



# Growing With Grace Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 October 2024



KM Chartered Accountants  
1<sup>st</sup> Floor, Block C  
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# **Growing With Grace Limited**

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# **Growing With Grace Limited**

## **Society Information**

### **Management Committee**

Mr N D G Marshall  
Mrs D Marshall  
Mr S M Field  
Mr N Stevenson

### **Secretary**

Mrs D Marshall

### **Reporting Accountants KM**

Chartered Accountants  
1<sup>st</sup> Floor, Block C  
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# **Growing With Grace Limited**

## **Management Committee Report for the Year Ended 31 October 2024**

The management committee present their report and the financial statements for the year ended 31 October 2024.

### **Management Committee**

The committee members who held office during the year were as follows:

Mr N D G Marshall

Mrs D Marshall

Mr S M Field

Mr N Stevenson (appointed 24.1.24)

### **Principal activity and aims**

We are a values-led business, founded on Quaker principles of honesty, integrity, simplicity, equity and community. We aim to reflect these principles in our work; in how we treat our staff and customers, in our environmental practices and in the business decisions we make. We are a non-profit, community-owned co-operative business.

The principal activity of the society is the growing of organic vegetables and fruit to retail through an on-site farm shop, at Clapham (North Yorkshire) and home delivery service, alongside bought in produce that cannot be grown on site. Home deliveries are made in the North West England areas of Lancaster and the Lune Valley, Craven, South Lakes and the Wharfe Valley.

### **Registered Society**

This report has been prepared in accordance with the requirements for Registered Societies, which are registered with the Financial Conduct Authority (no. 3115R).

### **Business Review**

In 2011, the co-operative changed its status from that of a worker's co-operative to an Industrial and Provident Society (IPS) (now referred to as a Registered Society) and became a community owned shareholding co-operative which is now registered with the Financial Conduct Authority as per the Co-operative and Community Benefit Society Act 2014.

Growing with Grace secured a business improvement grant of £14,235 from the Social Investment Business to support the development of a new business plan, financial model and to strengthen the society's governance. This has enabled us to buy in consultancy time to work with the Growing with Grace Staff and Management Committee and provide specialist advice.

A further Grant of £774 was secured from the Northeast and Yorkshire Zero Energy Hub to undertake an energy audit of the society, in order to as a better understand the organisation's energy usage and costs and how these could be reduced, initially through energy conservation measures. The report also set out how the society could benefit from the installation of solar panels on the packing shed building, replacing our inefficient chiller unit and the installation of LED lighting throughout the farm

In December 2023 we launched an online Crowd Funder Appeal to raise £10,000 to help cover the society's escalating energy costs and to begin to build our ability to generate renewable energy. The appeal was successful, and 132 supporters donated funds over 56 days of the campaign and sent us encouraging messages.

## **Growing With Grace Limited**

### **Management Committee Report for the Year Ended 31 October 2024**

Here's a sample of the customer quotes:

*"Love the brilliant quality of everything you have systematically delivered to us over the last few years. We regularly recommend supporting you. Thank you".*

*"We love everything Going with Grace stands for and you have our custom and support!"*

*"It's a delight to shop at Growing with Grace and the crops grown on site are wonderful. Especially the year round delicious salad leaves. Thank you."*

In addition to volunteer engagement (see 'Personnel' below) we have also sought to inspire, inform and engage our customers, shareholders and members of the public via our seasonal open days and newsletters. These enabled people to explore new recipes, stay up-to-date on news and opportunities to be more actively involved in the work of the co-operative and find out more about local food growing and composting. Events at the greenhouse site, spaced throughout the year, have proved popular with existing and interested customers and volunteers. Other local food and drink producers have been invited to these events and strengthened our business network. Growing with Grace now offers wine from 'Buono Vino' and a cheese selection from the 'Courtyard Dairy', both businesses local to Clapham, through our Delivery Scheme.

Over the year, our relationship with the Lancashire Food Hub has strengthened, and Growing Grace has been supplying a range of own crop vegetables to the Hub on a weekly basis throughout the growing season. Customers visit the Hub in Lancaster to buy pre-ordered, fresh, organic produce.

Food and packaging waste is minimised; we recycle all surplus cardboard and compost and use any residual green waste on site.

