

COMPANY REGISTRATION NUMBER: 04672259
CHARITY REGISTRATION NUMBER: 1150106

Brighton Permaculture Trust
Company Limited by Guarantee
Unaudited Financial Statements
30 June 2017

HODSON & CO.
Chartered accountant
Wiston House
1 Wiston Avenue
Worthing
West Sussex BN14 7QL

Brighton Permaculture Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

year ended 30 June 2017

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 June 2017.

Reference and administrative details

Registered charity name	Brighton Permaculture Trust
Charity registration number	1153808
Company registration number	04072259
Principal office and registered office	The Fruit Factory Stanmer Village Stanmer Brighton BN1 9PZ

The trustees

J Mulheany	
J Cremer	
S White	
D Brewster	(Appointed 9 December 2016)
R Hall	(Appointed 9 December 2016)
G Trott	(Resigned 9 December 2016)

Company secretary John Matthews

Accountants
Hodson & Co.
Chartered accountant
Watson House
1 Watson Avenue
Worthing
West Sussex BN14 7QL

Brighton Permaculture Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

year ended 30 June 2017

Structure, governance and management

Governing document

Brighton Permaculture trust is a charitable company limited by guarantee; it was incorporated on 15 September 2000 and amended by a special resolution dated 16 April 2012. Brighton Permaculture Trust was registered as a Charity in England and Wales on 14 February 2013.

Brighton Permaculture Trust was established under a Memorandum of Association, which describes the objects and powers of the charitable company; it is governed under its Articles of Association. Under those Articles, the Trustees are elected by the votes of members at the AGM, standing in a cycle based on longevity of service, as long as there is a minimum of three Trustees at any one time. This allows for resignations and reappointments as necessary.

The Members have guaranteed to contribute a maximum of £10 each in the event of the company being wound up.

Governance, organisational structure and decision making

The charity is organised so that the trustees meet regularly to manage its affairs. The board of Trustees governs Brighton Permaculture Trust and meets quarterly to discuss and review strategy, planning, development and financial matters. Day-to-day management of the organisation is delegated to a monthly project-representative management group. Decisions about operational matters are made in this forum.

Proposals which require policy or strategic decisions are discussed at these meetings also, and then passed to the trustees with recommendations to accept or reject. Normally a representative of the trustees is present at these meetings, which allows information to be passed in two directions, and to give context to items requiring decisions.

Directors and trustees

All directors of the company are also trustees of the charity, and there are no other trustees. The Council has the power to appoint additional trustees as it considers fit to do so.

Directors and trustees remuneration

The directors and trustees have not received any remuneration or reclaimed any expenses during the financial year. All members of the Trustee Board have given their time voluntarily and received no benefits from the charity.

Brighton Permaculture Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

year ended 30 June 2017

Structure, governance and management *(continued)*

Recruitment, appointment, induction and training of trustees

The Trustee Board has established some procedures for recruiting and supporting trustees, as reported previously, and available to read on the Brighton Permaculture Trust website:

www.brightonpermaculture.org.uk/getinvolved/trustee

Trustees are recruited by announcing vacancies in the regular newsletter which is received by all members, and inviting people who express an interest in becoming a Trustee to apply to us in time for possible election at an AGM. Many of these have been involved with the trusts activities for some time; in addition trustees can be co-opted to the Board during the year, to provide particular expertise. A statement of interest and commitment written by the prospective trustee is then presented to members, for consideration, and a vote is called for election of the person to the Board, at the AGM. Trustees are appointed with a view to ensuring Brighton Permaculture Trust has a wide variety of skills, knowledge and experience, including charity, business management, legal, financial, marketing and fund-raising. Induction and training of trustees is provided by existing Trustees and the management group, on an incremental basis, depending on the appointee's previous experience of trusteeship of a charity. If free or low-cost training is available from within the local area, such as through Community Works, then it is recommended the potential or new Trustee attends, and we recommend them becoming involved in a Brighton Permaculture Trust project to embed themselves in the workings of the charity, to support the project and to learn and their role in governance of the whole.

Brighton Permaculture Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

year ended 30 June 2017

Objectives and activities

Charitable Objectives

To promote sustainable development for the benefit of the public by:

- the preservation, conservation and the protection of the environment and the prudent use of resources,
- the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities,
- the promotion of sustainable means of achieving economic growth and regeneration.

To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large. Sustainable development means development which meets the needs of the present without compromising the generations to meet their own needs.

