



**FareShare**

fighting hunger,  
tackling food waste

**Annual Report**  
**2018/2019**





All the food photographed and used in this report is surplus food that has been redistributed by FareShare

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FareShare reached a milestone in April 2019 as the organisation celebrated its 25<sup>th</sup> anniversary. With your support we will dedicate our energy to continue to build the reach of FareShare over the coming years.

**John Bason,**  
Chair



A photograph of four red apples with yellow streaks, resting on a light blue surface. One apple is in the foreground, slightly out of focus, while the others are in the background, more in focus.

FareShare believes  
that no good food  
should go to waste.

We redistribute  
surplus good food  
to charities who  
turn it into meals.

## Definitions

### The FareShare network consists of 21 Regional Centres across the breadth of the UK

The FareShare network consists of 21 Regional Centres across the breadth of the UK. Five Regional Centres, London, West Midlands, Merseyside, East Anglia and Southern Central are managed directly by FareShare and the others are run by independent charities in a partnership agreement with FareShare.

FareShare refers to this charity (charity registration No 1100051). FareShare provides the network with central support in a number of areas including sourcing food, transporting food to where it is most needed, PR and communications, fundraising and operational support. FareShare also provides a service, FareShare Go, which reduces store-level food waste by connecting supermarkets directly to local charities.

The 16 Regional Centres run by third-party independent charities are not reflected in these accounts. However, in the Trustees' report we give statistics for measures such as food received, charities and people supported which relate to the whole of the FareShare network. These aggregate statistics describe the overall social impact of the network that FareShare has supported since its inception.

Community Food Members (CFMs) refer to the charities and community groups that receive food from the FareShare network. Community Food Associates (CFAs) refer to the charities and community groups that receive food through FareShare Go; these organisations are connected with their local supermarket and collect the surplus food directly from the store.



In this way FareShare supported 924,000 people per week in 2018/19 and grew food volumes by 27%.

Our growth has real momentum and on the back of a hugely successful year we have huge ambition for the future.

That is because we only handle 7% of the surpluses that exist in the UK food industry. There is still 93% to aim for. We are hungry to change this.

This year we kicked off a three year £18.7 million investment programme to meet this growth challenge, thanks to funding from Asda and The National Lottery Community Fund.



## Report from our Chair and Chief Executive

**FareShare is now the leader in food redistribution to the UK charitable sector, and we are growing fast.**

### Building momentum with impressive growth

We at FareShare believe that no good food should go to waste and we redistribute that food to the most vulnerable in our society across the UK. We ended this year feeding 150,000 more people each week, providing food for 924,000 beneficiaries. Over 10,963 (last year 9,653) charity and community groups are now supported in their work with food from FareShare and we achieved a 27 per cent increase over last year in the food we redistributed to them with 19,518 tonnes. £33.7m costs were avoided (last year £28.7m) by the charitable sector as a result.

### A transformational year

FareShare is now the leader in food redistribution to the UK charitable sector, and we are growing fast. At the beginning of this year we were awarded three major restricted grants from Asda, The National Lottery Community Fund and The Walmart Foundation providing funding over three

years. These grants, when taken together, will transform the scale of FareShare's activities.

The Asda investment enables the 21 Regional Centres to build their capacity to handle and distribute a step change in food volumes. This funding will provide bigger chillers and freezers, more delivery vans and will enable the relocation, in some cases, to larger warehouses. The National Lottery Community Fund has funded key management roles which are essential to manage a much larger and complex organisation. The Walmart Foundation's funding will support our work in making more food, which is surplus in the supply chain, available for redistribution.

Following this, we have just been awarded a £1.9m DEFRA grant from the UK Government. This will allow us to support farmers, manufacturers and distributors to increase the volumes of food that are diverted to feed people rather than used for other purposes.



Report from our Chair and Chief Executive continued



John Bason, Chair



Lindsay Boswell, Chief Executive

2019 Financial results

There has also been a significant change in the way FareShare’s financial results look this year as a result of these three major grants. Income is up 80 per cent to £12.3m, with the major increase coming from restricted income which rose from £4.3m to £9.2m. These funds are for the specific projects as laid out above. Our cash balance at the year-end reached £6.4m, £4.9m of this amount is restricted for future expenditure on projects. We generated a £2.1m surplus, which was related to the early recognition of Asda income that will be spent in the current financial year. The increase in restricted funding compared to unrestricted funding seen this year will continue into the current financial year as a result of winning the DEFRA contract.

We are proud of the work of our fundraising team which delivered an increase in unrestricted funding from £2.5m to £3.1m in a challenging environment for fundraisers.

Challenges ahead

As FareShare builds its scale, we have to raise more unrestricted funding to cover the increase in core operating costs. Very little of the restricted funding is allowed to be used as a contribution to this. With this in

mind, we will maintain a tight cost control over our operating expenditure and continue our fundraising efforts to raise even more unrestricted funding. The Board will ensure that FareShare will continue to operate successfully for many years ahead and avoid over-extending ourselves.

We will continue to need the support from our many funders as we get larger and continue our valuable work.

Thank you

Thank you to our volunteers, funders, delivery partners and the providers of food from the food, retail and transport industries. Without you all this would not have been achieved. FareShare reached a milestone in April 2019 as the organisation celebrated its 25<sup>th</sup> anniversary. With your support we will dedicate our energy to continue to build the reach of FareShare over the coming years.

John Bason, Chair

Lindsay Boswell, Chief Executive

FareShare’s Work

(1 April 2018- 31 March 2019)



20,838

tonnes of food received  
(up 23% from 16,992 tonnes)



924,325

people supported every week  
(up 20% from 772,390)



10,943

charities and community groups helped  
(up 13% from 9,653)



46.5 million

meals provided to vulnerable people  
(up 27% from 36.7 million)



£33.7 million

estimated value of food to charities  
(up 18.5% from £28.7 million)



1,960

towns and cities reached across the UK  
(up from 1,500)



## Report of the Trustees

**We obtained 20,838 tonnes (23% increase) of food and sent out 19,518 tonnes to 10,943 (13% increase) members of our charity network in 2018/19. These members have avoided food costs of £33.7m (up 18%).**

### Good food...does good

The objective in 2018/19 was to kick off the investment in an ambitious three-year expansion plan.

We were not satisfied to just be showing incremental growth, and had the ambition to transform the amount of good quality surplus food diverted for social benefit in the UK.

The key steps were to:

- **Look at our capacity to handle and redistribute a much greater volume of surplus food.**

To support this we have formed the biggest funding partnership in our history with Asda as part of their Fight Hunger Create Change campaign. This has supported us to invest in bigger warehouses, much greater chiller capacity and to put in place the equipment and materials to grow. This £12 million investment over three years (£4.3 million in this year) is already making a huge difference to our ability to manage much more food.

- **Ensure we have the right investment in people, systems and processes.**

The Big Lottery Fund, now called The National Lottery Community Fund (TNLCF) have provided their support, advice and funding to strengthen our management and leadership structure, to develop better systems to measure impact and performance as well as invest in a major programme to strengthen our ability to recruit and retain volunteers.

### • Obtain more surplus food

Through funding from The Walmart Foundation we are able to now contribute financially towards the costs of redistributing new food partners' surplus food to us and existing food partners with additional volumes for the next two years. Our ambition is that this project will demonstrate to funders that the cost barrier to redistribution is the critical one to overcome. We also commissioned a report with NEF Consulting that showed FareShare provide £61m of socio-economic value a year to the UK government in avoided public spending, which we presented to the Secretary of State for Department for Environment, Food and Rural Affairs (DEFRA). We will receive funding from DEFRA in 2019/20 to expand this work in England.

With the confidence of these investments, all 21 Regional Centres across the UK have set out on a three year growth plan. Our biggest challenges in keeping up with the drive and ambition across the network are two-fold:

- Firstly, making sure that the food volumes keep up with the growth in the number of charities they support. Despite 27 per cent growth in food volumes, demand for this food outstrips supply.
- Secondly, as we have attracted major levels of capital and core investment, our turnover has leapt from £6.8 million to £12.3 million. However, most of this is restricted income and our need to secure ever-larger levels of unrestricted core income to cover the central running costs has only increased. We need to run harder and faster just to stand still.



## Report of the Trustees continued

**There are still at least 250,000 tonnes of good-to-eat food, just like the food we all eat every day, going to waste each year, enough for 650 million meals.**

### Without food we cannot deliver our mission.

Through the support of FareShare's partners across the food industry, we were able to redistribute an additional 4,000 tonnes of surplus food last year compared to the previous year, an increase of 27 per cent to 19,518 tonnes.

This increase was particularly driven by higher volumes supplied directly by our retail partners who account for 56 per cent of our total volume.

Tesco continues to lead the food industry on surplus food redistribution, measurement and reporting. They are at the forefront of food waste reduction, taking a whole supply chain approach.

In 2018/19 the surplus volume from the Tesco network of Distribution Centres increased by 30 per cent to 3,236 tonnes. Tesco's support in implementing system and process improvements has been a major factor in driving this increase. In addition to this significant growth and support from Tesco, Asda delivered a 23 per cent growth in surplus volumes from their depot network to 957 tonnes, including 22 tonnes from their wholly owned supplier IPL. The supply of this essential stock is only made possible with the support and agreement of Asda's supplier base.

We also saw volume increases from Co-op who have worked closely with us to provide surplus from their depots, and Morrisons where we have benefitted from supply from their Distribution Centres (DCs) and direct from their network of manufacturing plants.

The year ended with a refreshed partnership with Sainsbury's and we are working with them on exciting areas of engagement in 2019 and beyond. In the meantime, we were proud to feature prominently in their 150th anniversary advertising where they state that helping us get established is one of their 15 biggest achievements in their first 150 years!

Some other key food partners expanded their supply to us significantly last year. We enjoyed 12 per cent volume growth in supply of dairy products with particular support from Arla and Muller, and in bakery the continued support from Hovis and Allied Bakeries enabled us to distribute 18 per cent more bread and bakery items.