We intend to continue to build on the work that has been done throughout this year, finalising our business plan and extending the time frame it covers, and implementing it.

Growing with Grace continues to offer a valued service to Craven, Wharfe Valley, South Lakes and the Lune Valley and Morecambe Bay areas - growing produce that is not only organic, but also produced locally and in a stock-free system, particularly appealing to consumers interested in vegan and vegetarian food production.

#### **Personnel**

Staffing levels at the end of the financial year stood at 15 with the majority of staff working on the packing and delivering of organic vegetable and fruit boxes. The number of staff required in the packing operation varies; a small number of employees work variable hours, but where possible, staff are employed on fixed hour contracts.

The growing team continues to be supported by approximately 4 or 5 regular, weekly volunteers and for most months of the past year the team were supported by volunteers through the World Wide Working on Organic Farms (WWOOF) scheme. These volunteers and other volunteers who support in the running of the business, our financial administration and on our Management Committee, provide an invaluable service to Growing with Grace.

The core Management Team was supported by the wider employee team at fortnightly staff meetings. The Management Committee continues to appreciate the enormous contribution that the team of staff and volunteers have made to the successful running of the business once again, and their work with the Management Committee and business consultants to progress the business. The current Committee are also mindful of the invaluable contribution that past members have made that have enabled the business to thrive

# **Growing with Grace Limited**

## **Management Committee Report (continued)**

### **Growing**

The growing season was impacted negatively by a very wet extended spring, an abundance of slugs and was the worst growing season at the farm since 2000. The cold, wet start resulted in the loss of early plants, suppressed growth of plants in the propagation shed resulting in the loss of our usual early season financial premium on some lines. Specifically, aubergines and peppers suffered. However, the tomato crop whilst late to start did well, producing a good yield and a longer season. The growing team both staff and volunteers has been stable this year and this is something we are looking to build on in 2025 as we continue to explore how we could attract more local volunteers wanting to learn new skills and make new connections through local food growing.

### **Shop**

Sales in the shop held up well and sales were steady. The partnership with Lovingly Artisan (following the early 2023 closure of our in house bakery) became well established in 2024 and is valued by shop and delivery scheme customers alike.

### **Delivery Scheme**

Growing with Grace continued to deliver to the Craven, Wharfe Valley, South Lakes, Lune Valley and Morecambe Bay areas throughout the week and the year. Whilst customer numbers and income have continued to grow so have the organisation's overheads and in particular labour and energy costs. A key challenge throughout the year was the constant effort to contain costs at a time when the price of bought in produce was increasing due in part to the poor spring in the UK and the higher energy costs associated with transport and chilling.

### **Financial Review**

The financial year ended October 2024 saw an increase in turnover to £596,374. £496,249 of this turnover came from the box delivery scheme (an increase of over £51K on the previous year) and £90,034 from the shop (an increase of just over £4.5K on the previous year). This has led to a total increase in turnover of £60,383 for the year and an operating profit of £11,992 at the year end. The gross profit percentage was marginally down on last year at 45.5% in contrast to last year's 47.64%. Grant income and donations received totalling £13,424 contributed to this profit for the year. The Management Committee continues to monitor the margins on the delivery scheme boxes as the cost of fresh organic produce and overheads increase. Attracting and retaining new customers remains a priority, both for the delivery scheme and the Farm Shop.

The balance sheet position has seen a rise in overall net assets from £84,642 to £96,984. There were no significant fixed asset additions in the year, meaning after depreciation and a disposal the net book value of fixed assets is £5,022. Stock has decreased by £12,659 against last year. There are current debtors of £3458, and current creditors of £41786. Cash at the bank has increased by £25,223 with creditors rising by £10,167.

The Management Committee continue to explore other avenues of revenue for the business in line with the principles and values of Growing with Grace, and continues to work with outside consultants to review and reshape the business model in order to create a more robust and resilient business. We will continue to pursue Grants that will enable us to create new posts to explore different avenues of outreach and revenue

Approved and authorised by the management committee on 2<sup>nd</sup> April 2025 and signed on its behalf by:

Mr N D G Marshall

Mrs D Marshall

## **Growing with Grace Limited**

### **.Independent Reporting Accountants Report to the Society Members**

We report on the accounts for the year ended 31 October 2024 set out on pages 6 to 11.