Services and activities we provide

Brighton Permaculture Trust (BPT) is a provider of educational courses about permaculture design, and specific skills-related practice around food growing, eco-building, sustainable living, and community development. The majority of attendees are from the south-east region, most coming from Brighton and Hove, and the wider Sussex area. We have visitors from elsewhere in the country and abroad for some of our eco build & other specialist courses.

We run some of our learning activities in partnership with local authorities and with selected non-profit distributing organisations and local partners. The annual Apple Day event, established in 2007, and other regular events attract a wide range of participants, from families and individuals to people from professions such as architecture, gardening, community development, etc. Various funding grants have helped us establish a series of projects in Brighton and Hove and Sussex-wide over the last twelve years, such as schoolcommunity orchards, and a 'front-garden-food' project which is continuing with our support. The Scrumpling project - collecting local fruit and turning it into saleable products - caught the imagination of participants and has become self-financing.

How Brighton Permaculture Trust activities deliver public benefit

1) a. Brighton Permaculture Trust runs public courses in permaculture and sustainable design, promoting the use of strategies and methods that have minimal negative impact on the local and global natural environment, so extending the resources that people need for living sustainably. Brighton Permaculture Trust manages and supports projects for growing food, particularly fruit including heritage varieties and orchard management. Work is carried out in schools and with communities across Sussex. We We directly manage orchards and other projects around Brighton the produce from which is made available to volunteers and the general public. We also help in the running of community education facilities and local grass-roots organisations to provide these learning opportunities and experiences to the public.

b. Brighton Permaculture Trust's educational activities in the community have the aim of enabling people's skills and knowledge to be increased, to help them discover sustainable ways out of poverty. For example, we support the alleviation of food poverty by teaching people to grow it for themselves, offering access to sharing this task with others and to promote collaboration, yielding more than simply food by fostering an attitude of self-help & community reliance. An example is the development of the community orchard work, described elsewhere in this report and on the website. We encourage this

Brighton Permaculture Trust

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year ended 30 June 2017

newfound confidence to spread into other areas of people's lives through the concentration of our resources to some geographical areas of Brighton & Hove that come under this definition, such as low income areas (part of a neighbourhood regeneration agenda). Similarly, practical sustainability skills, self-sufficiency and knowledge development can have an impact on the ability to rise above fuel poverty, can offer confidence in job-related contexts, whether seeking work or developing oneself within an occupation, helping to build resilience into the local economy. A number of activities are free to the public, and we offer a sliding scale of fees for our courses.

c. Brighton Permaculture Trust's training events are largely self-financing. They provide work for local trainers and provide volunteers with opportunities for informal learning, to give them skills to help them become more economically active, help them grow their own food, and reduce energy use in their home and at work. Brighton Permaculture Trust works in partnership with compatible organisations where appropriate to share and maximise resources - for example, with the Low Carbon Trust such as as building courses and Green Architecture Day. We are partnered with the Brighton and Hove Food Partnership supporting community food growing on various sites across the city, including the Racehill Community Orchard project which provides support for one of the areas ranking highest on the deprivation indices for the city.

2) Brighton Permaculture Trust provides public courses in permaculture and sustainable design. It runs educational projects in schools, to improve children's understanding of how food is grown and sustainability issues. Brighton Permaculture Trust is a member and local partner of the Permaculture Association, the national charity with educational and research aims for the whole of the UK. Through this link we provide accredited courses of study, and we are part of the Association's network of learning and demonstration sites (LAND).

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Trustees' Annual Report (Incorporating the Director's Report) (continued)

year ended 30 June 2017

TRUSTEES/DIRECTORS ANNUAL REPORT 16-17

1. Staffing and day-to-day management

This year the Trustees continued to contract Bryn Thomas, BPT's Acting CEO, on a rolling six month basis. The Trust had the benefit for the last year of a Trustee who is a personnel adviser, and who has started working with Bryn to create a clear job description, to differentiate between operational management and executive officer roles. Once complete, intending to be within three months, we will formalise and finalise the recruitment of the overall senior manager to lead and delegate into the desired 'devoled' structure and sub-groups' managers in the future.

A Course and Events manager (Stela Peyet) is contracted to cover management tasks for that group; we acknowledge that the number of available hours is lower than optimum to cover this core business position. Once financial stability is guaranteed, this will be looked at in consultation with Bryn and the staff member.

The finance group has supported administration and CEO positions, so that management group meetings are supplied with appropriate information and resources for decision-making. Last year a reduction in hours and/or remuneration was initiated for a number of contractors (future) and the CEO, this has continued, and likely to be the same for the foreseeable future.

