

Registered number: 01820460
Charity number: 291198

Spadework Limited
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2014

Spadework Limited
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 6
Independent auditor's report	7 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 18

Spadework Limited
(A company limited by guarantee)

Reference and administrative details of the company, its trustees and advisers
For the year ended 31 December 2014

Trustees

G R A Harvey, Chairman
T Brazier
G H Dalton, Treasurer
K Osborn
P D G Reeves
T Young
S Murray
E Hosey
J Burke

Company registered number

01820460

Charity registered number

291198

Registered office

Teston Road
Offham
West Malling
Kent
ME19 5NA

Company secretary

Ms C Medhurst

Independent auditor

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Bankers

NatWest Bank
43 Swan Street
West Malling
Kent
ME19 6HF

Spadework Limited
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spadework Limited (the charity) for the year ended 31 December 2014. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. Company status

Spadework Ltd is a charitable company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10. The company was incorporated on 30 May 1984 and is governed by a memorandum and articles of association.

b. Governance and internal control

The Board of Trustees is responsible for selecting and recruiting suitable trustees to office at the Annual General Meeting. A minimum of 2 trustees are elected to the Board and they may serve for a period of three years. One third of the trustees shall retire from office at each Annual General Meeting. A retiring trustee is eligible for re-election, and there is no limit on the number of times a trustee may be re-elected.

Peter Reeves, Sue Murray and Tony Young stood down at the Annual General Meeting in 2014. Peter Reeves, Sue Murray and Tony Young were proposed for re-election and were duly re-elected.

The Trustees serve on an unpaid voluntary basis, and meet bi-monthly or more frequently as necessary.

Objectives and Activities

a. Policies and objectives

The objectives of the charity are to provide training for adults with learning difficulties and other disabilities in horticulture, gardening, retail management, woodwork and carpentry, catering, information technology and skills for life in a commercial albeit supportive environment.

b. Public benefit

The charity's objectives are the provision of training and work opportunities for adults with learning difficulties, and this is considered to be of benefit for those adults, their families and others who care for them, and to the community generally. In planning the charity's activities the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

c. Strategy

The principal strategies of the charity to meet its charitable objectives are:-

- to provide excellent training opportunities for Trainees through developing the quality and range of training provided;
- to be seen as a key partner of local health and social care organizations and to be able to respond appropriately and quickly to recent changes in social policy and changes in local health and social care structures, in order to maximize opportunities for trainees and to maximize statutory funding;

Spadework Limited
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2014

c. Strategy (continued)

- to maximise income from all sources, stabilise the charity's finances, and develop reserve funds in order to create a long-term secure financial future for the charity;
- to raise awareness of Spadework in order to maximise Trainee numbers, underpin community and other fundraising, maximise sales from "commercial services" and create customer loyalty;
- to ensure that staff are encouraged and offered every opportunity to enhance their skills and qualifications in accordance with the changing needs of trainees and regulations;
- to ensure the charity is well governed and makes effective use of Trustees and volunteers in the work of Spadework.

Achievements and performance

a. Review of activities

Spadework provides skills training and work experience for over 90 adults with learning and other disabilities living in Kent. The main areas of training include horticulture, gardening, fruit and vegetable production, food preparation, cookery and table service, retail management, IT, woodwork and arts and crafts.

In July we celebrated our 30th Year. The Mayor of Tonbridge and Malling, Councillor Sacha Luck, helped us to mark the occasion.

Statutory funding covers in the region of 49% of the cost of providing the overall service, we are therefore reliant on generating income from our supporting activities to cover the remaining shortfall. Given the nature of the supporting activities, income is susceptible to a number of factors outside of our control including such as relying on clement weather conditions and a buoyant economic climate.

A significant concern for Spadework continues to be a lack of investment in the buildings and as a result major works are now required. We were very fortunate to have received donations to enable us to replace the toilet block earlier in the year, but the roof needs replacement and as do some of the doors, windows and wiring due to the age of the buildings. Furthermore we do not have any reserves for contingencies and as such this makes us vulnerable to even the most minimal downturns in income. We are wholly reliant on donations to fund our capital projects.