The Waste and Resources Action Plan (WRAP) supported us to increase our frozen food capacity and this grew by 18 per cent. This has included supporting some of our charity partners to increase their frozen capacity at community level.

We could not have secured the growth on volumes without the tremendous support of our haulier partners, in particular Langdon's, Fowler Welch and Culina who not only help us to move product cost effectively, but also promote us to their customer base enabling us to develop relationships with more food partners in our priority areas.

## Tesco Food Collection

In partnership with Tesco and The Trussell Trust, we took part again in the Tesco Food Collection in stores across the UK during November 2018. Generous Tesco customers donated enough ambient food for over 910,000 meals. These collections provide us with much-needed longer life food and store cupboard essentials which complement the predominantly fresh products we get from the industry as well as the opportunity to engage with shoppers on the issues of food waste and food poverty. Through both the annual Tesco Food Collection and the all year round permanent collection points in stores this provided a further 520 tonnes of food, up 3.5 per cent from last year. We are very much looking forward to taking part in the 2019 Food Collection with new ideas to make the most of the opportunity.





Report of the Trustees continued

**We have waiting lists of over 1,000 charities which would like to receive food from FareShare, but we need your support to get the good-to-eat surplus food that continues to go to waste to them.**

**We aim to squeeze as much social goodness from the food we obtain as possible.**

While the food is extremely important, it is what we do with the food that is at the real heart of our success.

We know that the food we share only addresses a symptom, hunger, and that in many cases that hunger is still there 6-8 hours later. So we focus on getting this food to those amazing frontline charities and community groups who can provide the expert advice, support and love that helps a vulnerable person turn their life around.

Food creates communities and social cohesion and the benefits go way beyond its nutritional value. It brings people together, combats poor mental health, fights loneliness, increases self-worth and esteem.

The number of amazing charities and community groups that receive and make use of the food FareShare provides grew again in 2018 by 13 per cent, from 9,653 to 10,943.

1 in 5 of the charities that we support say they would have to close down if FareShare were unable to supply them with food – the cost of buying the food from retail would simply be too much for them to fund themselves.\*

Our charity partners cater for multiple challenges and needs faced by the most vulnerable people in the UK.

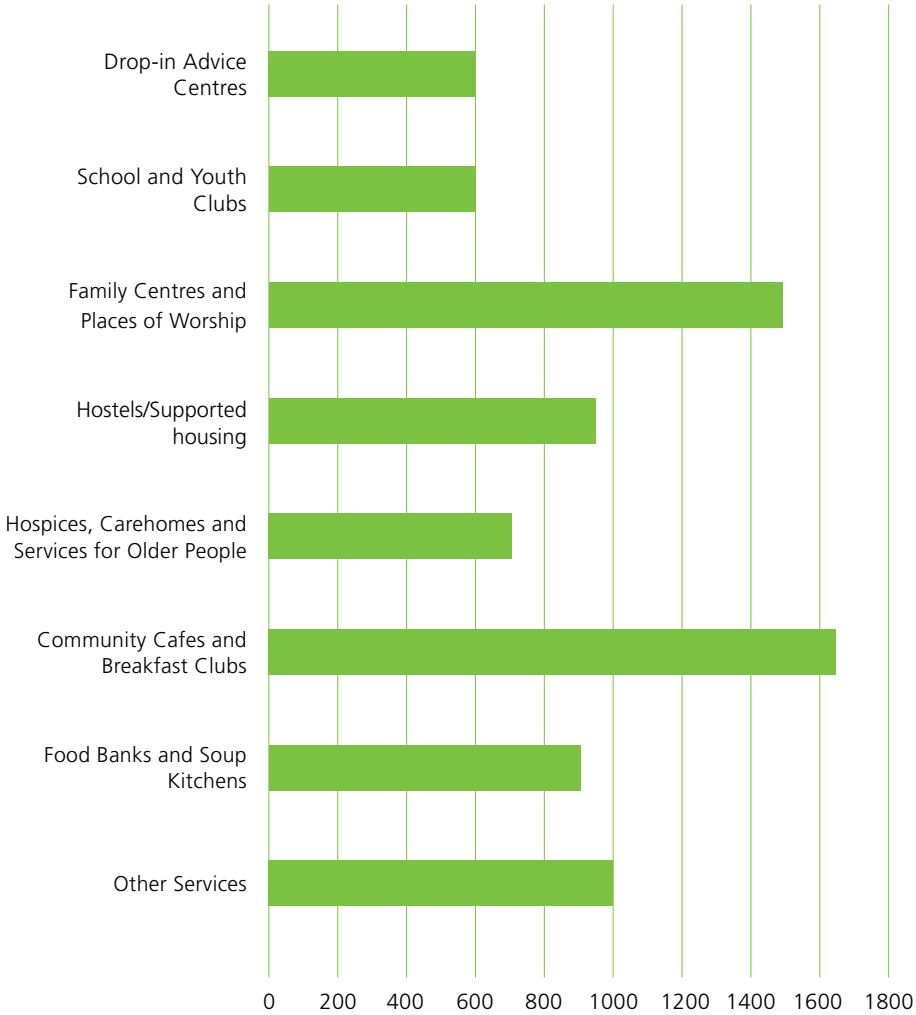
As part of the Asda support we have also embarked on an exciting new partnership with our sister charity, The Trussell Trust. Because such a high percentage of the food that we get is fresh produce, we suggested that we seek to supply Trussell Trust food banks with fresh fruit and vegetables to go alongside the tins and packets so generously donated by the general public. Asda capital support allows us to have the extra vans and drivers to get this food to these local food banks. Both Trussell Trust and FareShare cover the whole of the UK, so this partnership, which only started late in the financial year, has real potential for growth and good.

\*Nat Cen 2016

**Our charity membership by type of project**

It is our intention to be able to support each and every charity that wants to access a source of healthy nutritious food, and to reduce the waiting lists of over 1,000 charities we have who want to join our network. In order to do this we need the food industry to provide us with more of the surplus food that is going to waste, and we need more funding to maintain the network of warehouses, vans, drivers and systems that are vital in getting the food we intercept out to the charities that we support.

Charity types that we support by number





# How we operate

FareShare has two methods of getting this great-to-eat surplus food to our charity partners;

1.

Our network of 21 warehouses across the UK, called Regional Centres. These redistributed 12,468 tonnes of food (up 29 per cent year on year) to 3,471 charity and community group members (up 16.7 per cent year on year).



2.

Our store-to-charity direct service called FareShare Go enabled the redistribution of 7,051 tonnes of food (up 23 per cent year on year) to 8,087 charity and community group affiliates (up 9.45 per cent year on year).



## Store

Stores upload estimates of their good quality unsold food to the FareShare Go app.

## Charity

A local charity or community group receives a text telling them about the available food.

## People

The charity picks up the food they can use and turns it into meals for people in need.

One of the strengths of FareShare is that we are a partnership of charitable organisations from across the UK that share the same values and vision. In this way, 16 of our 21 Regional Centres are run by separate registered organisations and their financial figures are not included in this report.

Because we know that if we are to achieve our three year growth plans we will need to increase our performance, in the last year we have launched an efficiency and effectiveness initiative that spreads best practice whilst also retaining the strength of diversity across the UK. We call this creating "One FareShare".





## The FareShare Regional Centre Network

Last year we carried out feasibility studies to enable us, with Asda funding, to open new services to cover Devon and Cornwall as well as the area immediately north of London, which we are calling South Midlands. These two new Regional Centres are due to open in 2019/20 and will be run by our current partners in Bristol and Thames Valley.

Our five owned Regional Centres have all experienced a year of growth and the management teams have been implementing and inducting new recruits in various roles funded through our major grants. This includes Van Drivers, Volunteer Managers who help to support our dedicated volunteers, and Community Coordinators, whose role it is to engage charity partners and ensure that we continue to build on the valuable service we provide to them. These new services include holiday provision for children who go hungry outside of the normal school term time period because they do not get access to a free school meal during the holidays, and pantries which are a development of food banks, where service users have a more dignified experience when they are able to support themselves and their families through a very low cost membership scheme giving access to food.

### Getting more food out

As we grow we need to redistribute more food more efficiently, in order to deliver the most environmental and social impact that we can within our budget envelope. Our systems and processes are now being assessed and improved with the support of external partners and advisors from across industry – Operation Streamline is a dedicated project which is aiming to simplify standard operating procedures and make suitable investment recommendations in equipment to enable our teams to become more efficient.

### Food safety compliance

All five Regional Centres managed directly by FareShare have been awarded the Gold Standard level of compliance for Food Safety through our external auditors (NSF International). Attaining this level of compliance gives our food providers and recipients the confidence that their food is being handled safely and professionally within the guidelines set down by the Food Standards Agency for food businesses across the UK.

### Zero harm culture

In warehousing operations there are many hazards. The potential for serious injury is magnified in areas of the organisation

where moving and handling are central to everyday tasks. The development of our Health and Safety procedures and policy utilising the Asda funding, plus investment in training and working in partnership with specialist H&S providers, has been part of our core focus this year and will continue to build over the years to come. The health and safety of all our staff, volunteers, contractors and visitors is of paramount importance to us and is quite rightly receiving the focus and investment it deserves.

### Non-food redistribution in Scotland

Following a successful pilot in Aberdeen, FareShare received over £500,000 from the Scottish Government to distribute sanitary products with the aim of reaching an estimated 18,800 more people. Utilising the FareShare distribution network and logistics made sense to reach the people who required the support.

An evaluation of the pilot showed that two thirds of those who took part had experienced difficulties in accessing sanitary products in the past. It is expected that wider access will go some way to reducing the anxiety experienced by those who struggle to find the money to buy these essential items.







## Volunteers

We are extremely grateful to the 1,200 'Food Heroes' who volunteered in 2018 within the network of 21 Regional Centres across the UK who drive the vans, sort and pick food for the members or process charity member orders.