The administrative team remains stable in composition, and the Company Secretary (John C Matthews) has maintained important issues such as policies, risk assessments and services agreements. Effective reporting from part-time and volunteer contractors has proved time-consuming to maintain, and we intend to trial a quarterly meeting for feedback and reporting for the next year, based on an experiential session in preparation for this annual report.

2. Infrastructure

Last year a new Trustee emerged in time for election at the AGM following a short recruitment drive, and his expertise in personnel management allowed us to reconsider the high level of commitment made by the Trustee team the previous year. We have reverted to the initial intention of a quarterly meeting, taking a more 'hands-off' approach and concentrating on reviewing strategy, such as the delineation of the CEO role.

Discussions were had with a number of possible trustees during the year but it was recognised that there were potential conflicts of interests, and that we should prefer to maintain fruitful relationships. An attempt to appoint a trustee with a specific financial background has proved unsuccessful to date. The fifth existing Trustee was brought into discussions when making decisions, but he now is working elsewhere and we believe he will stand down soon.

We reported last year that we hoped to introduce the concept of Sociocracy as an enabling principle; however we have found it somewhat complex to superimpose the sociocratic order onto what is already multi-layered working practice by the sub-groups; working in this style proved too challenging for people already giving of their all, and especially in a voluntary capacity. Our own move to a more strategic approach has taken away that impetus for change, and although we are disappointed not to embrace it fully, we recognise that effective evaluation requires suitable leadership, training, and time for the practice to embed uniformly into groups' working style.

Oversight of operational issues:

- We approved the expenditure of resources to review the data in preparation for the General Data Protection Regulation (GDPR) which is set to come into effect in 2018.
 - We explored options with Brighton and Hove City Council for potential purchase of freehold or long-term lease sites for a larger Orchard project, however the council have been unable to commit to this at present. Private donors have expressed an interest in financing this.
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year ended 30 June 2017

- Completion of the building works for the Fruit Factory continues apace; this has been supported by much voluntary effort, which was also brought into play when the move of the storage was effected into the barn adjacent to the Fruit Factory. This arrangement will prove more efficient for the Trust's operators as it backs on to the Orchard.
- We are concerned that there is a small decline in numbers on both courses and in volunteer support, although we understand that the former reflects a national trend. We are aware that more organisations across the south-east now run courses similar to our provision, and for which we were pioneers over the last ten years. On one hand we are glad the message of 'sustainability' is spreading, despite the impact on our resources!
- We were sad to receive the news of Neil Smith's death in June - he was an unstinting volunteer at Racehill Community Orchard, and will be missed very much by the team, which is now being led by Kirsty Stoman. We expect to benefit from his bequest, once his estate is settled.

3. Volunteers Strategy

Volunteers continue to be our principle workforce, supporting our main objectives by providing help to the organisation where needed. The strategy also supports Brighton Permaculture Trust's other objectives by providing free informal access to learning, skill development and other opportunities. A good though declining number is active in responding to calls to cover our activities, a situation that we need to explore. Volunteers continue to benefit from discounts on courses, and remain willing to share their enthusiasm for the work we do, for which we thank them.

Permaculture in Pubs (PiP) continues as a monthly social organised to recognise the contribution made by the members and volunteers for the charity; these evenings have been well attended, with two Brighton Permaculture Trust volunteer members always hosting the events.

Achievements and performance

- The continuation of a successful programme of events and education: the annual Apple Day has become an eagerly-anticipated date in the region's calendar of nature and food-related events which increases in capacity year-on-year. Green Architecture Day also demonstrates how a concept which was once seen as a niche issue, has found deeper engagement with the public, and building professionals. In the face of increasing competition locally and nationally, our courses maintain their place in the region as quality educational provision for permaculture design and other related subjects. We are pleased to congratulate course participants who achieved external accreditation within the English FE system for their portfolios from the Permaculture Design course; BPT was one of the first groups to take up this opportunity in 2002, and we note that BPT has provided the last national cohort as the Permaculture Association has withdrawn from the Certa scheme.
 - The Starmer Plot launched a Forest Garden plant nursery as an income stream, and the volunteers who come to share their skills and learn from the activity have maintained their numbers and even increased to some extent, up to 30 a week, depending on the season.
 - BPT continues to support the planning and planting of community orchards, often in partnership with significant agencies in the area. By propagating trees and encouraging sales of Sussex heritage varieties, our Orchard projects commit valuable resources to food security for the benefit of producers and consumers.
 - We are glad to report the development and establishment of the Fruit Factory as described above; we were recipients of a significant grant to complete equipping the working kitchen to a high standard. The Scrumpling activity in particular has seen increased activity days and a large volume of fruit being taken out of waste into food and other products.
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Trustees' Annual Report (incorporating the Director's Report) *(continued)*

