



THE SCHOOL OF
ARTISAN FOOD

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

THE SCHOOL OF ARTISAN FOOD
Lower Motor Yard
Welbeck
Nottinghamshire

www.schoolofartisanfood.org

THE SCHOOL OF ARTISAN FOOD
I N D E X

Year ended 31 August 2020

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THE SCHOOL OF ARTISAN FOOD
G E N E R A L I N F O R M A T I O N

Year ended 31 August 2020

Trustees and Directors	Judith Cobham-Lowe (resigned 29 January 2021) Alison Swan Parente Daniel Jessel Susan Amaku Nicholas Hatton (appointed as Chair of Trustees 29 January 2021) Fran Warde
Trustee	Joe Schneider
Secretary	Sarah Andrew
Country of incorporation	England and Wales
Registered office	Lower Motor Yard Welbeck Worksop Nottinghamshire S80 3LR
Company number	06741463
Charitable status	The School of Artisan Food is a company limited by guarantee which was registered as a charity on 31 December 2010. Its charity number is 1139632.
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Handelsbanken Nottingham Branch Ground Floor 22a The Ropewalk Nottingham NG1 5DT

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT

Year ended 31 August 2020

The Board of Trustees, all but one of whom are also directors for the purposes of company law, present their report for the year.



Reference and Administrative Information

The School of Artisan Food is a company limited by guarantee (registration number 06741463) with charitable status (registered charity number 1139632).

Reference and administrative information are set out on the previous page and form part of this report.

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

Who we are and what we do

The School of Artisan Food (SAF) was founded in 2009 as a not-for-profit company. It became a registered charity on 31 December 2010. SAF is a unique, open-minded organisation, dedicated to teaching artisan food production skills. Artisan is a term used to describe food produced by non-industrialised methods, often handed down through generations but now in danger of being lost. Tastes and processes, such as fermentation, are allowed to develop slowly and naturally, rather than curtailed for mass-production.

Located on the Welbeck Estate in Nottinghamshire, SAF offers the opportunity for people of all skill levels, regardless of their socioeconomic circumstances, to expand their knowledge and improve their employability and social mobility through a wide range of courses including: Bread making and Patisserie, Business and Entrepreneurship, Butchery and Charcuterie, Cheese making, Chocolate making, Ice Cream making, Foraging as well as Food Preserving.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

For those wishing to become professional bakers, SAF offers a unique full-time Advanced Diploma which equips students with the essential baking skills and business knowledge needed to launch a successful artisan bakery, to work in the baking industry or to manage a bakery enterprise.

In September 2019 SAF enrolled students to the UK's first FdSc Artisan Food Production qualification, delivered in partnership with Nottingham Trent University.

As a charity, SAF works with voluntary organisations, schools, colleges and community groups to provide opportunities to inspire and teach artisan food production skills. SAF is committed to widening participation at every level and actively fundraises to provide bursaries to those who otherwise would be unable to access SAF's courses.

SAF is a place where people come to learn, to share and to be inspired. SAF is proud to inspire individuals to use the skills they have learnt, to seek out and to support artisan producers and suppliers and to share their experience with others.

The School of Artisan Food aims to:

- Provide exceptional and unrivalled quality education and training
- Raise aspirations and improve life chances for all students
- Improve an individual's social mobility, by widening access and participation
- Produce enterprising, entrepreneurial, employable graduates
- Be a thought leader in the artisan food sector, with a focus on sustainable food production

The School of Artisan Food's business specific aims are to:

- Strengthen its financial position and increase profitability to achieve an operating surplus within the next four years
- Improve brand awareness and increase student numbers
- Remain competitive by developing innovative new courses for all skill levels
- Generate new sources of income and grant funding

Values

At SAF, students are taught by highly skilled and experienced tutors and artisan food producers who are able to share their artisan skills, knowledge, and expertise; they are committed to ensuring that new generations can learn from their experience. In recent years, most skills-based education in the food sector has focussed upon industrial production techniques, standardisation, shelf-life and price control.

It is only recently that government advisors, health professionals and an increasing number of public bodies have realised the true cost of this in terms of health, cultural diversity and social cohesion. There is increasing research and evidence that an ability to produce in smaller units contributes towards a more varied, resilient and sustainable food system. Emphasis on local, sustainable sourcing of seasonal, raw materials along with natural, slow fermentation processes are central to SAF's vision for the promotion of health and well-being. SAF recognises cultural, economic and psychological barriers to healthy eating and engages in dialogue and debate about these issues.

Year ended 31 August 2020



Review of the year

The core activities of The School of Artisan Food are the full-time six-month Advanced Diploma in Artisan Bakery qualification, a newly developed Foundation Degree in Artisan Food Production as well as a wide range of short courses.

The FdSc Artisan Food Production qualification is a new two-year programme delivered by SAF in partnership with Nottingham Trent University. The first cohort of students enrolled in September 2019.

The year marked SAF's tenth anniversary. A celebration event to recognise the milestone was hosted in conjunction with the annual Advanced Diploma graduation ceremony in October 2019, attended by key stakeholders, funders, supporters as well as staff, students and tutors.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

A strategic business plan was in place to ensure SAF's financial position continued to improve throughout the year. All plans were frustrated by the coronavirus pandemic which resulted in the School's closure on 23 March 2020. The UK government's coronavirus national lockdown had a significant operational impact on every element of SAF's activity.

SAF was successful in securing LEADER funding as well as a financial commitment from Barbara Curtis Charitable Trust for the development of an additional training room, to support future growth and to alleviate capacity issues. Despite the lockdown, the building project was completed and the additional training facility – The Barbara Curtis Training Room - became operational in September 2020.