Without the 600,000 hours of time donated by volunteers over the year, FareShare would not be able to redistribute food to all the charities we support. Even though volunteer numbers have grown over the past year, we still need the support of many more people to redistribute even more surplus food to vulnerable people across the UK. Growing our volunteer numbers is a key priority.

Last year a new centrally coordinated National Volunteer Department was established and

additional Volunteer Management posts were recruited within all our Regional Centres, thanks to funding from The National Lottery Community Fund. This funding was planned to manage recruitment and communication with volunteers across the UK, ensuring that their contribution is recognised and that they receive a consistent quality and rewarding experience.

This has led to a number of developments to improve volunteer support at FareShare over the past year, such as:

- A new volunteer application process and Volunteer Management System, which includes a volunteer portal where volunteers can review their contribution and impact.
- New remote volunteering roles allowing people to support us at home or in their local communities.
- The introduction of a volunteer magazine called FareShare Slices, to improve volunteer engagement with our mission.
- The introduction of our first UK-wide volunteer survey and evaluation.

At FareShare we want to provide the best possible experience for our volunteers. So we were delighted when 99 per cent of our volunteers told us that they would recommend volunteering at FareShare.

Summer saw the launch of a major regional advertising campaign recruiting volunteers to FareShare, which was made possible through FareShare being awarded the coveted charity partner status for the Creative Shootout 2018, a joint initiative within the creative media industry.

We took the opportunity to relook at our volunteer recruitment process at the same time. Following the Creative Shootout National Advertising Campaign we evolved our media strategy to incorporate more targeted social media campaigning and a variety of volunteer types appearing in the advertising with a straightforward call to action.

To date this new process and the new campaign have seen 2,585 applicants kindly put themselves forward to support FareShare as a volunteer.

This year there was also a big focus on the recruitment of volunteers over the age of 50, through a NESTA-funded programme. NESTA are an organisation who seek to fund social and public good innovation projects. This programme helped us to refine our recruitment efforts for this audience at a local and national level. Over the two years of the project it has helped us to recruit 227 volunteers over 50 across 6 Regional Centres and 1,098 volunteers for the Tesco Food Collection. In total over 1,650 volunteers provided 1,136 shifts in 337 stores to help collect food from generous Tesco customers.

Volunteers are key to increasing our capacity, but it is important

to note that, to maximise their contribution, we must support volunteers to achieve their full potential. Our recent survey found 77 per cent of our volunteers told us they have gained new skills in warehousing and 64 per cent have grown in confidence since joining FareShare. Many of our volunteers have gone on to secure paid employment, either at FareShare or other organisations. FareShare Yorkshire's employability scheme has helped 72 local people who would have previously struggled to find work. FareShare Tayside and Fife have been able to open up new delivery routes and serve an additional seven charities in the area.

And this is just the start. FareShare's new Volunteer Managers are forming partnerships with charities, colleges and businesses in their area, creating more volunteering opportunities and more routes into work.



## FareShare Go

**FareShare Go was recognised by the World Food Innovation Awards winning Best Corporate Social Responsibility Initiative.**

FareShare Go is the award winning service from FareShare that enables local supermarket stores to give their end of day surplus food to local charities via an easy to use mobile phone text message service.

FareShare Go is now connecting 8,087 local charities directly to surplus at all Tesco and Waitrose stores, as well as a growing number of Asda stores.

In 2018, FareShare identified and developed relationships with over 50 smaller community food redistribution organisations (CFROs) who have put down deep roots in their local communities, with the aim of supporting the UK's wider food redistribution efforts with operational support and food. We have expanded our work with other redistribution organisations and have worked with more CFROs than ever before through FareShare Go. This has led to more food reaching the voluntary organisations who provide nutritional support on the ground to those in need.

In 2018 FareShare Go continued to work with our founding partner Tesco to find innovative ways to redistribute and use surplus food. The launch of the Tesco

Community Cookery School with Jamie Oliver is helping up to 1,000 community cooks across the country learn how to make the most of their surplus. We also worked with Waitrose to connect all of its large stores to food-using organisations to collect their surplus food as well as starting a rollout with all major Asda stores.

We delivered full roll out of our charity app which is now being used by 8,087 charitable organisations and as well as improving communication between store and charity, it provides each charity with social and environmental impact data of the surplus food they have rescued. More charities have also signed up to our 'bonus donations' service which has helped FareShare Go redistribute 20 per cent more food in 2018.

Innovation remains a key focus area and we conducted a number of trials this year with regard to freezing food, redistributing through franchise stores, using vans to collect and deliver surplus in areas with low charity presence, and our work was recognised by the World Food Innovation Awards with FareShare Go winning Best Corporate Social Responsibility Initiative.



## Taking away the growing pains

### The National Lottery Community Fund (TNLCF)

Growing at the scale we have, with 26.5 per cent more staff in the past year, has needed careful management to make sure we are delivering in as cost effective and efficient a way as possible. TNLCF has been instrumental in helping us grow quickly and efficiently by funding 6 new senior posts and supporting our new IT systems.

TNLCF has also supported frontline work, adding two new roles to each of our Regional Centres to work more deeply in the community and to support our volunteers better. These posts will also help FareShare become more sustainable in the long-term through local partnerships and connections.

TNLCF funding has also made a noticeable difference to volunteering at FareShare. With new Volunteer Managers in place throughout the network, we have been able to recruit and train hundreds more volunteers, who provide vital support in getting the food out to our charity members.

As FareShare grows, we want to make sure we maximise the impact of the money we receive. If we can become as efficient as possible through our systems and processes, it frees up our staff to go even further in supporting our wonderful volunteers and charity partners.

This is where our Organisational Development team comes in. They work to improve and streamline what FareShare do in; IT and digital, people development, impact evaluation and project management and planning. We also seek to manage change in an orderly way and set up future initiatives in line with an agreed project management process.

### Impact and evaluation

For the first time, funded by TNLCF, we have a dedicated Impact & Evaluation Manager. This post is helping us develop even more robust impact measurement for FareShare, helping with our journey to becoming a truly data-led organisation.

### IT and digital

With complex systems of volunteer management, food logistics and charity management, we also need excellent technology underpinning what we do. As part of our fast growth, we have been adapting and upgrading systems so we can keep pace – this means new ways to track and forecast the food our charities need, react quickly when our food partners can offer us new sources of supply, and support the volunteers and staff on-the-ground better. Our Information Centre in Sheffield has been building tools and analysing data to keep on meeting the needs of our beneficiaries, efficiently.

All of the capital investment described is helping to secure impact growth for the future, through being able to accept and redistribute even more good-to-eat food. It also means that we will require further generosity from funders in order to maintain FareShare's bigger operation.





## Our influencing work

In 2018 the Marketing and Communications Team stepped up our influencing work and created and launched a number of campaigns aimed at the different audiences with whom we seek to engage. Core to these audiences are those that provide the capacity building that FareShare needs to grow our social and environmental impact, namely:

- Government
- Volunteers
- Food Partners
- Funders
- Charities that use food
- Media

### Public affairs

In April and May we had great success with our Feed People First campaign. This was conceived and designed in-house to support The Grocer's Waste Not Want Not petition to the government to "help reduce the staggering levels of food waste in the food and drink industry."

Whilst the petition had been live since May 2016, by January 2018 it had received little coverage and only obtained 800 signatures.

FareShare developed a campaign in the final six weeks of the petition's life that aimed to capture hearts and minds and provide a very simple call to action to drive signatures. With no additional budget but a smart use of evocative imagery and a clear expression of the problem we are aiming to alleviate, we were able to get the petition up to 16,000 through the Feed People First campaign, which is higher than the 10,000 threshold the UK government requires to discuss and provide a written response.

The campaign was a key step in a series of advances which ultimately unlocked a £15 million pilot scheme budget from DEFRA to support our core policy ask – to level the playing field for the food industry in terms of equalising the cost to redistribute surplus food to people vs the cost to send to animal feed, anaerobic digestion or landfill.

In July we launched our Wasted Opportunity report. This was a ground-breaking piece of research aimed at calculating in financial terms the socio-economic benefits of the work that FareShare undertakes to government and the taxpayer. By thinking about our output in terms of the nutritional benefits to vulnerable people resulting in, for example, fewer trips to the GP or hospital, lower welfare costs, better concentration at work and at school, we aimed to show that not only was there a benefit to the charities we serve, but also to the public purse. We worked with independent experts, NEF Consulting, who developed a model that valued these avoidable negative life pathways, and provided an attribution to FareShare, as well as the charities we support. This resulted in the publication of the Wasted Opportunity report, a launch event attended by many senior food industry figures, and the knowledge that per year FareShare enables the public sector to avoid £61m costs in supporting vulnerable people through public services.



# #ActiveAte

school holidays this summer



# FEED FIRST

Sign the  
[feedpeoplefirst.org](https://feedpeoplefirst.org)  
petition by 3 May

#FeedPeopleFirst

### Holiday Hunger

The Marketing and Communications team developed the #ActiveAte campaign in response to the plight of the 3 million children who go hungry during the UK school holidays as they do not have access to a free school meal. FareShare sees a spike in the number of charity partners who set up specifically to help support affected children during the summer holidays,

and therefore there is a spike in demand for a certain set of food and drinks types that are child friendly and which require little preparation. Many of the summer holiday clubs we support do not have kitchen facilities so the food supplied needs to be ready to eat.

As well as a direct ask to the food industry for particular food items on a list we had compiled, we also created the opportunity for individuals to support us as donors

if they were moved by the issue we had highlighted. The campaign was the first time FareShare had tackled this issue in a public facing way, and was successful in engaging certain food partners to provide appropriate items.

**The #ActiveAte programme supported 50,000 children at over 400 holiday projects during the 2018 summer holidays.**



## Thanks to our funders

Our income has grown by 80 per cent to £12.3m in 2018-19 and key for the future is to ensure we have unrestricted funds for our core work. This year our income came from corporate partners, trusts and foundations, and individuals. We are grateful to every supporter and for every gift we receive.