year ended 30 June 2017

- BPT activities have been included in the Stanmer Park HLF bid, so that a new ten course programme of provision is planned for 2018-19, and this will also see a longer future for volunteers to learn and practise skills in the following year.
- We would like to thank our supporters and partners, namely: Infinity Foods, Baravington Estate, the People's Health Trust, the Postcode Local Trust, Brighton and Hove City Council, Lewes District Council, Peacehaven Town Council.

Financial review

Total incoming resources for the year was £165,244 (2016 £160,142). Resources expended for the year amounted to £152,940 (2016 £159,692).

Expenditure is analysed into three main categories: charitable activities, governance and management of the charity, and costs of generating funds. Charitable activities comprise the main work of the charity. Expenditure on charitable activities for the year was £152,940 (2016 £159,692).

Expenditure on the governance of the charity contains the cost of complying with regulations such as the independent examination, as well as the AGM and trustees' expenses. Expenditure for the year was £2,787 (2016 £2,989).

The financial year ended with a surplus of £12,304 (2016 £450) and unrestricted funds were in surplus by £3,886 at 30 June 2016 (2016 surplus £1,268).

Some notable successes are:

- We welcome a modest reduction in support costs this year, which partly relates to improved efficiencies and accounting procedures.
- Funds generated from the delivery of charitable activities (eg course fees) fell slightly this year but remain above 60% of income and continue to cover the costs of delivering these activities.
- Project funding has continued, albeit at a lower level in recent years, and all direct and indirect costs for projects has been covered. This has been simplified also through using less complex financing mechanisms.
- Capital funding has been secured for equipment for the Scrumping Project and the Fruit factory. Some core funding has been secured.
- Our decision to only take on new projects that are fully financed from the outset, has been continued successfully.

Reserves

The trustees have exercised their duty in examining the charity's requirements for reserves in light of the main risks to the organisation. We will continue to review the financial affairs of the charity with the aim to increase income, cut costs and to improve overall control of its operations.

The majority of costs incurred by the charity are either directly related to charitable activities or support costs. The trustees try to ensure that any activities undertaken are fully funded. However, the trustees continue to work towards a reserves policy based on 3 months current expenditure of the charity.

The trustees consider that the present level of funding will be adequate to support the continuation of the charity and for it to fulfil its obligations. The board of trustees monitors the level of reserves

Brighton Permaculture Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

year ended 30 June 2017

quarterly, and we welcome the increase in reserves at year end, albeit small.

Risk Management

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with the annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Investment Policy and Returns

The objects of the company authorises it to invest and deal with moneys not immediately required for its purposes in and upon such investments securities and property as may be thought fit.

Brighton Permaculture Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

year ended 30 June 2017

Plans for future periods

Plans for the forthcoming year

The trustees and management group have identified the following plans for the year 2017-2018:

1. To maintain the number of Trustees on the Board at an optimum five, and recruiting one with appropriate financial expertise.
2. To maintain a reserves policy of a quarter of annual running costs, and endeavour to increase levels of reserves to support the continuation of the charity. In particular, to establish a designated reserves fund for Apple Day - quite literally a "Rainy Day" fund - to cover for adverse weather which cannot be catered for by cancellation insurance, normally.
3. To continue to support the existing structure of the management of the organisation, whilst overseeing the accountability of managed projects with limited autonomy, within Brighton Permaculture Trust.
4. To consider how to resource project managers for specific projects without consistent funding.
5. To expand course and event provision into a wider sphere locally, possibly diversifying in terms of subjects and activities, such as courses for householders, fruit growers, and builders, film-showings, etc.
6. To consolidate the role of the 'fruit' component of the Trust's assets, by completing the Fruit Factory with the aim of making it fully operational within the year; continue exploring opportunities for future orchard planting including an extension of the Sussex Heritage Apple Collection, developing a greater community impact through school and community orchards, and maintaining the success of the Scramping Project.
7. To evaluate and celebrate the profile, role and reputation of the Trust, and contribution to the sustainability of the City of Brighton and Hove, and the surrounding area.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

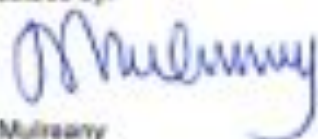
Brighton Permaculture Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

year ended 30 June 2017

The trustees' annual report was approved on 17 November 2017 and signed on behalf of the board of trustees by:



J Mulroney
Trustee

Brighton Permaculture Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Brighton Permaculture Trust year ended 30 June 2017

I report on the financial statements for the year ended 30 June 2017, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Brighton Permaculture Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Brighton Permaculture Trust (continued)

year ended 30 June 2017

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Matthew Hodson FCA
Independent Examiner

Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

17 November 2017

Brighton Permaculture Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

30 June 2017

		Unrestricted funds	2017 Restricted funds	Total funds	2016 Total funds
	Note	£	£	£	£
Income and endowments					
Grants, donations and legacies	5	50,935	39,538	90,473	39,857
Charitable activities	6	114,762	–	114,762	120,276
Investment income	7	9	–	9	9
Total income		<u>125,706</u>	<u>39,538</u>	<u>165,244</u>	<u>160,142</u>
Expenditure					
Expenditure on charitable activities	8,9	123,088	29,852	152,940	159,692
Total expenditure		<u>123,088</u>	<u>29,852</u>	<u>152,940</u>	<u>159,692</u>
Net income and net movement in funds		<u>2,618</u>	<u>9,686</u>	<u>12,304</u>	<u>450</u>
Reconciliation of funds					
Total funds brought forward		1,268	29	1,297	847
Total funds carried forward		<u>3,886</u>	<u>9,715</u>	<u>13,601</u>	<u>1,297</u>

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

The notes on pages 15 to 23 form part of these financial statements.

Brighton Permaculture Trust

Company Limited by Guarantee

Statement of Financial Position

30 June 2017

		2017		2016
		€	€	€
Current assets				
Debtors	15	1,846		5,068
Cash at bank and in hand		45,046		42,130
		<u>46,892</u>		<u>47,198</u>
Creditors: amounts falling due within one year	16	<u>33,291</u>		<u>46,501</u>
Net current assets			13,601	1,297
Total assets less current liabilities			<u>13,601</u>	<u>1,297</u>
Net assets			<u>13,601</u>	<u>1,297</u>
Funds of the charity				
Restricted funds			9,715	29
Unrestricted funds			<u>3,886</u>	<u>1,268</u>
Total charity funds	17		<u>13,601</u>	<u>1,297</u>

For the year ending 30 June 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476.
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 17 November 2017, and are signed on behalf of the board by:



J Murney
Trustee

The notes on pages 15 to 23 form part of these financial statements.

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements

year ended 30 June 2017

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Fruit Factory, Stanmer Village, Stanmer, Brighton, BN1 9PZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 19.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

year ended 30 June 2017

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

year ended 30 June 2017

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial Instruments

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

4. Limited by guarantee

The company is limited by guarantee and has no share capital.

5. Grants, donations and legacies

2017

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations	4,285	-	4,285

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

year ended 30 June 2017

5. Grants, donations and legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Grants			
People's Health Trust	-	7,064	7,064
Veolia	-	-	-
Brighton & Hove City Council	-	2,500	2,500
Big Lottery- Awards for All	-	10,000	10,000
Real Food Hollingdean	-	-	-
The Chalk Cliff Trust	5,850	-	5,850
Trees for Cities	-	-	-
Small funds relating to Racehill Community Orchard	800	-	800
Big Tree Plant	-	-	-
Postcode Local Trust	-	19,974	19,974
	<u>10,935</u>	<u>39,538</u>	<u>50,473</u>
2016	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Donators	14,165	-	14,165
Grants			
People's Health Trust	-	13,799	13,799
Veolia	-	7,875	7,875
Brighton & Hove City Council	-	2,500	2,500
Big Lottery- Awards for All	-	-	-
Real Food Hollingdean	-	518	518
The Chalk Cliff Trust	-	-	-
Trees for Cities	300	-	300
Small funds relating to Racehill Community Orchard	-	-	-
Big Tree Plant	200	500	700
Postcode Local Trust	-	-	-
	<u>14,665</u>	<u>25,192</u>	<u>39,857</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Orchard planting and fruit projects	52,629	52,629	42,614	42,614
Courses and events	61,653	61,653	75,946	75,946
School projects	480	480	1,716	1,716
	<u>114,762</u>	<u>114,762</u>	<u>120,276</u>	<u>120,276</u>

Brighton Permaculture Trust**Company Limited by Guarantee****Notes to the Financial Statements (continued)****year ended 30 June 2017****7. Investment income**

