

PECAN
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

PECAN
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 10
Statement of Trustees' Responsibilities	11
Independent Auditors' Report on the Financial Statements	12 - 15
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 - 46

PECAN
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees	Paul Jones, Chair of Trustees (resigned 3 May 2024) Eleanor Orr, Treasurer Helen Palmer Esenam Agubretu David Porter (resigned 12 September 2023) Albert Acheampong Berchie (resigned 6 June 2024) Bonike Bracewell (resigned 12 September 2023) Isabel Lennox (resigned 15 August 2024) Fiona Philippa Tudor, Interim Chair of Trustees Jennifer Brown Terryyna D'Souza Sarolta Stuckey Beerli (appointed 5 December 2023) Amy Jacks (appointed 5 March 2024)
Company registered number	02394165
Charity registered number	801819
Registered office	121A Peckham High Street London SE15 5SE
Company secretary	Christopher Price (resigned 31 January 2024) Peter William Constantine Edwards (appointed 15 April 2024)
Senior management	Christopher Price - Chief Executive Officer (resigned 31 January 2024) Peter Edwards - Chief Executive Officer (appointed 15 April 2024) Deborah Hayman-Nkhoma - Head of Services Sharon Hunt - Head of Food Services (resigned 26 September 2023) Shahid Mughal - Head of Food Services (appointed 4 September 2023)
Independent auditor	MHA Statutory Auditor 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU

PECAN
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Bankers	Barclays Bank plc United Kingdom House 180 Oxford Street London W1D 1NN
	CCLA Senator House 85 Victoria Street London EC4V 4ET
Solicitors	Grant Saw 110-114 Norman Road Greenwich London SE10 9EH

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees of Pecan present their report and financial statements for the year ended 31 March 2024.

Pecan's Charitable Objects

Pecan is governed by its Memorandum and Articles of Association. These state that Pecan's objects are:

- (a) To advance the Christian religion.
- (b) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including providing training and other assistance to help people find employment.
- (c) The relief of poverty particularly among unemployed people.
- (d) To preserve and protect the physical environment for the benefit of the public by the promotion of waste reduction, re-use, reclamation and recycling and the use of recycled products.

Policies to further our Objects

Pecan's Board of Directors agreed the revision of the Vision, Values and Ethos statements as follows.

Mission

Pecan's Mission is to:

'Restore futures and see an end to poverty in all its forms' We aim to achieve this through equipping people in our community both practically and emotionally to believe in their potential;

Vision

"Transforming lives through kindness, belief, hope"

Values

Pecan offers a breadth of interventions which comes together through working from our values of Kindness, Belief and Hope. These values underpin the culture of the Charity.

• **Kindness**

- Embracing diversity and loving every person for who they are.
- Honestly building every person's confidence in their own unique capability.

• **Belief**

- Believing in the potential of each and every member of our diverse community
- Persevering alongside people through every challenge.

• **Hope**

- Starting, living, and ending every diverse and unique encounter in hope

"I want to express my heartfelt thanks to the foodbank for delivering a food parcel. Being housebound, the delivery was truly appreciated, and I am incredibly grateful!"

"The pantry helps me to have a healthier diet, it is an essential to the benefit of the community"

"I'm so glad they [probation] told me to come here. I feel so much lighter and that things might be ok."

"I've had a rough few weeks but I knew coming back here would help. It's so good to know that places like this still exist."

"I used to cry every day before I met you: now I feel better."

"The staff at Pecan were really supportive."

"You really made an impact on me and opened a new door for me for the future."

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Ethos

As a Christ-centred organisation, Pecan seeks to treat all people with dignity, openness and respect, demonstrating Jesus' grace and love in action.

Respect

Pecan respects all clients provided that they treat members of staff or volunteers in the same manner.

Culture

The culture of the staff and volunteer team is grounded in Pecan's ethos as an inclusive Christ-centred organisation. This is demonstrated in the way all interact with each other. Everybody aims to show kindness and respect, seeking in each encounter to uplift people with honesty and to be regarded as a trusted partner.

Pecan's Charitable Objectives:

Pecan's practical objectives aim to do the following:-

1. To address the multiple needs of all involved and work towards their social inclusion, through the development and delivery of holistic projects.
2. To work with and support local churches in meeting the practical needs of the community.
3. To challenge inequality and injustice on a local and national level, with and for our community.

Our aim is to seek to serve people in a way that empowers them to gain control of their lives. Our heart continues to be in Peckham with outreach across the borough of Southwark and other London boroughs.

Trustees

The Trustees of the Charity who held office during the year and to the date of this report are listed on page 1. In April 2024 Paul Jones stepped down after 4 years' service as Chair of the Board, and many more as a Trustee. The Trustees wish to highlight his exceptional dedication to Pecan. Throughout the year the Trustees had due regard to the guidance issued by the Charity Commission on public benefit."

Structure, Governance and Management

Governing Document

Pecan is a charitable company limited by guarantee, incorporated on 12 June 1989 and registered as a Charity on 21 July 1989. The company was established under a Memorandum of Association with the Charity Commission which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount of up to £1.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

Recruitment and Appointment of Members and Trustees

Members

Membership is open to churches that sign and continue to affirm the Churches Together Statement of Faith and whose principal place of worship is situated in Peckham or the London Borough of Southwark.