### Our ethos

FareShare is a member of the Fundraising Regulator and all of our fundraising is managed by our staff with the support of some of our corporate partners. We do not employ any professional fundraising organisations and received no complaints about our fundraising practices or activities in 2018-19.

### Our fundraising success

Last year we dramatically increased our restricted income from £4.3m to £9.2m in large part due to three new multi-year, multi-million pound partnerships with the National Lottery Community Fund, Asda and The Walmart Foundation.

Alongside this success we had many other fundraising highlights:

- Tesco supported FareShare with financial support equivalent to 20 per cent of the value of the food donated through the Food Collection and in-store collection points. This provided FareShare with additional funds of £134,000 in 2018/19. A donation from Tesco F&F, which donated the proceeds from the sales of the Christmas 'Hats with a Heart' promotion, raised £100,000.
- Collaboration with the Global FoodBanking Network (GFN) helps us to ensure we are working with food banking counterparts across the globe and GFN manage our funding partnership with Enterprise Rent-a-Car Foundation who supported us with a donation of £500,000. Sodexo continued their support with a donation of £110,000 – reaching the incredible milestone of donating £1 million through the Stop Hunger Foundation over the last 10 years. Such continuity funding has allowed us to have the confidence to grow consistently over the last decade.
- Kellogg's, Ella's Kitchen and Coca-Cola supported us through cause related marketing campaigns over Christmas, collectively raising over £100,000 through sales of products, and Esmée Fairbairn donated £250,000 for core costs which is the start of a five year partnership with FareShare.
- FareShare benefitted from the BBC Radio 4 Appeal in March 2019 which raised over £40,000, and the Julia and Hans Rausing Trust donated £100,000 after hearing the appeal and visiting our London Regional Centre. Our corporate partnership with Disney raised over £70,000 and included many fundraising activities throughout the year.
- Mike and Helen Brown offered over £25,000 for a matched giving campaign, and we ran a Christmas appeal across digital platforms to reach new supporters, which helped to grow our individual giving income by 55 per cent this year from £115,000 to £178,000.



We would like to take this opportunity to recognise and thank all of our corporate, trust and grant and individual supporters.

A&P Charitable Foundation  
Aberdeen Standard  
Adfal Trust  
Adint Charitable Trust  
Anchorage Capital  
Arbuthnot Latham  
ASDA  
Ashley Family Foundation  
Aspen  
Bakkavor  
Bank of America Merrill Lynch  
Bank of England  
Baron Davenport's Charity  
Bay Tree Charitable Trust  
BBC Radio 4 Appeal  
Blackstone  
Bloomberg  
BNY Mellon Volunteering  
British Red Cross / Co-op  
Brindisa  
British Sandwich Awards  
Calleva Foundation  
Cargill  
Carpenter Charitable Trust  
Caterpillar Foundation  
Chep  
Chillag Family Charitable Trust  
Coca-Cola  
Colin David & Family Charitable Trust  
Comic Relief  
Constance Travis Charitable Trust  
CPF Trust  
Croydon Council  
D.R. Fine Charitable Trust  
Deutsche Bank  
DEFRA  
Dischma Charitable Trust  
Disney  
Dulverton Trust  
Elanco  
Ella's Kitchen  
Enterprise Rent-A-Car Foundation  
Esmée Fairbairn Foundation

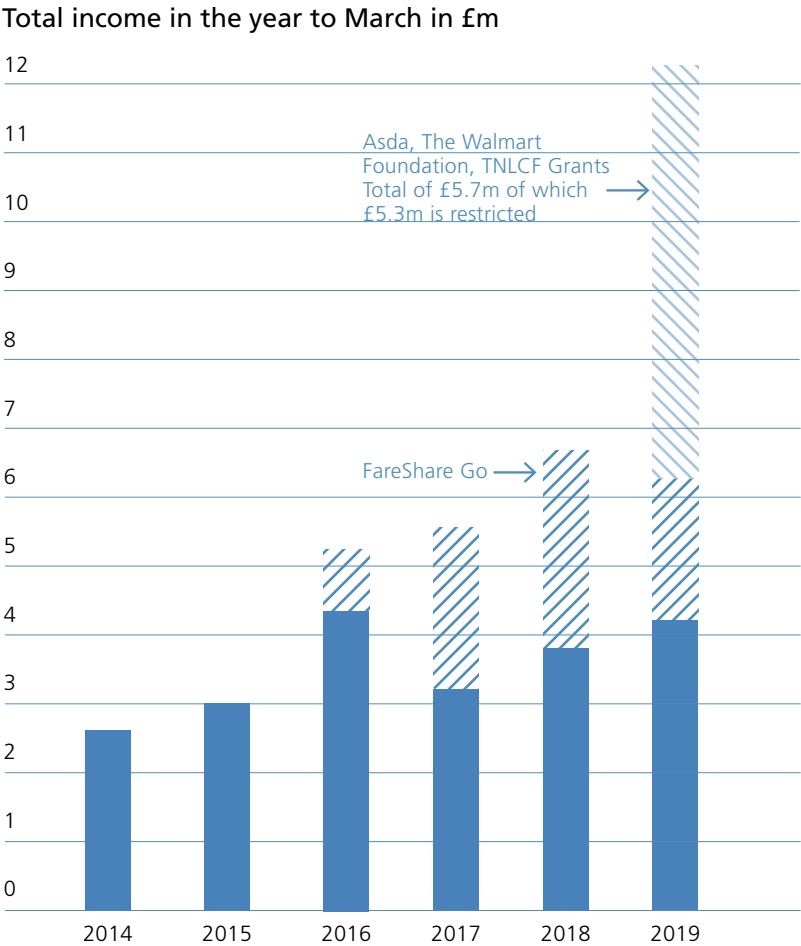
FactSet  
FEBA  
Fidelity  
Frances Winham Foundation  
Fresh Leaf Charitable Foundation  
Funkin Cocktails  
Garfield Weston Foundation  
Gate One  
General Mills Foundation  
Generation IM  
GJW Turner Trust  
Global Foodbanking Network  
Gowling WLG Charitable Trust  
Grant Bradley Charitable Trust  
Grazing Food  
Groupon  
GVC Holdings  
Haberdashers' Company  
Henry Smith Charity  
Hilton Southampton  
HIT Training Ltd  
Hitachi Capital  
Hyde Park Place Estate Charity  
IFCO  
Islamic Relief  
John Laing Charitable Trust  
Julia and Hans Rausing Trust  
Kellogg's  
KPMG  
Kristina Martin Charitable Trust  
The Laura Ashley Foundation  
Lodge Reunion Association  
Lord Leverhulme Charitable Trust  
Marguerite Foundation  
Marsh Christian Charitable Trust  
Masonic Charitable Foundation  
Miles Smith  
Miss GM Marriage Charitable Trust  
Mitchell Charitable Trust  
The Mrs L D Rope Third Charitable Settlement  
Mrs Maud Van Norden's Charitable Foundation  
Muriel Jones Foundation

National Lottery Community Fund  
NCH  
Nesta  
Odin Charitable Trust  
Open Gate Trust  
Paper Round Group  
PIMCO  
PHSO  
Persula Foundation  
Rabobank  
Rainford Trust  
Richard Cadbury Trust  
Roger & Douglas Turner Charitable Trust  
Roger Vere Foundation  
Samworth Brothers  
Scottish Government  
Simon and Elizabeth Batey Charitable Trust  
Simon Gibson Charitable Trust  
Simon's Charity  
Sir Clive Bourne Family Trust  
Sir Edward Lewis Foundation  
Sobell Foundation  
Sodexo Stop Hunger Foundation  
Tableau  
Temple Group  
Tesco  
Thomas Sivewright Catto Charitable Settlement  
Tinsley Foundation  
Trefoil Trust  
UHY Hacker Young LLP  
Vandervell Foundation  
Waitrose  
The Walmart Foundation  
Welland Charitable Trust  
Win a Dinner  
Workspace  
WRAP  
WSP  
Wyseliot Rose Charitable Trust  
Yeo Valley



## Financial review

**Total income increased by 82% to £12.3m as a result of new restricted grant funding. However, there was a deficit of £163,000 on unrestricted funds.**



**Total income rose by 82% to £12.3m**

2019 was the first year of a new restricted grant funding stream from Asda, The Walmart Foundation and The National Lottery Community Fund. This added £5.7m to our total income.

FareShare Go income was £2.1m (2018: £2.9m). This reduction reflects the fact that FareShare Go is now in all Tesco branded stores in the UK. The roll out is complete and we are currently in the maintenance phase.

Other income rose by 14 per cent to £4.5m. This reflected a good result for fundraising and a strong growth in CFM fees.

The financial effect of the new grant funding stream from Asda, The Walmart Foundation and The National Lottery Community Fund (TNLCF) is explained below.

Funder	Total grant £m	Period	Paid
Asda	12.2	3 years	quarterly in advance
TNLCF	5.0	3 years	quarterly in advance
The Walmart Foundation	1.6	2 years	in full in advance



Financial Review continued

The contracts for two of these grants (TNLCF and The Walmart Foundation) say that FareShare will repay any portion of the grant that is not used for the permitted purposes. On this basis, FareShare becomes entitled to the funds as they are spent. Funds received but not yet spent are included in creditors as deferred income.

Under the Asda grant contract, FareShare becomes entitled to the funds on receipt. Funds received but not yet spent give rise to the restricted surplus.

These grants comprise mainly restricted funds (£17.5m out of a total of £18.8m). Very little of the additional resources can be used

for core direct operating costs, without which the major grants cannot be delivered effectively.

The table below shows the effect of the three major grants on total income and on the net movement in funds in this financial year.