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Bank interest receivable	9	9	9	9

8. Expenditure on charitable activities by fund type

2017	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Educational Activities	96,238	2,272	98,511
Fruit/orchard planting projects	9,198	750	9,948
School projects	408	-	408
Funded Projects	8,375	10,734	19,109
Support costs	8,868	16,096	24,964
	<u>123,088</u>	<u>29,852</u>	<u>152,940</u>

2016	Unrestricted Funds	Restricted Funds	Total Funds 2016
	£	£	£
Educational Activities	182,732	500	183,232
Fruit/orchard planting projects	9,234	-	9,234
School projects	1,624	-	1,624
Funded Projects	300	16,623	16,923
Support costs	20,639	8,040	28,679
	<u>214,529</u>	<u>25,163</u>	<u>239,692</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2017	Total fund 2016
	£	£	£	£
Educational Activities	98,511	15,655	114,166	118,325
Fruit/orchard planting projects	9,948	1,210	11,157	12,309
School projects	408	18	426	1,701
Funded Projects	19,109	5,245	24,354	24,368
Governance costs	-	2,787	2,787	2,989
	<u>127,976</u>	<u>24,964</u>	<u>152,940</u>	<u>159,692</u>

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

year ended 30 June 2017

10. Analysis of support costs

	Educational activities	Fruit/Orchard planting projects	School projects	Funded projects	Total 2017	Total 2016
	£	£	£	£	£	£
Staff costs	4,590	510	-	-	5,100	3,120
Premises	1,284	97	17	293	1,691	1,148
Communications and IT	2,982	3	360	-	3,345	3,273
Human resources	31	-	-	3,050	3,091	4,765
Finance costs	-	-	-	-	-	1,274
Governance costs	2,490	295	-	2	2,787	-
General admin/overheads	6,808	609	1	1,364	8,782	12,110
Other motor/travel	-	-	-	168	168	-
	<u>18,185</u>	<u>1,514</u>	<u>378</u>	<u>4,687</u>	<u>24,964</u>	<u>25,690</u>

11. Net income

Net income is stated after charging/(crediting):

	2017	2016
	£	£
Foreign exchange differences	-	595

12. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,545</u>	<u>1,500</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	<u>5,100</u>	<u>3,120</u>

The average head count of employees during the year was 1 (2016: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Number of staff - type 4	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £50,000 during the year (2016: Nil)

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

year ended 30 June 2017

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

15. Debtors

	2017	2016
	£	£
Trade debtors	445	340
Prepayments and accrued income	1,113	1,805
Other debtors	288	3,523
	<u>1,846</u>	<u>5,668</u>

16. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	8,218	1,723
Accruals and deferred income	25,073	44,778
	<u>33,291</u>	<u>46,501</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 July 2016	Income	Expenditure	At 30 June 2017
	£	£	£	£
General funds	<u>1,268</u>	<u>125,706</u>	<u>(123,088)</u>	<u>3,886</u>

Restricted funds

	At 1 July 2016	Income	Expenditure	At 30 June 2017
	£	£	£	£
BHCC	29	2,500	(2,500)	29
Awards for All	-	10,000	(908)	9,092
People Health Trust	-	7,064	(7,064)	-
Postcode Local Trust	-	19,974	(19,350)	624
	<u>29</u>	<u>39,538</u>	<u>(29,852)</u>	<u>9,715</u>

Brighton Permaculture Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

year ended 30 June 2017

17. Analysis of charitable funds (continued)

Brighton & Hove city council

£2,500 was awarded from Brighton & Hove City Council under their community grants programme. The funds were used in the period for core development work including project development, building partnerships and seeking out project development funding.

Awards for All

£10,000 was awarded under the Big Lottery Fund Awards for All grants. The funds are being used to buy kitchen & food processing equipment for the Fruit Factory for use by the scrumping project and courses. Delays in completing the Fruit Factory have meant that purchasing the majority of the equipment will be carried out early in the following year.

People's Health Trust

The funding is for the engagement and provision of activities for the community living in the part of Whitehawk immediately adjacent to Racehill Community Orchard, which is considered to be one of the most disadvantaged communities in the UK.

Postcode Local Trust

£20,000 was awarded from Postcode Local Trust for spending in the year at Racehill Community Orchard. The funding was for biodiversity improvements and activities, projects including the installation of a green roof on the container and a pond.

18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2017
	£	£
Current assets	46,892	46,892
Creditors less than 1 year	(33,291)	(33,291)
Net assets	13,601	13,601

19. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 July 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.