Once accepted for membership a senior church leader ("SCL") from each member church ("Member Church") is invited to be the representative of their Member Church. They have the opportunity to nominate a different person ("Substitute") from their Member Church to attend meetings and vote on behalf of the Member Church. Neither SCL's nor Substitutes can be currently employed by Pecan.

Members are invited to an annual meeting. The annual meeting must include Pecan's Annual General Meeting and may also include:

- A speaker invited to give a presentation about a Christian response to a specific area of social justice/action
- A forum session to discuss Christian social action in Southwark

The Board of Directors

The Directors of Pecan are also Trustees of the Charity. The Board meets monthly and in a number of sub-committees; they set policy and direction for the Charity and oversee the work of the Chief Executive Officer.

All of the directors are Christians and are church attendees and members; they voluntarily help Pecan to maintain its Christian ethos and are not remunerated.

The Board of Directors ('The Board') is made up of people who have relevant experience and expertise relating to their role as trustees and a concern for Pecan's work in providing support for the marginalised and unemployed. The Board may appoint new Directors, either as a replacement of a Director or as an additional Director, to the Board. Such appointments must be confirmed by election at the next Annual General Meeting. Appointment of the Secretary is the Board's function.

New Trustees are recruited by advertising, including through newsletters to our member and supporter network. The diversity in background and skills of the Trustees is regularly reviewed as we aim to recruit Trustees with distinctive experience in their fields. Most Trustees live in or near South London.

The Board may delegate its powers to sub-committees consisting of members of the Board who have expertise in that particular area of management. All proceedings and decisions made by the sub-committee are reported to the following full Board meeting. New Trustees participate in a full induction programme upon appointment.

Senior Management

Key management personnel consists of the Board of Directors (who are not remunerated), the Chief Executive Officer (CEO), the Head of Services, and the Head of Food Services. In January 2024 Chris Price moved to head another organisation role after 11 years of distinguished service as CEO of Pecan. The Trustees are very grateful both to him and to the Head of Services and the Head of Food Services, who between them went above and beyond in sharing aspects of the CEO's role during the three months prior to the new incumbent taking up his post.

The day-to-day management of the Charity is the responsibility of the CEO. Staff remuneration is benchmarked every three years by an HR consultant. They use comparison information provided by Croner and the National Council for Voluntary Organisations (NCVO) and compare this with other Christian charities with whom the consultant is in touch and able to survey anonymously. The report is presented to the Board of directors who decide and approve the salaries of each pay grade.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The annual staff survey revealed that 96% of staff are motivated and feel that people are treated in line with Pecan's values. While the current mission is viewed as crucial for the organisation's future, staff believe the training offer needs review, especially during role changes. Looking ahead, key priorities include addressing cost of living, employment, and mental health challenges. Staff also envision future services being community-based, holistic, and focused on wellbeing, with interest in exploring a social enterprise by 2025.

Operational Structure

All programs of work are managed by project managers. Senior management provides support and oversight of projects and ensures that standards are maintained across the organisation. Senior management also takes the lead on applying for new contracts and the strategic planning and monitoring of the organisation.

Pecan and other charities/organisations

In order to achieve Pecan's objectives, the Charity works in partnership with local, national and government agencies whilst retaining a focus on its London neighbourhood.

Risk Assessment

The Charity maintains a risk register. It is presented to the Board by the CEO at each meeting; significant risks are identified, and mitigating actions agreed and monitored at subsequent meetings. Pecan considers strategic, financial and funding, operational, reputational, legal and compliance risks that may arise over the short- and long-term. It has sought to manage these risks through business planning; investing in financial controls and its fundraising resource; reviewing its reserves policy; filling key board and management roles; and circulating regulatory guidance among trustees and staff.

Performance statistics :

Numbers of clients supported	2022/23	2023/24
Foodbank (people supplied)	11,433	8,948
Peckham Pantry (visits)	16,585	16,516
Women's Services (women referred to services)	138	225
Together Café (opened November 2022)	389	911
Employment Support (All programme registrations)	719	301
Cost of Living successful applications	3,769	1,174
Total	33,033	28,075

Pecan's Southwark Foodbank distributed over 102 tonnes of food (2022/23: 110 tonnes), with a value of £180,000. This fed 2,160 households, 5,924 adults and 3,031 children. Food was supplied through donations from supermarket collection points, The Felix Project, Bankuet, churches, schools and colleges, individuals, and community groups. Some purchases were made to keep staples available. At the foodbank sessions we provided Financial Inclusion advice to 250 clients helping them achieve financial gains.

Peckham Pantry received 16,516 visits from 1,800 unique households with 3,418 adults and 1,811 children. We distributed 97 tonnes of discounted food (2022/23: 72 tonnes) to provide 481,000 meals. The main food suppliers have been The Felix Project and City Harvest. The Pantry is staffed by Pecan employees and volunteer ambassadors who have benefited or continue to benefit from the Pantry. This was the Peckham Pantry's third full year as a 6 day a week operation and the high number of visits in 2022/23 was maintained in 2023/24. We estimate that our clients have saved £173,000 by shopping at the pantry. The biggest challenge continues to be the regular supply of a variety of food, including cupboard items, a range of fruit and vegetables and culturally appropriate food. With the right selection of food in stock, the number of people coming to the pantry will continue to grow. We have increased our supplies of hygiene products, including nappies and other baby care products, as these products are often in high demand.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