Charitable activities

Notable activities in the year included:

- Two students in the 2019/20 Advanced Diploma cohort were awarded bursaries totalling £18,900 (2019 - £105,560), who otherwise would have been unable to attend the course. The reduction in bursaries awarded from 2018/19 is due to a limited amount of funds being available as well as only one course being delivered in 2019/20 compared to the two hosted in 2018/19 due to COVID-19.
- Surplus bread produced on the Advanced Diploma course was donated to Hope – Homeless Help and Support Charity and Rhubarb Farm
- SAF has been successful in securing grant funding from AB Charitable Trust to allow clients of Nottingham and Nottinghamshire Refugee Forum to attend short courses at no cost. 11 people attended 18 days of classes thanks to the AB Charitable Trust funding

Year ended 31 August 2020

Advanced Diploma in Artisan Bakery

SAF intended to host two cohorts of the intensive six-month Advanced Diploma in Artisan Bakery qualification in the year, with one cohort enrolling in September 2019 and a further cohort commencing studies in April 2020.

In the previous financial year, SAF had removed some of the key barriers to accessing the Advanced Diploma by reducing the length and the price of the qualification. The high value academic rigour, accreditation and exceptional student experience of the Advanced Diploma were all retained. Despite the qualification reducing in length by four months the course continues to be formally recognised and accredited as a level 4 and 5 qualification by the Food and Drink Qualification/Ofqual Agency (FDQ).

In September 2019, nine students enrolled and subsequently completed the Advanced Diploma to study bread baking, patisserie and viennoiserie, whilst also taking lessons in the science of fermentation. In addition, students completed a module entitled *Creating an Artisan Food Business* in which they developed fully-costed business and marketing plans.

Many Advanced Diploma students come to SAF with the expressed intention of starting their own artisan food business. Some wish to diversify an existing business, some wish to convert a hobby into a business and others wish to learn skills to change career. Students visit existing SMEs and take seminars with people who have started their own small businesses, many of whom are graduates of SAF. High quality work experience enables students to hone their skills in real-life working environments.

SAF has teachers who are well-respected in their fields and who have superb contacts in the artisan food community, in addition students benefit from an impressive range of guest lecturers, visiting artisans and industry professionals. SAF has a reputation for assisting its graduates into employment and is pleased to report that many have now secured positions in the artisan food sector.

The Advanced Diploma course which was scheduled to start April 2020 was postponed due to the coronavirus pandemic and national lockdown restrictions. SAF's inability to host a second Advanced Diploma cohort resulted in a significant impact on not achieving enrollment and revenue targets.

FdSc Artisan Food Production

The School of Artisan Food welcomed the first cohort of FdSc Artisan Food Production students in September 2019.

This unique two-year foundation degree programme is the first of its kind in the UK and is delivered in conjunction with Nottingham Trent University. 15 students enrolled on the qualification.

Classes were still being delivered when the coronavirus lockdown was imposed. Due to the hands-on nature of the qualification, and the access to specialist equipment required by students, classes were rescheduled and hosted in September 2020.

This new qualification recognises the value SAF can contribute to training a new generation of artisan food producer, while at the same time diversifying SAF's course and product offer.

The qualification also provides a further revenue stream alongside supporting SAF's aims to produce enterprising, employable graduates.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

Short courses

1,163 short course student days were hosted in the year, between September 2019 and March 2020. SAF was unable to host in-person short courses from 23 March 2020 to the end of the financial year, due to the coronavirus lockdown restrictions.

In celebration of SAF's tenth year, a special masterclass and demonstration was hosted with internationally recognised fermentation expert and award-winning food writer Sandor Katz.

A small number of online demonstrations were developed and offered to keep customers engaged and to serve as a lead generation tool for future in-person short course bookings.

Bespoke and tailored training

SAF continued to develop its bespoke training and tailored venue hire services, up until the coronavirus lockdown prevented it from doing so.

Between September and March SAF delivered a range of bespoke sessions – focussed on the value of sustainable artisan food production – to a range of clients including the Food and Drink Forum, an advertising agency, the Game and Wildlife Conservation Trust and Nottingham and Nottinghamshire Refugee Forum among other groups and businesses.

Waukesha County Technical College (USA) were scheduled to complete a 12-day study tour programme in May 2020. This could not be attended due to the ongoing coronavirus pandemic. Discussions are ongoing to reschedule this study tour for a future date.

SAF developed a range of study tour options specifically for the Chinese market, in conjunction with a specialist Chinese tour operator. This is the result of two cultural trade trips to China, funded by Nottingham City Council and Midlands Engine. In December 2020, a delegation of head teachers from Chinese colleges visited SAF to explore the possibility of travelling with students later in the year. In the near future, hosting study tours from China is now unlikely as a result of coronavirus.

Fundraising

The School is grateful to charitable trusts including The Barbara Curtis Charitable Trust, LEADER and AB Charitable Trust who have contributed towards student bursaries and other charitable activities. SAF would particularly like to recognise the ongoing support from The Welbeck Estates Company Limited and from Bolsover Properties Limited who have made a generous donation.

SAF received a coronavirus Discretionary Grant from the UK Government's business support measures.

Staffing Changes

Following the departure of SAF's Managing Director in October 2019 a new Managing Director was appointed in February 2020.

A new Sales and Marketing Director role was created, with a successful appointment made and the new role commencing November 2019.

In June 2020, a Senior Leadership Team was established and is responsible for day-to-day management of SAF, following the departure of the Managing Director. The Senior Leadership Team comprises of the Head of Studies, Operations Director and Sales and Marketing Director. The Operations Director resigned in June 2021.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

An organisation wide staffing restructure was completed in July 2020, which consolidated a number of duties and staffing roles.