#### **Respective responsibilities of the management committee and the independent reporting accountant**

The society's management committee is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

#### **Basis of opinion**

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

#### **Opinion**

In our opinion:

- the revenue account and balance sheet for year ended 31 October 2024 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 October 2024 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

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## Growing With Grace Limited

### Revenue Account and Statement of Retained Earnings for the Year Ended 31 October 2024

	Note	2024 £	2023 £
Turnover		596,374	535,991
Cost of sales		<u>(325,558)</u>	<u>(280,637)</u>
Gross profit		271,176	255,354
Administrative expenses		(272,698)	(279,421)
Other operating income		<u>13,874</u>	<u>20,100</u>
Operating profit/(loss)		<u>11,992</u>	<u>(3,967)</u>
Other interest receivable and similar income		<u>-</u>	<u>127</u>
		<u>-</u>	<u>127</u>
Profit/(loss) before tax	4	<u>11,992</u>	<u>(3,840)</u>
Profit/(loss) for the financial year		11,992	(3,840)
Retained earnings brought forward		<u>(62,328)</u>	<u>(58,488)</u>
Retained earnings carried forward		<u><u>(50,336)</u></u>	<u><u>(62,328)</u></u>

The notes on pages 5 to 10 form an integral part of these financial statements.



**Growing With Grace Limited**  
**(Registration number: IP031135)**  
**Balance Sheet as at 31 October 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	6	78,554	82,009
Other financial assets	7	<u>10</u>	<u>10</u>
		<u>78,564</u>	<u>82,019</u>
<b>Current assets</b>			
Stocks	8	9,709	13,368
Debtors	9	3,458	2,158
Cash at bank and in hand		<u>47,039</u>	<u>22,216</u>
		60,206	37,742
<b>Creditors: Amounts falling due within one year</b>	10	<u>(41,786)</u>	<u>(31,619)</u>
<b>Net current assets</b>		<u>18,420</u>	<u>6,123</u>
<b>Total assets less current liabilities</b>		96,984	88,142
<b>Creditors: Amounts falling due after more than one year</b>	10	-	<u>(3,500)</u>
<b>Net assets</b>		<u>96,984</u>	<u>84,642</u>
<b>Capital and reserves</b>			
Called up share capital		147,320	146,970
Retained earnings		<u>(50,336)</u>	<u>(62,328)</u>
Shareholders' funds		<u>96,984</u>	<u>84,642</u>

Approved and authorised by the management committee on 2<sup>nd</sup> April 2025 and signed on its behalf by:

Mr N D G Marshall

# Growing With Grace Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 October 2024

### 1 General information

The company is a Community Benefit Society, incorporated in England and Wales.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Going concern

The financial statements have been prepared on a going concern basis.

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses..

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

## Growing With Grace Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 October 2024

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 16 (2023 - 19).

#### 4 Profit / (loss) before tax

Arrived at after charging/(crediting)

	2024 £	2023 £
Depreciation expense	<u>3,455</u>	<u>4,524</u>

#### 5 Intangible assets

	Box scheme customers, systems and goodwill £	Total £
<b>Cost or valuation</b>		
At 1 November 2024 and 31 October 2024	<u>14,800</u>	<u>14,800</u>
<b>Amortisation</b>		
At 1 November 2023 and 31 October 2024	<u>14,800</u>	<u>14,800</u>
<b>Carrying amount</b>		
At 31 October 2024 and 31 October 2024	=	=

## Growing With Grace Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 October 2024

#### 6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and Machinery £	Total £
<b>Cost</b>					
At 1 November 2023	65,312	17,566	27,290	23,326	133,494
Disposals	-	-	-		
At 31 October 2024	<u>65,312</u>	<u>17,566</u>	<u>27,290</u>	<u>23,326</u>	<u>133,494</u>
<b>Depreciation</b>					
At 1 November 2023	-	15,154	17,791	18,540	51,485
Charge for the year	-	362	2,375	718	3,455
Eliminated on disposal	-	-	-		
At 31 October 2024	<u>-</u>	<u>15,517</u>	<u>20,166</u>	<u>19,258</u>	<u>54,940</u>
<b>Carrying amount</b>					
At 31 October 2023	<u>65,312</u>	<u>2,412</u>	<u>9,499</u>	<u>4,786</u>	<u>82,009</u>
At 31 October 2024	<u><u>65,312</u></u>	<u><u>2,050</u></u>	<u><u>7,124</u></u>	<u><u>4,068</u></u>	<u><u>78,554</u></u>