Pecan's Women's Services provides a safe, welcoming, one-stop-shop support for those affected by the criminal justice system and for women seeking information, and community. The Women's Centre saw a steep increase in activity compared to 2022/23, and supported over 225 women passing through the Women's Centre for either drop-in, advocacy appointments, workshops or events. The service provided 740 in-person 1:1 advocacy sessions, and a further 516 advocacy appointments over video or phone call. The Women's Centre hosted three special events over the year, and delivered a total of 166 workshops online and in person. A total of three wellbeing packs were sent to over 90 women across the year, containing wellbeing advice, puzzles, recipes and poetry. Women are referred by partners such as Probation, Pause, Southwark wellbeing hub, Southwark Asylum Seekers Day Centre and Change, Grow, Live (CGL) drug and alcohol services. Many women also self-refer for advocacy having heard about our service through word of mouth from friends or acquaintances we have already supported.

Together is a community-driven café-style forum designed to foster connection and combat isolation. Established as a 'warm space,' it hosts weekly sessions centred on conversation and a variety of activities, including crafting, games, and dressmaking. Together offers a welcoming environment for those facing challenges such as loneliness, isolation, or depression, providing a safe space to connect with others. Additionally, it serves as a resource hub where individuals can access support from advisers on issues like debt management. Some of its key activities include the Black Men's Mental Health Group, Creative Writing for Wellbeing, Poetry Pop-up events, and Black History Month celebrations. Together responds to suggestions from the community it serves, and, for example, its celebrations of Chinese New Year in February 2024 were customer led.

Employment Between April and June 2023, the employment team provided support to the final 27 clients on the Step 2 Success and Positive Turn Around programs, as well as assisted 140 walk-ins with their CVs. Additionally, we began a new contract with Southwark Works (Employment Services for Southwark Residents) for the Parents and Unpaid Carer Project, valued at £168,000 per year, with the potential for a two-year extension. Under this project, the team supported 230 clients, with 51 securing employment, 114 obtained accredited qualifications, 10 advanced to better-paying jobs, and 11 gained valuable work experience.

Christmas vouchers: Our Christmas campaign appealed for donations to provide £50 and £25 supermarket vouchers to people in need. People were referred by Pecan's Women's Service, Employment Support, Pantry, Foodbank and Together café. A total of 150 vouchers were distributed. These are some of the comments of recipients:

1. *"The voucher was an absolute blessing during a difficult time. It allowed me to get everything we needed for a special Christmas, and I can't thank you enough for the support."*
2. *"Having the voucher made a huge difference for our family. We were able to enjoy a warm, hearty meal together, which really lifted our spirits during the holiday season."*
3. *"The kindness behind this voucher touched my heart. It helped us get through a tough period, and I was able to provide for my children when they needed it most."*
4. *"This voucher came at just the right time. With everything going on, it was a relief to have one less thing to worry about, especially around the holidays."*
5. *"I'm so grateful for the voucher. It made a real impact, allowing us to buy essential groceries and enjoy a healthy, happy Christmas together. Your generosity means the world to us."*

Cost of Living Hardship Fund: Between November and March, Pecan partnered with Southwark Council's Cost of Living Fund to support the community during the winter months. During this period, Pecan referred 1,174 households to receive a £100 grant to assist with winter expenses. Of these referrals, 955 were approved, with the majority of rejections due to previous payments. As a result, our clients received a total of £95,500 in financial assistance, aiding them in covering essential household bills.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Volunteers

Volunteer statistics	2020/21	2021/22	2022/23	2023/24
Average number of volunteers per month	46	34	31	35
Average number of hours volunteered per month	614	400	406	470
Average number of hours donated per volunteer	13.35	11.75	13.1	13.4
Value @ London Living Wage	£88,089	£52,974	£58,244	£74,142

Volunteers are essential to the services being able to go beyond a basic response. They provide additional resources, friendship, and skills in the running of every aspect of Pecan. This is what makes such a difference to the experience everyone who visits Pecan receives. We have seen a healthy number of volunteers ending their volunteering by finding employment at Pecan or other local organisations.

Volunteers are welcome in every project and in our central service, but Southwark Foodbank and Peckham Pantry continue to hold the vast majority of volunteer posts due to the nature of their operation.

Without the compassion and dedication of our volunteers, Southwark Foodbank would not have been able to meet the challenge of so many who experienced food insecurity. Many of our volunteers have themselves experienced food insecurity and are able to provide insight into what was most helpful in their own experience. Thank you to each and every one of you.

Fundraising

During the year we continued to work with Felton Fundraising who are contracted to apply to charitable trusts on behalf of Pecan. Felton does not make direct approaches to members of the public. Applications and letters are agreed and sent by either Head of Services or the CEO. We paid £11,928 for their services and they secured/received pledges for £242,484 (2023 - £198,048). The Head of Services directly manages the contact with Felton Fundraising, with support from the Partnerships Manager. Pecan is regulated by the Fundraising Regulator. In 2023/24 no fundraising complaints were received.

Pecan's Partnership Manager manages our community and corporate fundraising. This involves working with local businesses, faith groups and educational establishments. They also manage a database of supporters, social media, and external communications. Clients are never required to contribute or become financial supporters of Pecan. Newsletters with financial requests only go to individuals who have asked to be on our supporters list.

Contracts

The CEO manages the process of bidding for contracts. Bids are written either by the CEO or project managers. Pecan tends not to be the prime contractor on bids and seeks to be a preferred sub-contractor. In the last year an external bid-writing consultant was engaged for just one bid.