We suffered two burglaries, one in May the second in August. It is very difficult to understand why someone would steal from a charity. Not only did we suffer significant financial loss, we have had to divert much needed funds to improve the site security.

We continue to host and run the Offham Farmers' Market to generate additional income and to increase the number of people visiting the site. It also provides an opportunity for other local producers to sell their goods.

Trainees, volunteers and staff should be praised for their continued hard work and commitment to Spadework.

Over the last year we have received tremendous support from the local community, with particular thanks going to The King's Hill Directory for making us their Charity of the Year, the members of the West Malling Community Choir and Malling Lions for their fundraising efforts and their continued help and support.

We would like to express our gratitude to all those who have supported us so generously during the year, this includes those that support us by purchasing goods and those that have made financial donations. Our thanks also go to the Friends of Spadework, who fund the Trainees' annual outing and the buffet at the Trainees' Christmas party.

Spadework Limited
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2014

Financial review

a. Reserves policy

The staff and board make every effort to put the charity into a fully sustainable position by creating a reserve for contingencies and a major repair fund. The short term objective is to achieve a position where the income from local authority grants and from supporting activities meet the full operational costs of the charity, allowing all donations to be used for new capital projects. Over the last six years, dependence on donations to cover operational shortfalls had been reducing year on year, but unfortunately this year has seen an increase in the reliance on donations to fund the deficit

The Trustees have agreed that we cannot continue to subsidise the training element of our service to the current level and greater emphasis will be placed on recovering a greater proportion of our costs to ease the pressure.

The general reserve at 31 December 2014 was £209,954 (2013 was £193,300), and restricted funds were £73,653 (2013 was £85,292). Net current assets totalled £61,211 (2013 was £65,728). The trustees remain fully conscious that liquid reserves continue to be significantly below the required level and continue to monitor closely the financial position of the charity.

b. Principal funding

Spadework revenue is generated from three sources which include sponsorship of the trainees, income from the primary trading operation and charitable grants and donations. The principal funders in 2014 for trainee sponsorship continue to be Kent Social Services and Medway Council. Funding from these sources has remained significantly below the full cost of training for some years.

We were also extremely fortunate to receive grants and donations totalling £81,960 from organisations and individuals.

Plans for the future

a. Future developments

The Trustees, who believe that Spadework continues to deliver an essential and valued service for its service users, seeks:

- to ensure that Spadework provides effective and value for money services in critical areas for Trainees and other customers;
- to investigate additional methods of sustainable funding to safeguard the future of the charity;
- ensure that the supporting primary trading activities are efficient and maximise their income potential;
- ensure that there are the correct levels of staff on site;
- to ensure and protect Spadework's long term future;
- to invest in our environment;
- to ensure that Spadework is a safe, supportive and happy environment.

In this way the Trustees will continue to build on the strong foundation established within Spadework for the benefit of our service users.

Risks

The directors have developed a formal risk management process to assess business risks and implement risk management strategies. This involves reviewing the risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks in line with a risk profile accepted by the board.

Spadework Limited
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2014

Trustees' responsibilities statement

The Trustees (who are also directors of Spadework Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on _____ and signed on their behalf by:

G R A Harvey
Chairman

Spadework Limited
(A company limited by guarantee)

Independent auditor's report to the members of Spadework Limited

We have audited the financial statements of Spadework Limited for the year ended 31 December 2014 set out on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Spadework Limited
(A company limited by guarantee)

Independent auditor's report to the members of Spadework Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Trustees' report.