Future plans

The plan for the forthcoming year is to improve the financial position and to provide stability following the devastating impact coronavirus has had upon the organisation. The aim is to deliver a platform for long-term financial sustainability.

Coronavirus Pandemic

SAF welcomed back full-time students and short course attendees in September 2020, as cases of coronavirus subsided in England.

A range of appropriate coronavirus prevention measures to ensure safe and compliant working for staff, students and visitors were installed prior to reopening, to protect staff, students and visitors.

The pandemic continues to have an impact on SAF's activities. SAF was unable to host short courses during Government mandated lockdowns in late 2020 and early 2021.

A selection of classes were delivered virtually. Staff were furloughed where appropriate and all expenditure reduced accordingly. SAF welcomed full-time students back to complete in-person studies on 8 March 2021. Both the Advanced Diploma and FdSc programmes were successfully completed and short courses recommenced in May 2021 when lockdown measures were eased. Since then bookings have started to recover and short courses that have been delivered have been well attended.

The Barbara Curtis Trust has provided a significant donation to assist SAF in recovering from the impact of the pandemic and the Trustees place on record their gratitude for this.

Full-Time Qualifications

The Advanced Diploma in Artisan Bakery qualification continues to make up SAF's core activity alongside the FdSc Artisan Food Production qualification.

Only one instance of the six-month Advanced Diploma programme will be hosted in the financial year 2020-21, with the aim of recruiting a full student cohort. 18 students enrolled on the Advanced Diploma in September 2020.

In September 2020, 15 FdSc students progressed to year-two studies. A further 16 students commenced year-one studies.

Short Courses

Whilst SAF's short course activity was dramatically impacted by coronavirus, a wide range of online classes were developed and hosted, until in-person teaching of short courses could recommence. A full programme of short courses to be delivered in person is now on sale.

Funding and charitable activity

SAF is actively exploring opportunities to deliver grant funded programmes and activities focussed on sustainable artisan food production methods showcasing the far-reaching health and well-being benefits of nutritious food in response to the pandemic. There are ongoing discussions with potential donors to provide funding to deliver these programmes.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

Marketing and sales

Marketing and sales are integral to SAF achieving both its business and charitable objectives. A review of marketing and sales activity has resulted in staff restructuring in order to support and deliver SAF's business targets. The Sales and Marketing Director has been supported by a Digital Sales and Marketing Assistant since October 2020.

A root and branch re-design and development of the SAF website, www.schoolofartisanfood.org, is underway, to improve user experience with intuitive navigation and improved aesthetics. The underlying e-commerce platform and its reporting functionality is also being improved to deliver enhanced and efficient data and reporting. The new website should be on-line during August 2021.

An active and growing social media presence provides an informal and accessible medium for SAF to share information and engage with existing and new customers. The School continues to receive positive coverage in the local and national media.



Report of the Trustees

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's Memorandum and Articles of Association and UK Generally Accepted Accounting Practice. This Trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

Governance and management

SAF is governed by its Memorandum and Articles of Association. Its Trustees meet quarterly and more frequently if required. Day to day management is undertaken by a Senior Leadership Team which is comprised of the Head of Studies, Operations Director and Sales and Marketing Director.

Judith Cobham-Lowe served as the Chair of the Board of Trustees for the entirety of the financial year, however resigned from the position in January 2021. Nicholas Hatton took over as Chair of Trustees in January 2021.

Alison Swan Parente, founder of SAF and previous Chair, serves in the role of Trustee and Principal Fundraiser.

Recruitment and appointment of Trustees

The directors of the company are also charity Trustees for the purposes of charity law, with one exception (see page 2). Under the requirements of the Memorandum and Articles of Association members of the Board are elected to serve for twelve months after which a minimum of one-third of the board must be re-elected.

Trustee induction and training

Potential Trustees meet with the Chair of Trustees for a discussion about SAF's work and the interaction between the staff and Trustees. They are invited to join a full Board meeting and to meet with other Trustees. Once Trustees have been invited to join the Board, they are provided with a full information pack and monthly updates from the Senior Leadership Team comprising management accounts and details of the activity of the school. Trustees also receive monthly updates from the Chair on staffing, finance, courses and current issues. Regular meetings are held between the Chair of Trustees and Senior Leadership Team, and all Trustees are invited regularly to events and presentations.

Risk management

The Trustees have examined the major risks to which SAF is exposed and confirm that strategic planning and systems have been established to mitigate against these risks. Procedures are also in place to ensure compliance with health and safety regulations for staff, volunteers, students and visitors to the school. These have all been revised in the light of COVID-19 and are being kept continually under review.

The risk register has been substantially overhauled and will continue to be periodically reviewed by Trustees. The risk register identifies that financial sustainability is the major risk to the charity. An additional risk is that revenue targets are not met, and in response to underperformance in this area SAF has restructured its Advanced Diploma to reduce the length and the price of the course in order to improve access to a broader range of students.

Non-financial risks arising from health and safety, fire and food hygiene are managed by ensuring accreditations are up to date and that robust policies and procedures are in place. Regular awareness training for staff is scheduled throughout the year.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

Public Benefit statement

The Trustees, having regard to the Public Benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purpose and activities of the company satisfy the requirements of the public benefit test set out in section 4 of the same Act. In particular, SAF:

- Educates and inspires attendees at its courses
- Promotes access for all by offering bursaries for Diploma courses and ensuring, where possible, that places on short courses are available at a range of prices
- Seeks improvement in standards of public use of sustainable food products
- Delivers education and outreach to school children and community groups

Financial review

Incoming resources of £4,160,022 (2019 - £1,088,525) were generated during the year and there was expenditure of £1,146,283 (2019 - £1,369,737) resulting in a surplus for the year of £3,013,739 (2019 - deficit £281,212). Details appear in the subsequent financial statements.