Premises

Over the year we used our premises to support community activities and generate income. Two third sector organisations use desk space: Prosper 4 and Southwark Everywoman's Centre. Our meeting rooms were not used by any community groups during the year.

Financial Review

Our incoming resources in 2023/24 were £1,831,188 (2023 - £1,754,751). The income is a mixture of Restricted Income of £1,226,028 (2023 - £1,109,907) where the funder determines what we spend the money on and Unrestricted Income of £605,160 (2023 - £644,844). The Charity's equity-based investment increased in value by £44,395 (2022 – Decrease of £20,374) which was allocated to the unrestricted fund.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Expenditure during the year was £1,849,480 (2023 - £1,755,622) leaving a net surplus before transfers for the year of £26,103 (2023 – deficit £21,145) split as £63,535 restricted deficit (2023 – £62,079 surplus), £93,012 unrestricted surplus (2023 – £79,950 deficit) and £3,374 endowment deficit (2023 - £3,374).

Our restricted fund has increased due to this year's net movement in funds after transfers to £464,906 (2023 - £449,523).

The unrestricted fund has increased due to this year's net movement in funds after transfers to £792,384 (2023 - £778,290) of which we hold Designated Funds of £338,848 (2023 - £345,612) representing the Fixed Assets and General Funds of £453,536 (2023 - £432,678).

Reserves

Total funds held by the Charity as at 31st March 2024 were £1,351,779 (2023 - £1,325,676). The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission. The Trustees believe that in order to safeguard the Charity's services and the obligations to staff and creditors in the event of delays in receipt of grants, or any shortfall in fundraising income, six months' running costs which equates to £634,544 should be held in free reserves (unrestricted reserves excluding tangible fixed assets). Against the target we are holding £453,536 in free reserves at the year end.

Restricted reserves at year end amounted to £464,906 (2023 - £449,523) which have donor-imposed restrictions and are held in cash at year end but will be expended over future financial years. In addition, we have a Designated fund of £338,848 (2023 - £345,612) which represent the value of the tangible fixed asset and a further Endowment fund of £94,489 (2023 - £97,863) which is also restricted. The Designated and Endowment funds reflect the investment made by the Trustees over the years in operational assets which are not convertible into cash without affecting the operational running of the business and are not therefore considered to be freely available.

The remaining free reserve held at the year-end amounted to £453,536 (2023 - £432,678). During the financial year end the Charity chose to use an element of this reserve to help deliver our services in areas where funding was not otherwise available.

Pecan is using reserves to ensure we can provide essential services during the cost of living crisis and to meet shortfalls in funding. In our annual report for 2022/23 we said "We recognise that this is not a sustainable solution and that we will need to manage budgets extremely well during the coming year." In 2023/24 we again needed to draw on our reserves. During Q2 of 2024/25 Trustees reviewed expenditure, identifying cost cutting measures, allocated resources for fundraising, and revised the reserves policy. In turn, management sought to renegotiate supplier contracts, replanned costs for a range of scenarios, appointed a full-time fundraiser post-year-end and adjusted the reserves policy.

Investment performance

In investing the Charity's assets, the Trustees aim to generate a reasonable income, whilst investing safely, ethically and in such a way that they are sufficiently accessible to support cashflow or to cover any funding shortfall. In order to meet these objectives, the Trustees invest the bulk of the Charity assets in the CCLA Charity Official Investment Fund (COIF) and cash. At the end of the year, the Charity held £416,032 (2023 - £496,791) in various bank deposits and £525,377 (2023 - £480,982) in equity-based investment funds.

The diversification and flexibility of the investments coupled with low interest rates during the year has given Trustees the reassurance that the dividend received of £23,832 (2023 - £7,138) and interest received of £2,686 (2023 - £1,134) were reasonable. We recognise values fluctuated in the financial year. CCLA have stated that 'financial stocks were especially volatile in the month of March, as difficulties emerged at a handful of institutions.' CCLA expect markets to improve in the next financial year. Pecan will continue to work with CCLA and deliver returns to support income and with a low appetite for risk.

PECAN
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

In so far as the Trustees are aware:

This report was approved and authorised for issue by the Trustees and signed on its behalf by:



Fiona Philippa Tudor
Interim Chair of Trustees

Date: *23 December 2024*

PECAN

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees (who are also the Directors of the Charity 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.
- The Trustees are responsible for the maintenance and integrity of the corporate and financial information on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:

F.P. Tudor

.....
Fiona Philippa Tudor

Interim Chair of Trustees

Date: *23 December 2024*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PECAN

Opinion

We have audited the financial statements of Pecan (the 'Charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 March 2024 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; 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PECAN (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PECAN (CONTINUED)

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

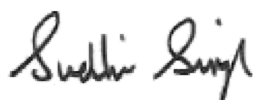
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PECAN (CONTINUED)