	Total income		Net movement in funds	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Asda	3,941	-	2,178	-
TNLCF	1,218	-	-	-
The Walmart Foundation	122	-	-	-
FareShare Go	2,138	2,888	-	-
Other Restricted	1,801	1,377	100	(182)
Total restricted	9,220	4,265	2,278	(182)
Asda	373	-	-	-
The Walmart Foundation	75	-	-	-
Other unrestricted	2,637	2,501	(163)	(207)
Total unrestricted	3,085	2,051	(163)	(207)
TOTAL	12,305	6,766	2,115	(389)

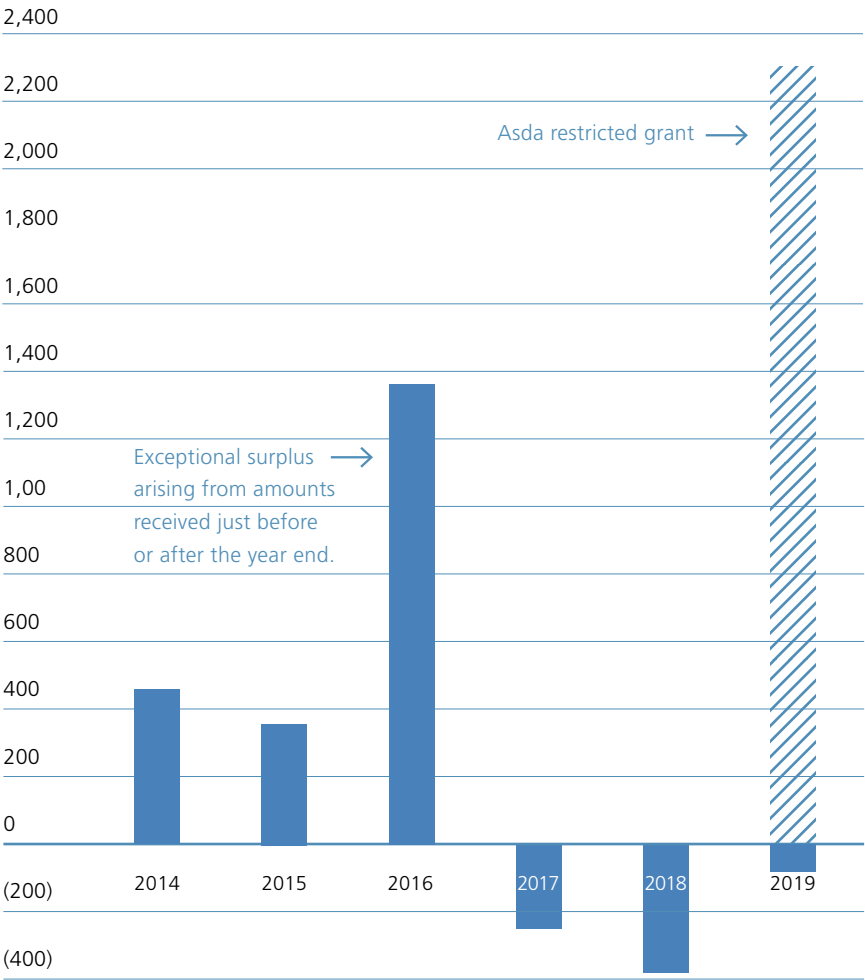
There is a timing difference between when FareShare receives grant funding and when it is spent. FareShare seeks to avoid making any commitments to incur costs until the funding has been received. Spending the funds can take time. We want to ensure that we buy the right equipment at the best price, so we obtain several

quotes or we conduct a tender process. If the funding supports a new role, we need to advertise the position, hold interviews and obtain references.

In the later stages of these grants, this timing difference will reverse. There will be a future period in which the amounts we spend will

exceed the amounts we receive. On the Asda grant, this will give rise to a negative net movement in restricted funds in that year.

Surplus / (deficit) in the year to March in £000



Net movement in funds £2.1m

The 2019 result comprised a restricted surplus of £2.3m and an unrestricted deficit of £163,000.

The exceptional surplus in 2016, was spent in the two subsequent years to March 2017 and 2018.

Our 2016 Report and Financial Statements explained how the exceptional surplus arose in that year because several large amounts were received just before or after the year end and there was not enough time for them to be spent on the work we do in the same year.



Financial Review continued

Income

In 2019 income from donations (other than from Asda, The Walmart Foundation and TNLCF) was £3.6 million (2018: £3.0 million). This was a strong result but it was not quite enough to cover all the unrestricted expenditure where we report a £163,000 deficit.

The ring-fenced nature of the major grants means they are spent directly on the purposes specified in the grant agreements. Our ability to grow our infrastructure to deliver the service depends on unrestricted donations.

Donated income in both 2019 and 2018 included £500,000 from Enterprise Rent-A-Car Foundation as part of a six year funding arrangement (to 2022) secured via our strategic partner, The Global FoodBanking Network.

The timing of the receipt of voluntary income continues to be weighted towards the end of the financial year. This means that the associated expenditure is often included in next year's statement of financial activities. Where the income is restricted, this results in restricted reserves carried forward: where the income is unrestricted, the related expenditure is designated in the reserves at the year end. A full explanation of the reserves is given in notes 18 and 19 to the accounts.

This is the fourth year of FareShare Go. The income and expenditure of FareShare Go is set out in note 11 to the accounts. This note shows that FareShare Go covered its costs including a contribution to core costs. FareShare Go is in all Tesco and Waitrose stores. It is rolling out the service in Asda stores.

The main activity in FareShare 1st Limited is licencing the FareShare name and logo for use in product promotions. (See note 12).

**Costs**

The expenditure on raising funds was £453,000 (2018: £458,000). As a proportion of donated income (excluding the three major grants), the expenditure on raising funds fell to 11 per cent (2018: 15 per cent).

Total expenditure in the year increased by 42 per cent to £10.2m (2018: £7.2m). This was higher than the growth in the amount of food redistributed: up 27 per cent to 19,518 tonnes, because during 2019 there was a major investment in building an increased capacity to handle larger volumes of food. The total spending on charitable activities was £9.7m (2018: £6.7m). The total spent on support costs was £1.2m (2018: £0.7m) which represents 12 per cent of FareShare's total expenditure.

Cash and reserves

The effect of the restricted grants from Asda, The Walmart Foundation and TNLCF on the balance sheet is shown in the table below.

	Cash		Reserves	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Asda	2,178	-	2,178	-
TNLCF	602	-	-	-
The Walmart Foundation	1,377	-	-	-
Other Restricted	778	812	304	204
Total restricted	4,935	812	2,482	204
Total unrestricted	1,435	802	1,492	1,655
<b>TOTAL</b>	<b>6,370</b>	<b>1,614</b>	<b>3,974</b>	<b>1,859</b>

The three major restricted grants pay us in advance of any expenditure incurred. As these funds had not been fully spent at the year end, it resulted in restricted cash balances of £4.2m. The restricted funds will be spent next year towards the purposes of the grants. Some of the unrestricted cash will be spent to fund projects that have been designated (note 18).



## Reserves

FareShare has a risk-based reserves policy to protect the operational requirements of the charity from short term disruption to ensure that our partners can continue to operate. The FareShare network supports 10,943 charities and community groups, providing food to 924,325 individuals a week. The estimated value of the food we provide to our Community Food Members and Associates was £33.7 million during the year. If FareShare were suddenly unable to operate, the repercussions on our partners would be severe and cause serious problems for the vulnerable and disadvantaged people whom they help.

FareShare is significantly supported through donations and grants from a few, large organisations who, by nature, are dynamic and whose priorities are subject to change at short notice. Given that some of these supporters are companies who directly compete with one another - in particular Tesco, Asda and Sainsbury's - the trustees have allowed for this added risk in calculating the reserves policy.

A strength of the FareShare model is that the majority of the FareShare Regional Centres are run by third party independent charities. It is important that, were there to be a sustainability issue in one of these organisations, the FareShare operation would still be able to continue in that region. This need has been taken into account by the trustees in setting the reserves policy.

It is the aim of the trustees to ensure that reserves are sufficient to ensure FareShare continues to operate on a going concern basis in order to meet its objectives and that the level of reserves required should take into account the risk around potential rapid changes in major income streams.

The trustees have decided FareShare should aim to hold general reserves, after designations, of up to six months of committed expenditure. This target was derived by considering the risk to projected income streams against the requirement to fund non-cancellable expenditure for up to six months.

We include costs such as staff costs, rent on our properties and van lease payments in committed expenditure. We exclude expenditure in FareShare Go and the spending of the restricted grants from Asda, TNLCF and The Walmart Foundation. Based on the results for the year to March 2019, we estimate annual committed expenditure to be £4.8 million. Our target reserves are therefore £2.4 million. Our general reserves at March 2019 were £1.1 million representing 46 per cent of the target level.



## Structure, governance & management

### Directors and Trustees

John Bason, *Chair*  
 Paola Bergamaschi  
 Vince Craig  
 Lucy Danger  
 Peter Freedman  
 William Garnett, *resigned February 2019*  
 Damien Harte, *appointed February 2019*  
 John Hinton  
 Andrew Hood, *appointed February 2019*  
 Steven Jackson, *resigned March 2019*  
 Stephen Robinson  
 Helen Sisson  
 Kathryn Sowerby, *resigned September 2018*  
 Tony Sykes, *appointed May 2018*  
 Angela Yotov, *appointed February 2019*

### Company Secretary

Richard Huxtable

### Finance Committee

Stephen Robinson, *Chair*  
 Paola Bergamaschi, *resigned March 2019*  
 Damien Harte, *appointed March 2019*  
 Patrick Litton  
 Tony Sykes

### Chief Executive

Lindsay Boswell

### Registered Office

Unit 7, Deptford Trading Estate  
 Blackhorse Road, Deptford  
 London SE8 5HY

### Bankers

**Charities Aid Foundation**  
 25 Kings Hill Avenue  
 Kings Hill, West Malling  
 Kent ME19 4TA

**Co-operative Bank plc**  
 9 Prescott Street  
 London E1 8BE

**Triodos Bank NV**  
 Deanery Road  
 Bristol BS1 5AS

### Statutory Auditors

**PKF Littlejohn LLP**  
 1 Westferry Circus  
 Canary Wharf  
 London E14 4HD

### Solicitors

**Bates Wells Braithwaite**  
 10 Queen Street Place  
 London EC4R 1BE

### Company Registration Number

4837373

### Charity Registration Number

1100051





## Governing document and constitution

FareShare is a charitable company limited by guarantee (no. 4837373), and registered with the Charity Commission as a charity in England and Wales (no. 1100051). FareShare was incorporated in 2003 and is governed by its Memorandum and Articles of Association adopted on 31 January 2006.

