470</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	31.3.14	31.3.13
	£	£
Incoming resources from Charitable Activities		
Activity		
Operation of park and farm	<u>926,131</u>	<u>813,330</u>

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

	31.3.14	31.3.13
	£	£
Opening stock	1,959	3,668
Purchases and wages	266,561	261,300
Closing stock	<u>(4,910)</u>	<u>(1,959)</u>
	<u>263,610</u>	<u>263,009</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Operation of park and farm	<u>939,245</u>	<u>939,245</u>

7. GOVERNANCE COSTS

	31.3.14	31.3.13
	£	£
Legal fees	696	-
Consultancy fees	3,004	4,459
Accountancy fees	3,250	3,350
Auditors' remuneration	<u>5,030</u>	<u>5,030</u>
	<u>11,980</u>	<u>12,839</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.14	31.3.13
	£	£
Auditors' remuneration	5,030	5,030
Accountancy fees	3,350	3,350
Depreciation - owned assets	41,119	40,719
Hire of plant and machinery	<u>5,435</u>	<u>4,276</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2014 nor for the year ended 31 March 2013.

10. STAFF COSTS

	31.3.14	31.3.13
	£	£
Wages and salaries	752,326	716,066
Social security costs	50,743	48,377
Other pension costs	<u>-</u>	<u>-</u>
	<u>803,069</u>	<u>764,443</u>

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

	31.3.14	31.3.13
Charitable activities	29	33
Office and management	3	3
Trading company	<u>8</u>	<u>6</u>
	<u>40</u>	<u>42</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 2014

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2013	888,674	114,615	47,479	1,050,768
Additions	<u>4,200</u>	<u>18,059</u>	<u>-</u>	<u>22,259</u>
At 31 March 2014	<u>892,874</u>	<u>132,674</u>	<u>47,479</u>	<u>1,073,027</u>
DEPRECIATION				
At 1 April 2013	403,717	93,271	37,905	534,893
Charge for year	<u>29,349</u>	<u>9,376</u>	<u>2,394</u>	<u>41,119</u>
At 31 March 2014	<u>433,066</u>	<u>102,647</u>	<u>40,299</u>	<u>576,012</u>
NET BOOK VALUE				
At 31 March 2014	<u>459,808</u>	<u>30,027</u>	<u>7,180</u>	<u>497,015</u>
At 31 March 2013	<u>484,957</u>	<u>21,344</u>	<u>9,574</u>	<u>515,875</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

	2014 £	Group 2013 £	2014 £	Company 2013 £
Goods for resale and other stock	5,885	2,124	975	165
	<u>5,885</u>	<u>2,124</u>	<u>975</u>	<u>165</u>

13. DEBTORS

	2014 £	Group 2013 £	2014 £	Company 2013 £
Other debtors	51,135	48,476	49,028	47,819
Due from subsidiary undertaking	-	-	18,301	19,449
	<u>51,135</u>	<u>48,476</u>	<u>67,329</u>	<u>67,268</u>

THE MUDCHUTE ASSOCIATION (GROUP ACCOUNTS)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

14. CREDITORS

	2014	Group	2014	Company
	£	2013	£	2013
		£		£
Trade creditors	13,094	6,969	12,797	6,656
Taxes and social security	12,238	13,457	10,399	11,533
Accruals	27,384	36,999	23,520	34,747
	<u>52,716</u>	<u>57,425</u>	<u>46,716</u>	<u>52,936</u>

15. MOVEMENT IN FUNDS

	At 1.4.13	Net movement	Transfers	At 31.3.14
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	183,251	93,006	-	276,257
Restricted funds				
Building	484,958	(29,350)	-	455,608
Minibus	8,543	(2,136)	-	6,407
	<u>493,501</u>	<u>(31,486)</u>	<u>-</u>	<u>462,015</u>
TOTAL FUNDS	<u>676,752</u>	<u>61,520</u>	<u>-</u>	<u>738,272</u>

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

	Incoming	Resources	Movement in
	resources	expended	funds
	£	£	£
Unrestricted funds			
General fund	1,046,723	(953,717)	93,006
Restricted funds			
Building	(1)	(29,349)	(29,350)
Minibus	-	(2,136)	(2,136)
LB Tower Hamlets Children's Work	195,139	(195,139)	-
Restricted grants	34,494	(34,494)	-
	<u>229,632</u>	<u>(261,118)</u>	<u>(31,486)</u>
TOTAL FUNDS	<u>1,276,355</u>	<u>(1,214,835)</u>	<u>61,520</u>