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of

MHA

Statutory Auditor
London, United Kingdom

Date: 28 December 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

PECAN
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and grants	4	501,879	576,561	-	1,078,440	716,014
Charitable activities	5	69,831	641,712	-	711,543	1,027,733
Other trading activities	6	6,932	7,755	-	14,687	2,732
Investments	7	26,518	-	-	26,518	8,272
Total income		605,160	1,226,028	-	1,831,188	1,754,751
Expenditure on:						
Raising funds	8	67,717	-	-	67,717	69,465
Charitable activities	9,10	488,826	1,289,563	3,374	1,781,763	1,686,157
Total expenditure		556,543	1,289,563	3,374	1,849,480	1,755,622
Net income/ (expenditure) before net (losses)/ gains on investments		48,617	(63,535)	(3,374)	(18,292)	(871)
Net gains/(losses) on investments	15	44,395	-	-	44,395	(20,374)
Net income/ (expenditure)		93,012	(63,535)	(3,374)	26,103	(21,245)
Transfers between funds	19	(78,918)	78,918	-	-	-
Net movement in funds		14,094	15,383	(3,374)	26,103	(21,245)
Reconciliation of funds:						
Total funds brought forward		778,290	449,523	97,863	1,325,676	1,346,921
Net movement in funds		14,094	15,383	(3,374)	26,103	(21,245)
Total funds carried forward		792,384	464,906	94,489	1,351,779	1,325,676

All income and expenditure derive from continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 46 form part of these financial statements.

PECAN**(A Company Limited by Guarantee)****REGISTERED NUMBER: 02394165****BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	14		433,426		443,564
Investments	15		525,377		480,982
			<u>958,803</u>		<u>924,546</u>
Current assets					
Stocks	16	26,805		20,182	
Debtors: Amounts falling due within one year	17	211,366		90,160	
Cash at bank and in hand	22	416,032		496,791	
		<u>654,203</u>		<u>607,133</u>	
Creditors: Amounts falling due within one year	18	(261,227)		(206,003)	
Net current assets			<u>392,976</u>		<u>401,130</u>
Total net assets			<u><u>1,351,779</u></u>		<u><u>1,325,676</u></u>
Charity funds					
Endowment funds	19		94,489		97,863
Restricted funds	19		464,906		449,523
Unrestricted funds	19		792,384		778,290
Total funds			<u><u>1,351,779</u></u>		<u><u>1,325,676</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....

Fiona Philippa Tudor
Interim Chair of Trustees

Date: 23 December 2024.


.....

Eleanor Orr
Treasurer

The notes on pages 19 to 46 form part of these financial statements.

PECAN
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	21	(107,277)	(157,153)
		<hr/>	<hr/>
Cash flows from investing activities			
Investment income	7	26,518	8,272
		<hr/>	<hr/>
Net cash provided by investing activities		26,518	8,272
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(80,759)	(148,881)
Cash and cash equivalents at the beginning of the year		496,791	645,672
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	22	416,032	496,791
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 46 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Pecan is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 801819) and Registrar of Companies (Company Registration Number 02394165) in England and Wales.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. Members are comprised of founder churches.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are:

- (a) To advance the Christian religion.
- (b) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including providing training and other assistance to help people find employment.
- (c) The relief of poverty in particular among unemployed people.
- (d) To preserve and protect the physical environment for the benefit of the public by the promotion of waste reduction, re-use, reclamation and recycling and the use of recycled products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pecan meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in pound sterling, which is the presentational and functional currency of the Charity, and are rounded to the nearest pound.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.2 Going concern

The Charity recorded a loss for the 12 months to 31 March 2024.

PECAN drew on reserves in the year and subsequently updated its reserves policy in August 2024 to better reflect the fluctuations in turnover of a Charity with multiple projects. As such, the board agreed 4-6 months running costs should be held in free reserves (unrestricted reserves excluding tangible fixed assets).

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The assessment has included the preparation of budget, cashflow and operational scenarios by management for a period to 31 December 2025; a review of liquidity and solvency; the requirement to renew or replace funding for individual projects with a view on the prospects of winning external support for each; and the nature of the Charity's longstanding multi-service model.

In the period since 31 March 2024 the Charity has taken the following steps:

- Contracted an experienced fundraising consultancy to support applications to trusts and foundations.
- Recruited a full-time fundraiser as part of its management team.
- Engaged with existing funders to determine the prospects for future support for each project.
- Initiated changes to headcount costs.
- Begun to reshape the Peckham Pantry in line with the current income environment.
- Agreed and commenced an additional Employment Support contract with the London Borough of Southwark.
- Agreed future funding for the Together project and opened discussions with several existing funders regarding food and community projects.

The Trustees have therefore made their assessment for a period which they consider is the foreseeable future, being at least one year from the date of approval of these financial statements. Based on this analysis, the Trustees have concluded that there are no conditions or events anticipated that create a material uncertainty, and they can have a reasonable expectation that the charity has adequate resources to continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing these financial statements.

The Trustees have therefore made this assessment for a period which they consider is the foreseeable future, being at least one year from the date of the approval of these financial statements. Based on this analysis the Trustees have concluded that whilst risk and uncertainties exist in the future, particularly in relation to future funding, there are no conditions or events anticipated that create a material uncertainty, and they can have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Charity receives government grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

The value of volunteer time is not recognised as income.

Where practicable, donated goods for distribution to the beneficiaries of the Charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds incurred seeking voluntary contributions through donations and the running of fundraising events during the year.

Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Other expenditure represents those items not falling into the categories above.

All expenditure is inclusive of irrecoverable VAT.

2.5 Termination payments

Termination payments are recognised immediately upon becoming a constructive obligation.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold buildings	-	2%
Fixtures and fittings	-	25%
Office equipment	-	50%

No depreciation is charged on freehold land.