The administrative details of the charitable company are detailed on page 39 for the year ended 31 March 2019.

### Objects

The objects of FareShare, as set out in the Memorandum of Association, are:

The relief of poverty and the preservation and promotion of good nutrition, good health and social improvement among people who are suffering from social, economic or emotional distress in such ways as the trustees may in their absolute discretion think fit but particularly through:

- the collection and redistribution of surplus food;
- the encouragement of members of the public to undertake voluntary work;
- the advancement of public education in particular but not exclusively by providing training in the voluntary sector; and
- the furtherance, for the benefit of the public, of the conservation, protection and improvement of the physical and natural environment through the redirection of waste (in particular food waste) and its adverse environmental impacts.

### Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. FareShare's focus on tackling food poverty, working in partnership with local charities and community-based organisations, has a direct and positive benefit for many of the most marginalised people in the UK (individuals who are homeless, unemployed, poor, isolated). The charity engages individuals as volunteers in its work and this is open to all members of the community, including the most marginalised. FareShare's training and education work provides opportunities for volunteers and others to gain recognition, including accreditation, for the skills they have acquired while working with FareShare.

### Recruitment and appointment of Trustees

The Trustees, who are also directors and members of the charitable company, are listed on page 39. Each year, one-third of the trustees retire from office but may stand for re-election according to the procedures set out in the Memorandum and Articles of Association at the next Annual General Meeting.

Trustees are recruited with a range of skills and experience that is needed best to ensure sound governance and strong progress towards the charity's mission and aims. Newly appointed trustees receive an induction that includes making them aware of their legal responsibilities as well as FareShare's policies, decision-making processes, strategic plan and recent financial performance.

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

### Organisation

The Trustees together constitute the Board that is FareShare's governing body. They met five times in 2018/19. The Trustees approve the strategic plan and annual budgets of the charity as well as overseeing policy.

The Finance Committee is a sub-committee of the Board of Trustees and provides more detailed oversight on matters of finance and audit, risk and long-term sustainability. This committee met six times in 2018/19.

The Senior Leadership Team, led by the Chief Executive, is responsible for implementing the strategy and for progressing towards agreed key aims and objectives.



Governing Document and constitution continued

Staff pay policy (including the senior management team)

Our approach to staff pay is designed to ensure we can attract and retain people with the passion, commitment and skills we need to achieve our mission and deliver our strategic goals. It is applied consistently across the organisation. We aim to pay competitively in the not-for-profit sector within the context of affordability. We therefore use external salary surveys and other tools to enable us to benchmark our salaries against other charities. The lowest rate of pay is at least the living wage set by the Living Wage Foundation.

Annual increases are normally awarded in April each year, taking into account the rate of inflation and organisational affordability. Annual increases are subject to approval by the Board of Trustees.

FareShare’s key management personnel are the Senior Leadership Team. This staff remuneration approach is also applied to the recruitment and retention of the Senior Leadership Team.

FareShare 1st Limited

FareShare has a wholly owned trading subsidiary, FareShare 1st Limited, that has its own Board of Directors. The principal activity of FareShare 1st Limited is to undertake commercial activities on behalf of the charity. The results of FareShare 1st Limited, which are set out in note 12 to the accounts, have been consolidated in these financial statements.

Risk management

FareShare has a risk management strategy that centres on maintaining a risk register and includes policies and procedures that mitigate those risks. The initial identification and assessment of risks is done by the Senior Management Team. The Finance Subcommittee focuses on reviewing the financial risks. The trustees review the risk register on a regular basis: they consider how the risks interact and where to prioritise mitigating actions.

The main categories of risk identified can be segmented into seven areas:

- Food safety
- Securing surplus food for charitable purposes
- Managing the restricted grant from DEFRA
- Expansion funded by major grants
- Income generation
- Operations
- Loss of key staff

Food safety

Food redistribution is the essence of what we do. Food safety, its traceability and overall handling, is at the core of both our mission and our reputation.

Mitigation: Our policies and procedures enable us to maintain the highest standards as any lapses would ultimately compromise our position of trust and expert authority with the food industry.

Securing surplus food for charitable purposes

Our supplies of food are potentially vulnerable to commercial competition as well as alternative uses such as anaerobic digestion and animal feed. The Government provides financial incentives to support anaerobic digestion. Turning inedible food into energy is commendable as an environmental solution but edible food should not be used to create energy or to feed animals while people are going hungry.

Mitigation: In May 2019 we were awarded a £1.9 million restricted grant from DEFRA from a fund set up to reduce the barriers to charitable food redistribution. We need to ensure that we use these funds to maximum effect to secure additional food.

Managing the restricted grant from DEFRA

DEFRA awarded us a restricted grant of £1.9 million in May 2019. We will need to manage the working capital invested in this project carefully as the payments of the grant are to be made in arrears.

Mitigation: Additional resources for managing the project and processing the transactions were included as part of the bid. Regular reporting and monitoring of the working capital position will be put in place.

Expansion funded by major grants

FareShare is expanding rapidly with funding from three major restricted grants. (Asda, TNLFCF and The Walmart Foundation) We need to manage that expansion well, co-ordinate the efforts of the network and ensure that, when the grants come to an end, we are in a stronger position.

Mitigation: We have carefully planned the management of the work funded by the major grants. This has involved all parts of the organisation and all our delivery partners. We are already starting to plan the transition that will be necessary at the end of the grants.

Income generation

Donations make up a large proportion of our income. We have some multi-year support but most is shorter term. Donated income can be difficult to predict and volatile. Our costs are relatively fixed and predictable. The Finance Subcommittee and the trustees regularly review forecasts to ensure we are able to adjust our expenditure to deal with changes in projected revenue.

Mitigation: The risk of income volatility is mitigated by having mixed income streams: some earned and some donated. It is also addressed by our target reserves policy of covering six months of committed costs and the approach to develop new streams of income from the food industry.

Operations

The FareShare Network comprises a variety of elements which require a consistent management of activities and behaviours. We operate busy warehouses with potentially hazardous equipment such as fork lift trucks and walk-in freezers. We have both office-based and field-based employees across the UK as well as external volunteers coming to work at our sites.

Mitigation: We maintain an up-to-date health and safety manual and ensure their consistent communication through good training and induction programmes.

Loss of key staff

FareShare has a small management team and the loss of any key individual would be significant.

Mitigation: Development of and strengthening a collective management culture reduces reliance on any one individual. Putting a succession plan in place.

Going Concern

FareShare’s business activities, together with the factors likely to affect its future development, performance and position, are set out in this Report of the Trustees. The current economic conditions create uncertainty, particularly over the continued level of funding from corporate and trust donors. FareShare’s forecasts and cash flow projections, which form part of the planning process, having

consideration to potential costs arising outside of normal trading activities, show that FareShare should be able to continue to operate within the level of its current banking facility and has adequate reserves to manage business risk.

The trustees have a reasonable expectation that FareShare has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.



## Governing Document and constitution continued

### Trustees' responsibilities

The Trustees (listed on page 39) are also directors of FareShare under company law.

The Trustees are responsible for preparing financial statements for each financial year. Under that law the Trustees 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 Trustees 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 charity and of its incoming resources and application of resources, including the net income or expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities' SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

### Disclosure of information to auditors

In accordance with company law, each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

### Auditors

Our auditors, PKF Littlejohn LLP were re-appointed during the year and have expressed their willingness to continue in that capacity.

This report was approved by the Trustees on 25th July 2019 and signed on their behalf by:



**John Bason, Chair**



## Independent Auditor's report to the Members and Trustees of FareShare

We have audited the financial statements of FareShare (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019, and of the group's 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## Independent Auditor's report to the Members and Trustees of FareShare continued

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 from the requirement to prepare a strategic report.

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [frc.org.uk/auditorsresponsibilities](http://frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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 auditor's 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.



**Alastair Duke**, (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London E14 4HD

22 August 2019



## Consolidated statement of financial activities

For the year ended 31 March 2019 (incorporating an income and expenditure account)

	Note	Unrestricted Funds 2019 £'000	Restricted Funds 2019 £'000	Total Funds 2019 £'000	Unrestricted Funds 2018 £'000	Restricted Funds 2018 £'000	Total Funds 2018 £'000
<b>INCOME</b>							
Income from generated funds							
Donations	1	2,229	7,082	9,311	1,666	1,377	3,043
Other trading activities	2	8	–	8	16	–	16
Commercial trading income	12	86	–	86	213	–	213
Income from investments	3	11	–	11	2	–	2
		2,334	7,082	9,416	1,897	1,377	3,274
Income from charitable activities	5	751	2,138	2,889	604	2,888	3,492
<b>TOTAL INCOME</b>		3,085	9,220	12,305	2,501	4,265	6,766
<b>EXPENDITURE</b>							
	7, 8						
Expenditure on raising funds		453	–	453	458	–	458
Expenditure on charitable activities		2,853	6,884	9,737	2,384	4,313	6,697
<b>TOTAL EXPENDITURE</b>		3,306	6,884	10,190	2,842	4,313	7,155
<b>NET INCOME</b>		(221)	2,336	2,115	(341)	(48)	(389)
Transfer between funds	19, 20	58	(58)	–	134	(134)	–
<b>NET MOVEMENT IN FUNDS</b>		(163)	2,278	2,115	(207)	(182)	(389)
Balance at beginning of year		1,655	204	1,859	1,862	386	2,248
Balance at end of year	19, 20	1,492	2,482	3,974	1,655	204	1,859

The Group has no gains or losses other than those shown above.