S M Robinson BA FCA FCIE DChA MCMI (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Chatham Maritime
Date:

Spadework Limited
(A company limited by guarantee)

Statement of financial activities
(incorporating income and expenditure account)
For the year ended 31 December 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	405,677	39,354	445,031	465,618
Activities for generating funds	3	14,194	-	14,194	13,481
Investment income	4	5	-	5	1
Incoming resources from charitable activities	5	302,606	-	302,606	292,107
Total incoming resources		722,482	39,354	761,836	771,207
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	6	10,128	-	10,128	9,689
Charitable activities	7	693,014	50,993	744,007	736,328
Governance costs	9	2,686	-	2,686	3,000
Total resources expended		705,828	50,993	756,821	749,017
Movement in total funds for the year - Net income/(expenditure) for the year		16,654	(11,639)	5,015	22,190
Total funds at 1 January 2014		193,300	85,292	278,592	256,402
Total funds at 31 December 2014		209,954	73,653	283,607	278,592

The notes on pages 11 to 18 form part of these financial statements.

Spadework Limited
(A company limited by guarantee)
Registered number: 01820460

Balance sheet
As at 31 December 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	12		222,396		212,864
Current assets					
Stocks		39,258		47,382	
Debtors	13		48,945		42,602
Cash at bank and in hand			14,802		18,547
			<u>103,005</u>		<u>108,531</u>
Creditors: amounts falling due within one year	14		<u>(41,794)</u>		<u>(42,803)</u>
Net current assets			<u>61,211</u>		<u>65,728</u>
Net assets			<u>283,607</u>		<u>278,592</u>
Charity funds					
Restricted funds	15		73,653		85,292
Unrestricted funds	15		209,954		193,300
Total funds			<u>283,607</u>		<u>278,592</u>

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

The financial statements were approved by the Trustees on behalf, by: and signed on their

G H Dalton

The notes on pages 11 to 18 form part of these financial statements.

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing £500 or more are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	Nil
Site improvements	-	5% straight line
Buildings	-	5% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	Various rates depending on the estimated useful life of the asset

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Taxation

The charity is exempt from corporation tax on its charitable activities.

2. Voluntary income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	42,606	39,354	81,960	98,957
Grants	363,071	-	363,071	366,661
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	405,677	39,354	445,031	465,618
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included within the grants figure is £194,906 received from Kent County Council and £73,323 received from Medway Council.

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

3. Fundraising income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Fundraising events	14,194	-	14,194	13,481

4. Investment income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	5	-	5	1

5. Incoming resources from charitable activities

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Charitable activities	302,606	-	302,606	292,107

Charitable activities

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Horticulture / Nursery	105,827	-	105,827	109,313
Catering	91,778	-	91,778	79,908
Farm Shop	89,243	-	89,243	90,055
Other Activities	15,758	-	15,758	12,831
Total	302,606	-	302,606	292,107

6. Costs of generating voluntary income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Fundraising events	10,128	-	10,128	9,689

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

7. Expenditure by charitable activity

Summary by fund type

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Charitable activities	693,014	50,993	744,007	736,328

8. Charitable activities

	Total 2014 £	Total 2013 £
Trainee costs	18,384	18,302
Other staff costs	3,447	2,721
Vehicle costs	10,497	11,375
Office costs	40,297	37,640
Professional costs	17,738	12,940
Site costs	57,791	51,994
Bank interest	199	449
Stock purchases	172,626	164,079
Wages and salaries	369,029	378,657
National insurance	24,890	27,929
Depreciation	29,109	30,242
	744,007	736,328

9. Governance costs

	Total funds 2014 £	Total funds 2013 £
Auditors remuneration	2,686	3,000

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

10. Net incoming / (outgoing) resources

This is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	29,109	30,242
Auditor's remuneration	2,686	3,000
Auditor's remuneration - non-audit	5,000	4,920
	<u>36,795</u>	<u>38,162</u>

During the year, no Trustees received any remuneration (2013 - £NIL).
 During the year, no Trustees received any benefits in kind (2013 - £NIL).
 During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

11. Staff costs

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	369,029	378,657
Social security costs	24,890	27,929
	<u>393,919</u>	<u>406,586</u>

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

	2014	2013
	No.	No.
Support Workers	11.0	10.7
Administrators	0.6	1.0
Managers	4.8	5.0
Weekend Staff	1.2	0.8
	<u>17.6</u>	<u>17.5</u>

No employee received remuneration amounting to more than £60,000 in either year.