2.9 Investments

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year. As investments are revalued to fair value continuously, no realised gains or losses arise.

2.10 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.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.14 Financial instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 17. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 18. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.15 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.16 Pensions

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution plan for the benefit of its employees which are administered by outside independent pensions providers. Contributions are expensed as they become payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.17 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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

The endowment funds represents the net book value of improvement works to 121 Peckham High Street building. Depreciation is charged to this fund each year.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Basis of valuation of financial investments
- Allocation of support costs
- Depreciation rates for tangible fixed assets
- Donated goods for distribution valuation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from donations and grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations and gifts	133,589	558,970	692,559
Gift aid reclaimed	11,330	17,591	28,921
Donated goods distributed to beneficiaries	356,960	-	356,960
Total 2024	501,879	576,561	1,078,440
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations and gifts	127,049	254,258	381,307
Gift aid reclaimed	4,097	22,964	27,061
Donated goods distributed to beneficiaries	307,646	-	307,646
Total 2023	438,792	277,222	716,014

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Central	-	-	-
Community Development	69,224	307,260	376,484
Employability	206	116,691	116,897
Women's Services	401	217,761	218,162
Total 2024	69,831	641,712	711,543
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Central	43,158	-	43,158
Community Development	66,437	491,000	557,437
Employability	85,453	-	85,453
Women's Services	-	341,685	341,685
Total 2023	195,048	832,685	1,027,733

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Income from charitable activities (continued)

Included within income from charitable activities are the following grants received from government sources. There are no unfulfilled conditions or other contingencies attached to these grants:

	2024 £	2023 £
Southwark Council - Community Capacity and Environment and Ecology grants (FoodBank)	-	26,000
Southwark Council - Community Capacity and Environment and Ecology grants (HOurBank)	-	29,500
Southwark Council - Asylum Seeker & Refugee Football	-	4,000
Southwark Council - Together Common Purpose	22,525	-
Southwark Council - Foodbank Common Purpose	6,890	-
Southwark Council - Common Purpose	34,220	-
Southwark Council - Procurement	-	29,810
Southwark Council - SFAA	99,475	43,200
Southwark Council - Pantry	3,600	-
Southwark Local Economy Team	144,302	-
NHS SOUTH EAST LONDON - Women's MH	50,000	-
Prospects Services (DWP) - partly funded by Education and Skills Funding Agency/partly funded by European Social Fund	-	36,202
Lambeth Council - Women in Prison	121,811	121,352
G4S - partly funded by The Department of Work and Pensions/partly funded by the European Social Fund (the negative amount shown is a result of a claw back from a previous period).	(4,885)	19,687
Advance Charity - Ministry of Justice	-	37,750
Step Ahead - The Mayor's European Social Fund (ESF) 2019-23 Programme	-	10,123
LTEN - The Mayor's European Social Fund (ESF) 2019-23 Programme Round 2 -Ex-Offenders	2,024	19,441
	479,962	377,065

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Meeting room hires	6,932	5,001	11,933
Fundraising	-	2,754	2,754
	<u>6,932</u>	<u>7,755</u>	<u>14,687</u>
		Unrestricted funds 2023 £	Total funds 2023 £
Meeting room hires		2,732	2,732

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Income from investments

	Unrestricted funds 2024 £	Total funds 2024 £
Dividend income	23,832	23,832
Bank interest receivable	2,686	2,686
Total 2024	26,518	26,518
	Unrestricted funds 2023 £	Total funds 2023 £
Dividend income	7,138	7,138
Bank interest receivable	1,134	1,134
Total 2023	8,272	8,272

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £
Direct costs	12,823	12,823
Support costs	54,894	54,894
	<u>67,717</u>	<u>67,717</u>
	Unrestricted funds 2023 £	Total funds 2023 £
Support costs	69,465	69,465
	<u>69,465</u>	<u>69,465</u>

The CCLA investment management costs cannot easily be identified as investments held in a “pooled fund”, and hence are not disclosed as costs of raising funds.

In 2023 all expenditure on raising funds was from unrestricted funds.

Analysis of support costs

	2024 £	2023 £
Staff costs	34,450	42,618
Fundraising	20,444	26,847
	<u>54,894</u>	<u>69,465</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Community Development	88,355	1,093,253	3,374	1,184,982
Employability	14,789	162,001	-	176,790
Women's Services	28,722	391,269	-	419,991
Total 2024	488,826	1,289,563	3,374	1,781,763
	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Central	97,028	29,376	3,374	129,778
Community Development	376,253	686,761	-	1,063,014
Employability	161,674	-	-	161,674
Women's Services	-	331,691	-	331,691
Total 2023	634,955	1,047,828	3,374	1,686,157

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Community Development	956,157	228,825	1,184,982
Employability	120,965	55,825	176,790
Women's Services	311,564	108,427	419,991
Total 2024	1,388,686	393,077	1,781,763

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Central	-	129,778	129,778
Community Development	888,252	174,762	1,063,014
Employability	129,388	32,286	161,674
Women's Services	264,064	67,627	331,691
Total 2023	1,281,704	404,453	1,686,157

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	186,886	231,879
Depreciation	10,138	10,138
Project costs	6,607	762
Human resources	-	21,320
Premises	71,515	81,200
Overheads	6,563	3,790
Management services	17,142	3,264
IT support	6,966	2,613
Governance	56,573	41,574
Irrecoverable VAT expenditure	30,687	7,913
	393,077	404,453

Governance costs are analysed in Note 11.