All turnover is from continuing operations.

The Accounting Policies and notes on pages 57 to 70 form part of these financial statements.



## Balance sheets

At 31 March 2019

		Group		Company	
	Note	2019 £'000	2018 £'000	2019 £'000	2018 £'000
FIXED ASSETS					
Tangible fixed assets	13	481	580	481	580
Investment	14	–	–	–	–
		481	580	481	580
CURRENT ASSETS					
Debtors	15	1,351	1,569	1,383	1,638
Cash at bank and in hand		6,370	1,614	6,338	1,545
		7,721	3,183	7,721	3,183
CREDITORS: Amounts falling due within one year	16	(3,963)	(1,608)	(3,963)	(1,608)
NET CURRENT ASSETS					
		3,758	1,575	3,758	1,575
Long term provisions	17	(265)	(296)	(265)	(296)
NET ASSETS					
		3,974	1,859	3,974	1,859
RESERVES					
Unrestricted Funds					
General	19	1,108	1,239	1,108	1,239
Designated	19	384	416	384	416
Restricted Funds	20	2,482	204	2,482	204
NET ASSETS					
		3,974	1,859	3,974	1,859

These financial statements were approved by the Board of Trustees on 25 July 2019, and signed on their behalf by:



John Bason, *Chair*



Stephen Robinson, *Director*

The Accounting Policies and notes on pages 57 to 70 form part of these financial statements.



## Consolidated cashflow statement

For the year ended 31 March 2019

	Total Funds 2019 £'000	Total Funds 2018 £'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash provided by operating activities (see reconciliation below)	4,866	(744)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(110)	(188)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	4,756	(932)
<b>CASH AND CASH EQUIVALENTS</b>		
At beginning of year	1,614	2,546
At end of year	6,370	1,614
	2019 £	2018 £
<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	2,115	(389)
Adjustments for:		
Depreciation charges	198	171
Depreciation - additional charge on disposal	11	–
Increase / (decrease) in dilapidations provision	(31)	68
(Increase) / decrease in debtors	218	69
Increase / (decrease) in creditors	2,355	(663)
	4,866	(744)



## Accounting policies

Year ended 31 March 2019

### Basis of accounting and consolidation

FareShare is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 39 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Report of the Trustees on pages 11 to 28.

The charity constitutes a public benefit entity as defined by Financial Reporting Standard 102. The financial statements are of the Charity and its subsidiary trading company, FareShare 1st Limited. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The accounting policies adopted are the same for the Company and for the Group.

### Incoming resources and resources expended

All income and expenditure has been accounted for on an accruals basis.

Gifts in kind have been included in the notes to the accounts at an amount equivalent to that which the charity would have had to pay to purchase the donated facilities.

Charitable trading income, arising from contracts from services, is recognised when earned. Such income received in advance of entitlement is deferred to the Balance Sheet and released to the Statement of Financial Activities in future periods.

Costs of generating funds comprises the cost associated with attracting voluntary income, charitable expenditure comprising direct expenditure including staff costs, plus a proportion of costs that cannot be directly attributed (support costs). Support costs are allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs comprise the legal, auditing and other professional costs associated with the running and management of the charity.

### Taxation

As a registered charity, the Company is generally exempt from Corporation Tax but not from Value Added Tax (VAT). The Company's subsidiary trading company is registered for VAT and is liable to corporation tax on trading profits not transferred under the Gift Aid arrangements.

### Pension costs

The charity operates a defined contribution group personal pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

### Funds

Unrestricted funds comprise those monies that may be used towards meeting the charitable objects of the charity at the discretion of the Trustees. Restricted funds arise when donations are received for specific purposes or are subject to specific conditions imposed by the donor. Restricted funds are to be used for particular aspects of the objects of the charity.





Accounting policies continued

Designated funds

Designated funds have been established by the trustees to fund the cost of strategic initiatives which the trustees consider will contribute to the achievement of the charity's objectives. The funds are not restricted and to the extent the funds are not required will be available to support the charity's day to day activities.

Fixed asset investment

The investment in the wholly owned subsidiary trading company is shown at cost.

Depreciation

Depreciation is charged on tangible fixed assets at rates calculated to write off the cost of the asset, less any residual value, evenly over its expected useful life:

Computer equipment and software: 3-7 years

Other assets: 3 years

Warehouse equipment: 3-7 years

Leasehold improvements: Over the life of the lease

Individual assets costing less than £500 are not capitalised and are treated as an expense.

Provisions

The full estimated cost of dilapidations is provided in respect of existing current lease obligations.

Lease and hire purchase contracts

Rentals under operating leases are charged to the Statement of Financial Activities as incurred.



# Notes to the financial statements

Year ended 31 March 2019

## 1. DONATIONS

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2019 £'000	Total Funds 2018 £'000
Individuals and legacies		168	8	176	115
Trusts and foundations		624	2,245	2,869	1,253
Corporate		1,437	4,208	5,645	1,480
Statutory		–	621	621	195
		2,229	7,082	9,311	3,043

## 2. OTHER TRADING ACTIVITIES

Other trading income	8	–	8	16
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## 3. INCOME FROM INVESTMENTS

Bank interest receivable	11	–	11	2
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## 4. INTANGIBLE INCOME

The value of the food handled by FareShare has been incorporated into the notes to the accounts only. Further information is given in note 21.

## 5. INCOME FROM CHARITABLE ACTIVITIES

Community partner administration fee	681	–	681	510
Fees reclaimable from the movement of goods	70	–	70	94
Fees receivable for FareShare Go	11	–	2,138	2,888
	751	2,138	2,889	3,492

## 6. THE EFFECT OF THE THREE MAJOR GRANTS ON TOTAL INCOME

Asda	373	3,941	4,314	–
TNLCF	–	1,218	1,218	–
The Walmart Foundation	75	122	197	–
FareShare Go	–	2,138	2,138	2,888
Other	2,637	1,801	4,438	3,878
	3,085	9,220	12,305	6,766

Further commentary on the three major grants is given in the report of the trustees



## Notes to the financial statements continued

Year ended 31 March 2019

### 7. EXPENDITURE

	Direct costs 2019 £'000	Support costs 2019 £'000	Total costs 2019 £'000	Total costs 2018 £'000
<b>EXPENDITURE ON RAISING FUNDS</b>	311	142	453	458
<b>CHARITABLE ACTIVITIES</b>				
Managed depots	1,802	421	2,223	1,727
National support	4,835	543	5,378	2,119
FareShare Go	2,040	96	2,136	2,851
	8,988	1,202	10,190	7,155

### 8. ANALYSIS OF SUPPORT COSTS

	Staff costs £'000	Office costs £'000	Support costs £'000	Governance costs £'000	Total 2019 £'000	Total 2018 £'000
<b>EXPENDITURE ON RAISING FUNDS</b>	58	28	51	5	142	95
<b>CHARITABLE ACTIVITIES</b>						
Managed depots	176	82	148	15	421	276
National support	225	106	192	20	543	210
FareShare Go	96	–	–	–	96	100
	555	216	391	40	1,202	681

### 9. GOVERNANCE COSTS

	2019 £'000	2018 £'000
Accountancy fees – current year audit	6	8
Legal and professional fees	15	27
Other governance costs	19	2
	40	37

### 10. STAFF AND TRUSTEE COSTS

Trustees' reimbursed expenses totalling £1,539 were incurred during the year (2018: £3,000). Trustee liability insurance cover was obtained as part of a professional indemnity policy. The insurer advised that approximately 40% of the policy premium relates to trustee liability cover. The total premium was £3,446 (2018: £3,000).

Staff costs in the year were as follows:

	2019 £'000	2018 £'000
Salaries and wages	3,944	3,358
Social security costs	365	306
Pension contributions	149	130
Temporary staff costs	109	142
	4,567	3,936

Average number of employees during the year

	2019 No.	2018 No.
Depot Operations – FareShare Managed	37	25
Depot Operations – National Support	38	18
FareShare Go	55	52
Employability	-	1
Fundraising and publicity	9	9
Administration	8	5
	147	110

#### Higher paid employees

The number of staff paid over £60,000 during the year was:

£70,000 – £80,000	3	3
£80,000 – £90,000	-	-
£90,000 – £100,000	1	1

Key management personnel are the Senior Management Team, comprising in total 4 (2018 – 4) persons. The total remuneration of the key management personnel was £374,000 (2018 - £379,000).

## Notes to the financial statements continued

Year ended 31 March 2019

### 11. FARESHARE GO

	Note	Total 2019 £'000	Total 2017 £'000
Invoiced based on budget		2,655	3,721
Income deferred	15	(517)	(833)
Amount recognised in year	5	2,138	2,888
Direct costs incurred	6	(2,040)	(2,751)
Fixed assets purchased	19	(3)	(12)
Contribution to core costs	6	(96)	(100)
Transfer (from) / to core		(1)	25

The FareShare Go partnership was initially between Tesco, FoodCloud and FareShare and helps to reduce waste food at a store level. All direct costs incurred by FareShare and our Irish partners FoodCloud were originally covered by Tesco, with agreed levels of core contribution toward the line management and planning of the scheme. Since March 2018 FoodCloud have dealt directly with Tesco.

The service has now been extended to include other retailers with the contribution to core costs and other figures above representing all of these retailers.

### 12. TRADING INCOME AND EXPENDITURE

FareShare has a wholly owned subsidiary, FareShare 1st Limited, which is a company limited by shares incorporated in England and Wales. The principal activity of FareShare 1st Limited is to undertake commercial activities on behalf of the Charity.