At the end of the reporting period, the charity reported a funds deficit of £3,232 (2019 - £3,016,971). After the year end, The Welbeck Estates Company Limited agreed to waive the remaining £250,000 of the loan (see note 20), which eliminates the deficit.

The Trustees have assessed the company's ability to continue as a going concern for at least 12 months from the date these accounts were approved. They have concluded that the company has the ability to continue and as such the accounts are prepared on a going concern basis. This conclusion is based on available resources and committed future donations. The COVID-19 pandemic means there is continued significant uncertainty about the global economic situation and the continued restrictions surrounding social distancing. Initial indications following the recent reopening of the School are positive with strong occupancy levels across all short courses run to date and the September 2021 Advanced Diploma cohort is almost fully subscribed with a continued high level of interest. With the Degree course continuing to remain popular the offer is looking to be further developed. The Trustees have made plans to deal with the current situation as much as it is possible, as summarised in the Trustees Report and believe SAF has sufficient cash resources to meet all of its liabilities falling due within 12 months of the date these accounts were approved.

Reserves

Reserves are split between three funds:

- The Restricted Donations fund is a restricted fund as it represents donations received in connection with specific charitable activities, such as the Food For Thought event. Costs associated with carrying out these charitable activities are apportioned from the general fund. Any funds not used in the current year will be carried forward and will be available for allocation in future years.
- The Bursary fund is a restricted fund as it represents donations reserved strictly for the purposes of subsidising the cost of the diploma course for some students. Where funds are used during the year, there is a reserves transfer to the general fund. Any bursary funds not used in the current year will be carried forward and will be available for allocation in future years.

THE SCHOOL OF ARTISAN FOOD
TRUSTEES' REPORT (continued)

Year ended 31 August 2020

- The General fund is used for the continuing charitable activities of the company, including supplementing the cost of bursaries. The company is actively seeking new students to attend future courses. It is also seeking further donations to both the Bursary fund (to date £763,185 has been provided as bursaries to disadvantaged students) and also to fund the company's general charitable activities. The fund is in deficit, which is attributable to historic investment and ongoing operating losses. In order to create a sustainable financial structure for SAF, a business plan and an implementation action plan have been adopted by the Trustees which aim to deliver ongoing annual surpluses within the next five years.

Responsibilities of the Trustees

The Trustees (all but one of whom are also the directors of the company from a company law perspective) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare the 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

So far as each Trustee is aware, there is no relevant information that has not been disclosed to the Company's auditors and each Trustee believes that all steps necessary have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors have been made aware of that information.

Auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

Approved by the Board of Trustees on *28 June* 2021 and signed on its behalf by:



Nicholas Hatton
Chair of Trustees

Year ended 31 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCHOOL OF ARTISAN FOOD

Opinion

We have audited the financial statements of The School of Artisan Food (the 'charitable company') for the year ended 31 August 2020 which comprise the income and expenditure account, the statement of financial activities, the balance sheet, the statement of cash flows 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 charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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.

Emphasis of matter

We draw attention to notes 2 and 20 in the financial statements regarding the effects of the COVID-19 pandemic and post year end support provided by The Welbeck Estates Company Limited and The Barbara Curtis Charitable Trust. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the 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.

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we **THE**

Year ended 31 August 2020

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. 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.

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, which includes the directors' report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report and the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (all but one of whom are also 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.

Year ended 31 August 2020

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 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: www.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.



Gregory Smye-Rumsby (Senior Statutory Auditor)
For and on behalf of Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

Date: 29 June 2021

THE SCHOOL OF ARTISAN FOOD
I N C O M E A N D E X P E N D I T U R E A C C O U N T

Year ended 31 August 2020

	Note	2020	2019
		£	£
Surplus on short courses		72,627	159,082
(Deficit)/ surplus on diploma courses		(20,324)	35,487
Surplus on foundation degree course		76,381	-
Deficit on catering		(30,137)	(65,898)
Surplus on courses and other charitable activities		98,547	128,671
Miscellaneous income		23,202	33,372
Profit on disposal of fixed asset		5,833	-
Bank interest		248	74
Regular income		29,283	33,446
General expenditure		(782,747)	(787,243)
Regular income less general expenditure		(753,464)	(753,797)
Deficit on operations		(654,917)	(625,126)
Donations and grants	4	3,668,656	343,914
Net incoming/(outgoing) resource for the year (page 18)		3,013,739	(281,212)
General fund		2,677,162	(292,141)
Restricted fund		336,577	16,225
Big Lottery fund (Local Food)		-	(5,296)
Total surplus/(deficit) for the year (page 18)		3,013,739	(281,212)