11. Governance costs

	2024 £	2023 £
Auditors' remuneration - Audit of the financial statements	20,500	19,500
Auditors' remuneration - Other services	3,500	3,300
Auditors' remuneration - Prior year under accrual	-	(4,250)
Consultancy fees	41,513	22,522
Other governance costs	2,364	502
	67,877	41,574

Of the total governance costs, £56,573 (2023 - £41,574) were allocated to charitable activities - support costs and £11,304 (2023 - £NIL) were allocated to raising funds - support costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Staff costs

	2024	2023
	£	£
Wages and salaries	892,672	884,278
Social security costs	76,273	75,956
Pension costs	71,684	72,561
	1,040,629	1,032,795

Included within staff costs above are termination benefits of £9,653 (2023 - £3,575), of which £NIL were non-contractual benefits (2023 - £NIL) awarded with Trustee approval.

The average number of persons employed by the Charity during the year was as follows:

	2024	2023
	No.	No.
Direct staff	27	32
Support staff	7	6
	34	38

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

The Charity considers its Key Management Personnel to comprise of the Trustees, the Chief Executive Director, Head of Services and Head of Food Services. The total amount of employee benefits, including employer's national insurance contributions, received by Key Management Personnel is £164,216 (2023 - £204,149).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £276 were reimbursed or paid directly to one Trustee (2023 - £427 *reimbursed or paid to one Trustee*).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Tangible fixed assets

	Freehold land and buildings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2023	656,898	8,935	665,833
At 31 March 2024	656,898	8,935	665,833
Depreciation			
At 1 April 2023	213,334	8,935	222,269
Charge for the year	10,138	-	10,138
At 31 March 2024	223,472	8,935	232,407
Net book value			
At 31 March 2024	433,426	-	433,426
At 31 March 2023	443,564	-	443,564

Included within freehold land and buildings is land of £150,000 (2023 - £150,000) which is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Fixed asset investments

	CCLA investments £
Cost or valuation	
At 1 April 2023	480,982
Revaluations	44,395
At 31 March 2024	<u>525,377</u>
Net book value	
At 31 March 2024	<u>525,377</u>
At 31 March 2023	<u>480,982</u>

The fixed asset investments all relate to investments held in CCLA.

16. Stocks

	2024 £	2023 £
Donated goods	<u>26,805</u>	<u>20,182</u>

17. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	106,299	34,864
Other debtors	4,946	5,381
Prepayments and accrued income	100,121	49,915
	<u>211,366</u>	<u>90,160</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	85,194	14,114
Other taxation and social security	20,271	17,073
Other creditors	10,827	8,809
Accruals and deferred income	144,935	166,007
	261,227	206,003
	2024 £	2023 £
Deferred income		
Deferred income at 1 April	128,243	360,004
Resources deferred during the year	111,875	128,243
Amounts released from previous periods	(128,243)	(360,004)
Deferred income at 31 March	111,875	128,243

Income is deferred where grant agreements cover a number of years and a time-based condition can be implied.

Income in respect of the following was received in the 2023/24 financial year but has been deferred to the next financial year:

	2024 £	2023 £
Charles Hayward Foundation	-	6,250
Southwark Council	8,125	10,000
Trussel Trust (PathFinder Programme)	-	59,493
Impact on Urban Health (formerly Guy's and St Thomas Charity grant)	73,750	22,500
Henry Smith Charity	30,000	30,000
	111,875	128,243

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Fixed asset fund	345,612	-	(6,764)	-	-	338,848
General funds						
General funds	427,016	536,967	(464,272)	(90,570)	44,395	453,536
Community Development	5,662	68,193	(85,507)	11,652	-	-
	432,678	605,160	(549,779)	(78,918)	44,395	453,536
Total Unrestricted funds	778,290	605,160	(556,543)	(78,918)	44,395	792,384
Endowment funds						
Endowment funds	97,863	-	(3,374)	-	-	94,489
Restricted funds						
General	(34,656)	-	-	34,656	-	-
Community Development	434,813	687,884	(736,293)	-	-	386,404
Employability	-	117,739	(162,001)	44,262	-	-
Women's services	49,366	420,405	(391,269)	-	-	78,502
	449,523	1,226,028	(1,289,563)	78,918	-	464,906
Total of funds	1,325,676	1,831,188	(1,849,480)	-	44,395	1,351,779

PECAN
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Fixed asset fund	353,415	-	(7,803)	-	-	345,612
General funds						
General funds	602,178	492,194	(490,475)	(156,507)	(20,374)	427,016
Employability	(66,218)	85,478	(161,674)	142,414	-	-
Community Development	(17,042)	67,172	(44,468)	-	-	5,662
	518,918	644,844	(696,617)	(14,093)	(20,374)	432,678
Total Unrestricted funds	872,333	644,844	(704,420)	(14,093)	(20,374)	778,290
Endowment funds						
Endowment funds	101,237	-	(3,374)	-	-	97,863
Restricted funds						
General	(5,280)	-	(29,376)	-	-	(34,656)
Community Development	385,321	736,253	(686,761)	-	-	434,813
Employability	(14,093)	-	-	14,093	-	-
Women's services	7,403	373,654	(331,691)	-	-	49,366
	373,351	1,109,907	(1,047,828)	14,093	-	449,523
Total of funds	1,346,921	1,754,751	(1,755,622)	-	(20,374)	1,325,676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Statement of funds (continued)

Fixed asset fund - This fund represents the amount of Charity funds locked up in Freehold land and buildings and other fixed assets which are needed for operational purposes. The funds are carried at the net book value of the fixed assets at the Balance Sheet date, after deducting any outstanding loans, endowment funds or restricted funds used to finance their operation.