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

12. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 1 January 2014	618,527	49,894	155,636	824,057
Additions	29,117	-	9,524	38,641
Disposals	-	-	(25,555)	(25,555)
	<u>647,644</u>	<u>49,894</u>	<u>139,605</u>	<u>837,143</u>
At 31 December 2014				
Depreciation				
At 1 January 2014	430,560	34,303	146,330	611,193
Charge for the year	20,128	3,900	5,081	29,109
On disposals	-	-	(25,555)	(25,555)
	<u>450,688</u>	<u>38,203</u>	<u>125,856</u>	<u>614,747</u>
At 31 December 2014				
Net book value				
At 31 December 2014	<u>196,956</u>	<u>11,691</u>	<u>13,749</u>	<u>222,396</u>
At 31 December 2013	<u>187,967</u>	<u>15,591</u>	<u>9,306</u>	<u>212,864</u>

13. Debtors

	2014 £	2013 £
Trade debtors	35,190	29,540
Prepayments and accrued income	13,755	13,062
	<u>48,945</u>	<u>42,602</u>

**14. Creditors:
Amounts falling due within one year**

	2014 £	2013 £
Bank loans and overdrafts	-	6,173
Trade creditors	27,619	21,204
Other taxation and social security	8,267	5,082
Other creditors	-	2
Accruals and deferred income	5,908	10,342
	<u>41,794</u>	<u>42,803</u>

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

15. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Fund	193,300	722,482	(705,828)	209,954
Restricted funds				
General Capital Fund	36,594	29,616	(33,806)	32,404
Food for All Capital Fund	1,256	9,738	(10,563)	431
Buildings Fund	47,442	-	(6,624)	40,818
	<u>85,292</u>	<u>39,354</u>	<u>(50,993)</u>	<u>73,653</u>
Total of funds	<u><u>278,592</u></u>	<u><u>761,836</u></u>	<u><u>(756,821)</u></u>	<u><u>283,607</u></u>

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	193,300	722,482	(705,828)	209,954
Restricted funds	85,292	39,354	(50,993)	73,653
	<u>278,592</u>	<u>761,836</u>	<u>(756,821)</u>	<u>283,607</u>

The Capital Fund accounts for donations resulting from appeals for the purchase of capital equipment - and, from time to time, funds received for specified 'revenue' purposes. The funds are restricted when received, but once the relevant items of equipment have been purchased, or the relevant expenditure incurred, they are available for the general purpose of the charity. Accordingly the restriction no longer applies, and the balance can be transferred to the General Fund. The balance on this fund at the year end thus represents donations received but not yet expended.

The Buildings Fund accounts for 'lottery' grants from the Community Fund, expended on buildings and equipment. In accordance with the terms of those grant, there are restrictions on use of those assets which can apply for anything up to 80 years. Accordingly, transfers are made so that the balance on this fund is equal to the net book value of the buildings and equipment to which such restrictions apply.

The Food for All Fund accounts for Lottery funding that was received for a 'Local Food' project. The £90,000 funding, which was receivable over two years consists of £57,000 of capital expenditure and £33,000 revenue funding to contribute towards the costs of the salary of the staff member managing the 'Local Food' project.

Spadework Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2014

16. Analysis of net assets between funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	181,578	40,818	222,396	212,864
Current assets	70,170	32,835	103,005	108,531
Creditors due within one year	(41,794)	-	(41,794)	(42,803)
	<u>209,954</u>	<u>73,653</u>	<u>283,607</u>	<u>278,592</u>

17. Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Within 1 year	671	974
Between 2 and 5 years	-	1,342
	<u>671</u>	<u>2,316</u>

18. Controlling party

The charitable company is controlled by its members.