**THE SCHOOL OF ARTISAN FOOD
STATEMENT OF FINANCIAL ACTIVITIES**

Year ended 31 August 2020

	Note	General fund (unrestricted) £	Restricted donations fund £	Bursary fund (restricted) £	Total 2020 £	Total 2019 £
Income:						
<i>Donations and legacies</i>						
Donations	4	3,210,682	332,017	13,900	3,556,599	3,099,911
Grants		112,057	-	-	112,057	34,003
		<u>3,322,739</u>	<u>332,017</u>	<u>13,900</u>	<u>3,668,656</u>	<u>3,43,914</u>
<i>Income from charitable activities</i>						
Short courses		180,316	-	-	180,316	380,586
Diploma courses	5	156,919	-	-	156,919	313,814
Foundation degree course		116,250	-	-	116,250	-
Catering		8,598	-	-	8,598	16,765
		<u>462,083</u>	<u>-</u>	<u>-</u>	<u>462,083</u>	<u>711,165</u>
<i>Other income</i>						
Miscellaneous income		23,202	-	-	23,202	33,372
Profit on disposal of fixed asset		5,833	-	-	5,833	-
Bank interest		248	-	-	248	74
		<u>29,283</u>	<u>-</u>	<u>-</u>	<u>29,283</u>	<u>33,446</u>
Total income		<u>3,814,105</u>	<u>332,017</u>	<u>13,900</u>	<u>4,160,022</u>	<u>1,088,525</u>
Expenditure:						
Expenditure on charitable activities						
	6	(1,136,943)	(9,340)	-	(1,146,283)	(1,369,737)
Net (expenditure)/income and net movement in funds for the year		<u>2,677,162</u>	<u>322,677</u>	<u>13,900</u>	<u>3,013,739</u>	<u>(281,212)</u>
Transfer to general fund		303,704	(289,804)	(13,900)	-	-
Reconciliation of funds:						
Total funds brought forward at 1 September 2019		(3,033,196)	16,225	-	(3,016,971)	(2,735,759)
Total funds carried forward at 31 August 2020		<u>(52,330)</u>	<u>49,098</u>	<u>-</u>	<u>(3,232)</u>	<u>(3,016,971)</u>

THE SCHOOL OF ARTISAN FOOD
BALANCE SHEET

Company number: 06741463

At 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	764,904	498,619
Current assets			
Debtors	12	139,830	84,783
Cash at bank and in hand		215,850	64,665
		<u>355,680</u>	<u>149,448</u>
Creditors: amounts falling due within one year	13	<u>(442,225)</u>	<u>(324,577)</u>
Net current liabilities		(86,545)	(175,129)
Creditors: amounts falling due after one year	14	<u>(681,591)</u>	<u>(3,340,461)</u>
Net liabilities		<u>(3,232)</u>	<u>(3,016,971)</u>
Accumulated deficit (page 18)			
Unrestricted funds			
General fund		(52,330)	(3,033,196)
Restricted fund		49,098	16,225
Total	18	<u>(3,232)</u>	<u>(3,016,971)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

The accounts on pages 17 to 32 were approved by the board of Trustees on 28 June 2021 and were signed on its behalf by:

Nicholas Hatton
Chair of Trustees

THE SCHOOL OF ARTISAN FOOD
STATEMENT OF CASH FLOWS

Year ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
<i>Net cash from/(used in) operating activities</i>	15	87,604	(240,166)
Cash flows from investing activities:			
Proceeds from the sale of property, plant and equipment		5,833	-
Purchase of property, plant and equipment		(267,499)	(8,695)
<i>Net cash used in investing activities</i>		(261,666)	(8,695)
Cash flows from financing activities:			
Increase in long term loans		325,000	240,000
Bank interest receivable		248	74
<i>Net cash from financing activities</i>		325,248	240,074
<i>Change in cash and cash equivalents in the reporting period</i>		151,185	(8,787)
Cash and cash equivalents at the beginning of the reporting period		64,665	73,452
<i>Cash and cash equivalents at the end of the reporting period</i>		215,850	64,665

THE SCHOOL OF ARTISAN FOOD
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 August 2020

1. General information

The School of Artisan Food is a company limited by guarantee with charitable status and incorporated in England and Wales.

The address of its registered office is:

Lower Motor Yard
Welbeck
Worksop
Nottinghamshire
S80 3LR

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities Accounting Statement of Recommended Practice (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The charity constitutes a public benefit entity as defined by FRS 102.

Basic financial instruments

Basic financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets or financial liabilities. Financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Tangible fixed assets

Fixed assets are stated at their purchase price, together with any incidental expenses of acquisition, less accumulated depreciation. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic life of the assets concerned. The principal annual rates used for this purpose are:

Leasehold property improvements	- over 25 years
Plant and equipment	- over 5 years
Office equipment	- over 3 years
Fixtures and fittings	- over 5 years
Motor vehicles	- over 5 years

Impairments

Impairment reviews are carried out on tangible fixed assets where there are indications that the recoverable amount of the asset is below its net book value.

Government grants

Where government grants in respect of the purchase of tangible fixed assets have conditions attached outside the control of the charity, the grants have been recognised as deferred income when received. This is amortised at rates calculated to write off the deferred grant income evenly over the expected useful life of the assets purchased. Other government grants, including the COVID-19 business support grants and furlough claims, have been recognised as income in the period to which they relate.

Year ended 31 August 2020

2. Accounting policies (continued)

Income and expenditure

Income is credited and expenditure is recognised on an accruals basis, with the exception of donation and legacy income. Course fees are credited to income in the period in which the courses are provided. Diploma course income is recognised net of bursaries as these are given to diploma students in the form of a reduction in course fees. Foundation degree income is credited to income over the duration of the course provided. Donation income is recognised when there is entitlement to the funds and receipt is probable.

Gift Aid recovered on donations and bursaries is treated as part of that gift and as an addition to the same fund as the initial donation or bursary unless the donor has specified otherwise.

Donated goods are recognised as donation income when the charity has control over the donated goods and has satisfied any performance related conditions attached to the donation. Income associated with donated goods is measured as the fair value of the goods received.