At 31 March 2019, the net assets of FareShare 1st Limited were £nil (2018: £nil). Its trading results extracted from its audited Financial Statements for the year to 31 March 2019 were:

	2019 £'000	2018 £'000
Turnover	86	213
Cost of sales	–	–
Gross profit	86	213
Qualifying donation	(86)	(213)
Retained profit	–	–

### 13. TANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Leashold improvements £'000	Office equipment £'000	Computer equipment & software £'000	Warehouse equipment £'000	Total £'000
<b>COST</b>					
At beginning of year	332	24	445	286	1,087
Additions	6	6	51	47	110
Disposals	(31)	-	-	-	(31)
At end of year	307	30	496	333	1,166
<b>DEPRECIATION</b>					
At beginning of year	196	15	136	160	507
Charge for the year	60	6	99	33	198
Released on disposals	(20)	-	-	-	(20)
At end of year	236	21	235	193	685
<b>NET BOOK VALUE</b>					
At beginning of year	136	9	309	126	580
At end of year	71	9	261	140	481

### 14. INVESTMENTS

	2019	2018
Share in subsidiary company (see note 12)	1	1

### 15. DEBTORS

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	969	1,090	960	932
Amounts due from subsidiary	-	-	41	227
Prepayments and accrued income	268	349	268	349
VAT reclaimable	16	-	16	-
Other debtors	98	130	98	130
	1,351	1,569	1,383	1,638

Trade debtors include £472,000 from Tesco (2018: £405,000) relating to the FareShare Go project (see note 11).



## Notes to the financial statements continued

Year ended 31 March 2019

### 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	635	335	635	335
Accruals and deferred income	3,109	1,105	3,109	1,105
Taxation and social security	109	85	109	85
VAT payable	–	28	–	28
Other creditors	110	55	110	55
	3,963	1,608	3,963	1,608

Included within accruals and deferred income is deferred income of £439,000 (2018: £833,000), being amounts invoiced to Tesco for the FareShare Go project which has not been spent by the year end. See note 11 for further details. Also included is £1,979,000 being cash received from TNLCF and The Walmart Foundation that has not yet been spent as FareShare does not have full entitlement to the funds yet (2018: £nil).

### 17. LONG TERM PROVISIONS

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Provision for dilapidations	265	296	265	296

### 18. ANNUAL COMMITMENTS – GROUP AND COMPANY

The charitable company had the following annual commitments under non-cancellable operating leases:

	Expiring within one year £'000	Expiring in one to two years £'000	Expiring in two to five years £'000	Expiring in more than five years £'000	Total £'000
<b>AT 31 MARCH 2019</b>					
Premises	242	71	108	–	421
Vehicles	138	29	–	–	177
	380	110	108	–	598
<b>AT 31 MARCH 2018</b>					
Premises	226	265	113	–	604
IT Systems	1	–	–	–	1
Vehicles	138	137	39	–	314
	365	402	152	–	919

At March 2019, there was a break clause in the lease of our London warehouse that could have taken effect in November 2019. On this basis, the lease is shown as a commitment expiring within one year. The break clause was exercisable by May 2019. FareShare wished to continue to occupy the warehouse and so did not exercise the break clause. The commitment under this lease is now £163,500 per annum to November 2024.

### 19. CONSOLIDATED UNRESTRICTED FUNDS

	FareShare £'000	FareShare 1st £'000	2019 £'000	2018 £'000
Funds brought forward	1,655	–	1,655	1,862
Net movement in funds in the year	(249)	86	(163)	(207)
Qualifying donation made by subsidiary to charitable company	86	(86)	–	–
Retained in subsidiary		–		
Retained in charitable company	1,492			
Consolidated funds carried forward			1,492	1,655
Unrestricted funds consist of:				
General Fund			1,108	1,239
Designated funds			384	416
			1,492	1,655

	Beginning of year £'000	Transfers of funds £'000	Utilised in year £'000	End of year £'000
<b>DESIGNATED FUNDS</b>				
a) IT systems investment	75	–	–	75
b) Fixed assets	341	58	(90)	309
	416	58	(90)	384

The Trustees have established the following designated funds to provide for expected strategic expenditure:

#### a) IT systems investment

In order to improve its IT infrastructure, the charity needs to invest in its systems. The designated fund represents the replacement of the current finance system as FareShare has outgrown the current one. The designated fund includes costs of the new system, such as training, enhancements, hosting and support.

#### b) Fixed assets

This fund represents future depreciation costs of assets purchased from restricted funds.

Notes to the financial statements continued

Year ended 31 March 2019

20. RESTRICTED FUNDS

	Note	Beginning of year £'000	Transfers of funds £'000	Income in year £'000	Utilised in year £'000	End of year £'000
AT 31 MARCH 2019						
Restricted funds						
a) FareShare depots		174	(55)	3,564	(1,433)	2,250
b) Network support		17	-	3,518	(3,303)	232
c) FareShare Go	11	-	(3)	2,138	(2,135)	-
d) Business plan		13	-	-	(13)	-
		204	(58)	9,220	(6,884)	2,482
AT 31 MARCH 2018						
Restricted funds						
a) FareShare depots		74	(100)	695	(495)	174
b) Network support		262	(22)	682	(905)	17
c) FareShare Go	11	-	(12)	2,888	(2,876)	-
d) Business plan		50	-	-	(37)	13
		386	(134)	4,265	(4,313)	204

Restricted reserves:

a) FareShare depots

This reflects the food redistribution operations of FareShare’s national depots in London, Merseyside, West Midlands, Southern Central and East Anglia.

b) Network support

This reflects staffing and other support activities for FareShare’s national network of delivery partners, including the transport costs of food redistribution.

c) FareShare Go

See note 11 to the accounts for further details of FareShare Go.

d) Business plan

This reflected the cost of creating a detailed business plan for the FareShare network. Funding of £50,000 was received from The National Lottery Community Fund

Fund transfer

An amount of £58,000 (2018: £134,000) has been transferred from restricted to unrestricted funds, being the cost of fixed assets purchased from restricted funds. These assets comprised mainly equipment for our warehouses and computer equipment.

20. RESTRICTED FUNDS continued

Consolidated fund balances at 31 March 2018 are represented by:

	Unrestricted £'000	Restricted £'000	Total £'000
AT 31 MARCH 2019			
Tangible fixed assets	481	-	481
Debtors	778	573	1,351
Cash at bank and in hand	1,435	4,935	6,370
Creditors falling due within one year	(937)	(3,026)	(3,963)
Provision for dilapidations	(265)	-	(265)
Net assets	1,492	2,482	3,974
AT 31 MARCH 2018			
Tangible fixed assets	580	-	580
Debtors	1,344	225	1,569
Cash at bank and in hand	802	812	1,614
Creditors falling due within one year	(775)	(833)	(1,608)
Provision for dilapidations	(296)	-	(296)
Net assets	1,655	204	1,859

The effect of the restricted grants from Asda, The Walmart Foundation and TNLCF on the consolidated cash balances is shown in the table below.

	2019 £'000	2018 £'000
Asda	2,178	-
TNLCF	602	-
The Walmart Foundation	1,377	-
Other restricted	778	812
Total restricted	4,935	812
Unrestricted	1,435	802
Consolidated cash balances	6,370	1,614

21. INTANGIBLE INCOME

During the year FareShare received a number of gifts in kind, including room hire and event catering, furniture, safety boots and consultancy. The value of these gifts is not included as income in these accounts, however is estimated to be in the region of £23,000 (2018: £19,000).

In addition to the above, there is the food supplied by retailers, food manufacturers and consumers to the FareShare network. Based on the results of surveys of the charities receiving food from the FareShare network, it is estimated that the value of that food was approximately £33.7 million (2018: £28.7 million).



Notes to the financial statements continued

Year ended 31 March 2019

22. RELATED PARTIES

There are 21 Regional Centres. Five are managed directly by FareShare and the others are run by third-party independent charities. EMERGE 3Rs runs the Greater Manchester Regional Centre. Lucy Danger, the Chief Executive of EMERGE 3Rs, is on the Board of Trustees of FareShare. This brings EMERGE 3Rs within the definition of a related party.

FareShare receives some donations from funders that are partly for itself and partly for other Regional Centres. During the year FareShare paid £135,000 (2018: £38,000) to EMERGE 3Rs which resulted from funding provided by Cargill, Asda Stores Ltd, TNLCF and Tesco. At the start of the year there was an interest-free loan of £46,000 owing to FareShare by EMERGE 3Rs. This was repaid in full by EMERGE 3Rs during the year.

MoveOn runs the Glasgow-West of Scotland Regional Centre. John Hinton, Executive Director of MoveOn is on the board of trustees of FareShare. This brings MoveOn within the definition of a related party. During the year FareShare paid £106,000 (2018: £nil) to MoveOn which resulted from funding provided by Asda Stores Ltd, TNCLF, Tesco and the Scottish Government.

Recycling Lives (UK) Limited runs the Lancashire & Cumbria Regional Centre. Steve Jackson, the CEO and Founder of Recycling Lives, was, until his resignation on 29 March 2019, a Trustee of FareShare. This brings Recycling Lives within the definition of a related party. During the year FareShare paid £56,500 (2018: £nil) to Recycling Lives which resulted from funding provided by Asda Stores Ltd and TNCLF.

William Garnett is a partner at Bates Wells Braithwaite who are FareShare’s solicitors. Mr Garnett was, until his resignation on 14 February 2019, a Trustee of FareShare. During the year Bates Wells Braithwaite charged FareShare £3,000 for legal advice provided (2018: £3,000). Mr Garnett is also a non-executive director of Centor Insurance and Risk Management Limited. During the year the charity procured insurance for £60,000 through Centor (2018: £62,000).

All transactions were conducted on an arms-length, commercial basis. None of these trustees was involved in approving these transactions.







## FareShare UK

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Registered Charity No: 1100051  
Limited by Guarantee  
Company Registration No: 04837373



**FareShare**  
fighting hunger,  
tackling food waste