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

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Transfers have been made from unrestricted funds to restricted funds to cover deficits in project funding.

General restricted funds - These are funds that can be used to support the function of Pecan to deliver services. This can be for capital items and for revenue expenditure to support the furtherance of the organisation's objectives.

Community development fund - Funding for work on the Pecan Foodbank, Hourbank and Community projects.

Employability fund - Funding for use in providing information, advice and guidance (IAG) to clients on incapacity benefit.

Endowment fund – the endowment funds represents the net book value of improvement works to 121 Peckham High Street building. Depreciation is charged to this fund each year.

Women's services - Funding for work on the Women's Service project.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	338,937	-	94,489	433,426
Fixed asset investments	525,377	-	-	525,377
Current assets	189,297	464,906	-	654,203
Creditors due within one year	(261,227)	-	-	(261,227)
Total	792,384	464,906	94,489	1,351,779

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	345,701	-	97,863	443,564
Fixed asset investments	480,982	-	-	480,982
Current assets	157,610	449,523	-	607,133
Creditors due within one year	(206,003)	-	-	(206,003)
Total	778,290	449,523	97,863	1,325,676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Reconciliation of net movement in funds to net cash flow from operating activities

		2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)		26,103	(21,245)
Adjustments for:			
Depreciation charges	14	10,138	11,178
Losses/(gains) on investments	15	(44,395)	20,374
Investment income	7	(26,518)	(8,272)
Decrease/(increase) in stock	16	(6,623)	16,337
Decrease/(increase) in debtors	17	(121,206)	40,433
(Decrease)/increase in creditors	18	55,224	(215,958)
Net cash used in operating activities		(107,277)	(157,153)

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	416,032	496,791
Total cash and cash equivalents	416,032	496,791

23. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	496,791	(80,759)	416,032
	496,791	(80,759)	416,032

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

24. Pension commitments

The Charity contributes to employees defined contribution stakeholder pension schemes. The amount recognised as an expense in the period was £71,684 (2023 - £72,561). Contributions totalling £5,803 (2023 - £4,869) were payable to the fund at the Balance Sheet date and are included within Creditors: Amounts falling due within one year.

25. Operating lease commitments

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	24,312	3,420
Later than 1 year and not later than 5 years	29,941	6,845
	54,253	10,265

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024 £	2023 £
Operating lease rentals	3,420	5,723

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. Related party transactions

During the year, the Charity received donations of £NIL (2023 - £6,000) from Tisbury Telegraph Trust of which Eleanor Orr is a common Trustee. £NIL of these donations were restricted for Community Development activities (2023 - £3,000 restricted). There were no balances outstanding as at 31 March 2024 (2023 - £NIL).

During the year, the Charity received donations of £3,600 (2023 - £3,600) from All Saint's Church of which Eleanor Orr is a common Trustee. All of these donations were restricted for Community Development activities (2023 - £3,600 restricted). There were no balances outstanding as at 31 March 2024 (2023 - £NIL).

During the year, the Charity made payments totalling £13,564 (2023 - £9,137) to All Saint's Church of which Eleanor Orr is a common Trustee. The payments were for rental of space at the church. £NIL (2023 - £1,253) was payable to All Saint's Church as at 31 March 2024.

During the year, the Charity made payments totalling £NIL (2023 - £220) to St Mary's Church & Community Centre, a former related party of Trustee Eleanor Orr. The payments were for the rental of space at the church. There were no balances outstanding as at 31 March 2024 (2023 - £NIL).

During the year, unrestricted donations made from individual Trustees totalled £99 (2023 - £560).

There were no other related party transactions in either the current or previous reporting years, other than Key Management Personnel remuneration disclosed in Notes 12 and 13.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

27. Major funders

We would like to thank the following trusts, companies, churches, local businesses, community organisations and schools who made a donation to us during the year:

Trusts & Foundations

Southwark Council
Impact on Urban Health
Women In Prison
Henry Smith
NHS SOUTH EAST LONDON ICB
Trussell Trust
National Lottery
Charles Hayward
The Fyrish Foundation
Girdlers Company Charitable Trust
London Community Foundation
David Foundation
Partnership Southwark

Business Donations

Hochtief Murphy
Fish Need Water
COOP Local Community Fund
Womble Bond Dickin
DCUK
J.P. Morgan Securities PLC
Norton Rose Fulbright LLP
F M Conway Ltd
Hoxton Southwark
Vanguard Asset Management
Raffall Limited
Accenture
Cornhill LG
CWU GREATER LONDON
SALTASH ENTERPRISE
Cloudinary UK Ltd
Folio Society

Churches

All Saints Camberwell
Brandon Baptist Church
Church Action Education
Church Action on Poverty
CPMI UK Elim Pentecostal Church
Donation_St Barnabas Church
Faith Temple
Rye Lane Chapel
St Johns PPC East
UPC GBI Youth

Community and Schools

London School of Commerce
Dulwich Nursery
James Allen Girls School
St John & St Clements School
St Michaels College
Tuke School