Donated facilities and services are recognised as donation income once the charity has received the service and has satisfied any performance related conditions attached to the donation. Income associated with donated facilities and services is measured as the amount the charity would pay on the open market for an alternative item that would provide an equivalent benefit.

Allocation of expenses

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Concessionary loans

Concessionary loans received by the charity and falling due for repayment after more than one year are initially recognised as the amounts received with the carrying amount adjusted in subsequent years to reflect repayments and accrued interest, where applicable. Waivers of concessionary loans are recognised as unrestricted donations when the donor releases the obligation on the charity to repay the loan.

Funds

Unrestricted funds represent sums held by the charity for charitable purposes that are not subject to any restrictions as to how the funds can be used.

Restricted funds represent sums given to the charity subject to restrictions as to how the funds can be used.

Going concern

The Trustees have assessed the company's ability to continue as a going concern for at least 12 months from the date these accounts were approved. They have concluded that the company has the ability to continue and as such the accounts are prepared on a going concern basis. The COVID-19 pandemic means there is significant uncertainty about the global economic situation and about future restrictions surrounding social distancing. Initial indications following the recent reopening of the School are positive with strong occupancy levels across all short courses run to date and the September 2021 Advanced Diploma cohort is almost fully subscribed with a continued high level of interest. With the Degree course continuing to remain popular the offer is looking to be further developed. The Trustees have made plans to deal with the current situation as much as it is possible, as summarised in the Trustees Report and believe SAF has sufficient cash resources to meet all of its liabilities falling due within 12 months of the date these accounts were approved.

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

3. Prior period financial activities by fund	General fund (unrestricted) £	Restricted donations £	Bursary fund (restricted) £	Big Lottery Fund (Local Food) (restricted) £	Total 2019 £
<i>Income:</i>					
<i>Donations and legacies</i>					
Donations	205,426	16,225	88,260	-	309,911
Grants	34,003	-	-	-	34,003
<i>Income from charitable activities</i>					
Short courses	380,586	-	-	-	380,586
Diploma courses	313,814	-	-	-	313,814
Catering	16,765	-	-	-	16,765
<i>Other income</i>	<u>33,446</u>	-	-	-	<u>33,446</u>
Total income	984,040	16,225	88,260	-	1,088,525
<i>Expenditure:</i>					
<i>Expenditure on charitable activities</i>	<u>(1,364,441)</u>	-	-	<u>(5,296)</u>	<u>(1,369,737)</u>
Net expenditure and net movement in funds for the year	(380,401)	16,225	88,260	(5,296)	(281,212)
Transfer to general fund	88,260	-	(88,260)	-	-
<i>Reconciliation of funds:</i>					
Total funds brought forward at 1 September 2018	<u>(2,741,055)</u>	-	-	<u>5,296</u>	<u>(2,735,759)</u>
Total funds carried forward at 31 August 2019	<u>(3,033,196)</u>	<u>16,225</u>	-	-	<u>(3,016,971)</u>

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

4. Donations and grants

	Loan Waiver £	Donated goods and facilities £	Cash donations £	Total 2020 £	Total 2019 £
Unrestricted donations					
Over £10,000	2,950,000	109,622	135,000	3,194,622	195,358
Under £10,000	-	4,700	11,360	16,060	10,068
Total unrestricted donations	<u>2,950,000</u>	<u>114,322</u>	<u>146,360</u>	<u>3,210,682</u>	<u>205,426</u>
		Restricted donations £	Bursary fund £	Total 2020 £	Total 2019 £
Restricted donations					
The A B Charitable Trust		-	-	-	16,225
H Matheson		-	-	-	13,900
Barbara Curtis Legacy		194,879	13,900	208,779	27,800
Whitaker's Charitable Trust		-	-	-	18,000
The Rothschild Foundation		-	-	-	26,380
Leader		92,225	-	92,225	-
Goldman Sachs		38,213	-	38,213	-
Under £10,000		6,700	-	6,700	2,180
Total restricted donations		<u>332,017</u>	<u>13,900</u>	<u>345,917</u>	<u>104,485</u>
Grants				2020 £	2019 £
Release of Fixed Asset grant				34,036	34,003
Furlough Claims				78,021	-
Total unrestricted donations				<u>112,057</u>	<u>34,003</u>
Total donations and grant				<u>3,668,656</u>	<u>343,914</u>

Bursaries are provided to subsidise the costs of the diploma courses for a select number of students each year. In 2020 the number of students benefitting from a bursary was 2 (2019 - 14). The bursaries provided to students in 2020 totalled £18,900 (2019 - £105,560). Of this, £13,900 can be seen in the accounts as a transfer from the restricted bursary fund to the general fund. The remaining £5,000 is provided by the general fund.

Donation income includes £16,298 (2019 - £17,800) in relation to donated goods in the form of plant and equipment. There are no unfulfilled conditions attached to the resources donated.

Donation income includes £98,024 (2019 - £172,000) in relation to donated facilities and services in the form of the use of offices and premises (see note 9). There are no unfulfilled conditions attached to the services donated.

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

5. Diploma courses

Diploma course income consists of:

	2020	2019
	£	£
Gross tuition fees	145,685	<i>369,856</i>
Student accommodation	30,134	<i>49,518</i>
Less: total bursaries	<u>(18,900)</u>	<u><i>(105,560)</i></u>
	<u>156,919</u>	<u><i>313,814</i></u>

THE SCHOOL OF ARTISAN FOOD
NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

6. Resources expended

Costs directly allocated to activities

	Basis of allocation	Charitable activities (unrestricted) £	Charitable activities (restricted) £	Charitable activities (governance) £	2020 Total £	2019 Total £
Diploma course consumables	Direct	142,429	4,000	-	146,429	239,815
Short course consumables	Direct	106,332	1,357	-	107,689	221,504
Foundation degree course consumables	Direct	39,869	-	-	39,869	-
Accommodation costs	Direct	30,814	-	-	30,814	38,512
Catering costs	Direct	38,735	-	-	38,735	82,663

Support costs allocated to activities

Accountancy fees	Direct	-	-	3,307	3,307	5,139
Audit fees	Direct	-	-	12,000	12,000	12,000
Staff costs	Staff time	339,020	200	-	339,220	222,252
Staff training	Staff time	1,045	-	-	1,045	2,023
Recruitment	Staff time	-	-	-	-	3,813
Premises	Floor area	178,505	-	-	178,505	274,668
Marketing	Usage	28,405	269	-	28,674	68,490
Travel and subsistence	Usage	5,868	514	-	6,382	5,321
Legal and professional	Usage	32,003	-	-	32,003	32,825
Depreciation	Usage	76,214	-	-	76,214	81,049
Bank charges	Transactions	9,424	-	-	9,424	12,482
Office costs	Staff time	33,733	3,000	-	36,733	47,035
Bad debt write off	Direct	118	-	-	118	181
Irrecoverable VAT	Direct	59,122	-	-	59,122	19,965
		<u>1,121,636</u>	<u>9,340</u>	<u>15,307</u>	<u>1,146,283</u>	<u>1,369,737</u>

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

	2020	2019
	£	£
7. Net incoming resources for the year		
This is stated after charging:		
Depreciation	76,214	81,049
Auditors' remuneration	12,000	12,000
	<u> </u>	<u> </u>
8. Staff costs and remuneration of key management personnel		
	£	£
Salaries and wages	422,372	383,297
Social security costs	29,546	27,047
Other pension costs	11,179	8,050
Total	<u>463,097</u>	<u>418,394</u>

The Trustees consider the key management personnel to comprise the Trustees and the Senior Leadership Team. The total employment benefits including employer pension contributions of the key management personnel were £204,223 (2019 - £145,782).

There were no employees whose total employee benefits for the reporting period exceeded £60,000.

The average number of employees during the year on the basis of full time equivalents was 14 (2019 - 15).

Year ended 31 August 2020

9. Trustee remuneration and related party transactions

During the year the following transactions took place with Trustees:-

Trustee Alison Swan Parente made no donations to the charity (2019 - £10) during the year. The charity did make sales of £820 (2019 - £470) to her.

Two trustees were reimbursed £2,034 (2019 - £1,113) during the year in respect of travel expenses incurred.

No Trustees received any remuneration during the year (2019 - no Trustees).

During the year the following transactions took place with entities related to Trustees:-

The Welbeck Estates Company Limited

(Trustee Alison Swan Parente is the wife of William Parente who is a director of the above-named company).

The charity paid rent to the company of £10,761 during the year (2019 - £4,750). The company provided IT, management and property repair services to the charity of £50,929 (2019 - £87,687). The charity made sales of venue hire to this company of £2,802 (2019 - £nil) in the year. During the year the deemed donation relating to the rent-free period on the charity's premises totalled £98,024 (2019 - £172,000). The company provided funding by way of a loan. The loan is unsecured, interest free and due to be repaid on 30 September 2021. At the balance sheet date, the total amount due to The Welbeck Estates Company Limited was £253,213 (2019 - £2,934,714). £2,950,000 of the loan was waived in the year and the remaining balance was waived in February 2021 (see note 20).

The Welbeck Bakehouse Limited

(Trustee Alison Swan Parente is a director and the controlling shareholder of The Welbeck Bakehouse Limited).

The charity purchased goods from this company of £149 (2019 - £431). The charity recharged IT, pension, utility and staff costs to this company of £25,688 (2019 - £36,044). At the balance sheet date, the total amount due from The Welbeck Bakehouse Limited was £5,640 (2019 - £26,404).

Bolsover Properties Limited

(Trustee Alison Swan Parente is the wife of William Parente who is a director of the company. Trustee Daisy Parente is also a director of the company).

Bolsover Properties Limited made a donation of £100,000 in the year (2019 - £nil) to the charity.

Other entities based at Welbeck

The charity made sales of £915 (2019 - £99) and purchases of £2,045 (2019 - £6,209) to/from entities based on the Welbeck Estates. The amount due to these entities at the year-end was £nil (2019 - £247).

Woodhall Planning & Conservation Limited

(Trustee Susan Amaku is a director of Woodhall Planning & Conservation Limited).

The charity paid £16,218 (2019: £nil) to Woodhall Planning & Conservation Limited for services associated with the development of the Barbara Curtis Training Room. At the balance sheet date, the total amount due to Woodhall Planning & Conservation Limited was £nil (2019: £nil). Susan Amaku and Woodhall Planning & Conservation Ltd are experts in the conservation and restoration of historic buildings. The services were engaged on terms more favourable to the charity than were available from other commercial providers and, given Susan's involvement in previous development at the School, the trustees were comfortable that the engagement of Woodhall Planning & Conservation Limited represented best value for money. Susan Amaku did not take part in any discussion associated with the decision to engage Woodhall Planning & Conservation Limited.

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

10. Taxation

The School of Artisan Food is exempt from tax on income and gains falling within section 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent these are applied to charitable objects. No tax charges have arisen in the charity.

11. Fixed assets	Short leasehold property improvements £	Plant and equipment £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost						
Brought forward	1,152,031	370,030	54,446	99,231	30,000	1,705,738
Additions	329,768	12,098	634	-	-	342,500
Disposals	-	-	-	-	(30,000)	(30,000)
At 31 August 2020	<u>1,481,799</u>	<u>382,128</u>	<u>55,080</u>	<u>99,231</u>	<u>-</u>	<u>2,018,238</u>
Depreciation						
Brought forward	732,005	297,075	53,371	94,668	30,000	1,207,119
Charge for the year	46,097	27,165	629	2,324	-	76,214
Eliminated on disposal	-	-	-	-	(30,000)	(30,000)
At 31 August 2020	<u>778,102</u>	<u>324,240</u>	<u>54,000</u>	<u>96,992</u>	<u>-</u>	<u>1,253,334</u>
Net book value						
At 31 August 2020	<u>703,697</u>	<u>57,888</u>	<u>1,080</u>	<u>2,239</u>	<u>-</u>	<u>764,904</u>
At 31 August 2019	<u>420,026</u>	<u>72,955</u>	<u>1,075</u>	<u>4,563</u>	<u>-</u>	<u>498,619</u>

12. Debtors: amounts falling due within one year	2020 £	2019 £
Trade debtors	4,142	15,475
Other debtors	12,398	45,627
Prepayments	123,290	23,681
	<u>139,830</u>	<u>84,783</u>

THE SCHOOL OF ARTISAN FOOD
NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

13. Creditors: amounts falling due within one year	2020 £	2019 £
Trade creditors	136,853	117,842
Accruals and other creditors	92,786	31,690
Other taxes including Social Security	34,610	22,966
Deferred income	177,976	152,079
	<u>442,225</u>	<u>324,577</u>

14. Creditors: amounts falling due after one year	2020 £	2019 £
Other creditors	250,000	2,875,000
Deferred income	431,591	465,461
	<u>681,591</u>	<u>3,340,461</u>

Other creditors include £250,000 owed to The Welbeck Estates Company. During the year £2,950,000 of the loan was waived. See notes 9 and 20 for the terms of this loan.

15. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Note	2020 £	2019 £
<i>Net income/(expenditure) for the reporting period</i>		3,013,739	(281,212)
Adjustments for:			
Amortisation		34,036	34,003
Depreciation	11	76,214	81,049
Profit on sale of fixed asset		(5,833)	-
Non cash rent expense		98,024	-
(Increase)/decrease in debtors		(55,047)	12,691
Increase/(decrease) in creditors		83,778	(34,820)
Release of fixed asset grant	4	(34,036)	(34,003)
Donated goods and facilities	4	(114,322)	(17,800)
Accrued PPE additions		(58,701)	-
Loan waiver	4	(2,950,000)	-
Bank interest receivable		(248)	(74)
<i>Net cash from/ (used in) operating activities</i>		<u>87,604</u>	<u>(240,166)</u>

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

16. Analysis of changes in net debt

	At 1 September 2019	Cash flows £	Non-cash changes £	At 31 August 2020 £
Cash and cash equivalents				
Cash	64,665	151,185	-	215,850
	<u>64,665</u>	<u>151,185</u>	<u>-</u>	<u>215,850</u>
Borrowings				
Debt due within one year	(59,714)	56,501	-	(3,213)
Debt due after one year	(2,875,000)	(325,000)	2,950,000	(250,000)
	<u>(2,934,714)</u>	<u>(268,499)</u>	<u>2,950,000</u>	<u>(253,213)</u>
Total net debt	<u>(2,870,049)</u>	<u>(117,314)</u>	<u>2,950,000</u>	<u>(37,363)</u>

17. Analysis of net (liabilities)/assets between funds

	General fund £	Restricted funds £	Total £
Tangible fixed assets	764,904	-	764,904
Current assets	306,582	49,098	355,680
Current liabilities	(442,225)	-	(442,225)
Long term liabilities	(681,591)	-	(681,591)
Net (liabilities)/assets at 31 August 2020	<u>(52,330)</u>	<u>49,098</u>	<u>(3,232)</u>

18. Movement of funds

	At 1 September 2019	Incoming resources £	Outgoing resources £	Transfers £	At 31 August 2020 £
Restricted funds					
Donations	16,225	332,017	(9,340)	(289,804)	49,098
Bursary fund	-	13,900	-	(13,900)	-
Total restricted	<u>16,225</u>	<u>345,917</u>	<u>(9,340)</u>	<u>(303,704)</u>	<u>49,098</u>
Unrestricted funds					
General fund	(3,033,196)	3,814,105	(1,136,943)	303,704	(52,330)
Total funds	<u>(3,016,971)</u>	<u>4,160,022</u>	<u>(1,146,283)</u>	<u>-</u>	<u>(3,232)</u>

THE SCHOOL OF ARTISAN FOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 August 2020

19. Financial assets and liabilities

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their amortised cost.

Financial assets	2020	2019
	£	£
Trade debtors	4,142	15,475
Other debtors	12,398	45,627
	<u>16,540</u>	<u>61,102</u>
Financial liabilities	2020	2019
	£	£
Trade creditors	136,853	117,842
Other creditors	250,000	2,875,000
Accruals	92,786	31,690
	<u>479,639</u>	<u>3,024,532</u>

20. Post balance sheet event

Government enforced lockdowns in late 2020 and the first quarter of 2021 had a significant impact on the School's operations. The School was unable to operate any short courses during these periods, although the Advanced Diploma and Foundation Degree courses were successfully completed. There will be a consequential impact on the School's income for the financial year ending 31 August 2021.

On 23 February 2021, The Welbeck Estates Company Limited agreed to waive the remaining £250,000 owed by the charity. In April 2021, The Barbara Curtis Trust has agreed to provide a cash donation of £150,000.