## Growing With Grace Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 October 2024

#### Fixed asset investment

	Unlisted shares	Total
	£	£
<b>Cost</b>	<u>10</u>	<u>10</u>
At 31 October 2024	10	10
<b>Carrying amount</b>		
At 31 October 2024	<u>10</u>	<u>10</u>

#### 8 Stocks

	2024 £	2023 £
Stocks	<u>9,709</u>	<u>13,368</u>

#### 9 Debtors

	2024 £	2023 £
<b>Current</b>		
Prepayments	1,105	1,105
VAT refund due	2,353	1,053
	<u>3,458</u>	<u>2,158</u>

#### 10 Creditors

##### Creditors: amounts falling due within one year

	Note	2024 £	2023 £
<b>Due within one year</b>			
Loans and borrowings		1,000	5,500
Trade creditors		18,617	18,991
Taxation and social security		6,761	1,388
Transactions with directors		8,100	-
Accruals		6,590	5,090
Pension creditor		<u>718</u>	<u>650</u>
		<u>41,786</u>	<u>31,619</u>

##### Creditors: amounts falling due after more than one year

	Note	2024 £	2023 £
<b>Due after one year</b>			
Loans and borrowings		=	<u>3,500</u>

## Growing With Grace Limited

### Detailed Revenue Account for the Year Ended 31 October 2024

	<b>2024</b> £	<b>2023</b> £
Turnover (analysed below)	596,374	535,991
Cost of sales (analysed below)	<u>(325,558)</u>	<u>(280,637)</u>
Gross profit	<u>274,148</u>	<u>255,354</u>
Gross profit (%)	46.00%	47.64%
<b>Administrative expenses</b>		
Employment costs (analysed below)	196,517	205,996
Establishment costs (analysed below)	24,462	27,292
General administrative expenses (analysed below)	42,292	37,007
Finance charges (analysed below)	9,305	7,333
Depreciation costs (analysed below)	3,454	4,5224
Other expenses (analysed below)	<u>(3,333)</u>	<u>(2,701)</u>
	<u>272,698</u>	<u>279,421</u>
Other operating income (analysed below)	<u>13,874</u>	<u>20,100</u>
Operating gain / (loss)	11,992	(3,967)
Other interest receivable and similar income (analysed below)		127
Profit / (loss) before tax	<b>11,992</b>	<b>(3,840)</b>

This page does not form part of the statutory financial statements.

## Growing With Grace Limited

### Detailed Revenue Account for the Year Ended 31 October 2024

	2024 £	2023 £
<b>Turnover</b>		
Box scheme sales	496,249	445,034
Shop Sales	90,034	85,437
Other income	877	240
Grants and subsidies receivable	<u>9,214</u>	<u>5,280</u>
	<u>596,374</u>	<u>535,991</u>
<b>Cost of sales</b>		
Opening stock	13,368	12,223
Product Purchase	308,747	259,101
Seeds, plants and compost	3,066	949
Closing stock	(9,709)	(13,369)
Supplier delivery cost	<u>10,086</u>	<u>21,723</u>
	<u>325,558</u>	<u>280,637</u>
<b>Employment costs</b>		
Wages and salaries	184,656	199,402
Staff NIC (Employers)	8,771	3,717
Staff pensions	2,874	2,771
Staff training	<u>216</u>	<u>76</u>
	<u>196,517</u>	<u>205,966</u>
<b>Establishment costs</b>		
Rent	2,400	2,400
Rates and water	159	194
Light, heat and power	12,925	15,838
Insurance	4,289	4,781
Repairs and renewals	<u>4,689</u>	<u>4,079</u>
	<u>24,462</u>	<u>27,292</u>
<b>General administrative expenses</b>		
Telephone	945	945
Soil certification fees	1,679	1,795
Computer software and maintenance costs	12,517	8,516
Printing, postage and stationery	1,956	3,122
Trade subscriptions	1,042	645
Hire of storage unit	427	2,131
Motor expenses & Van hire	14,099	13,326
Travel and subsistence	294	41
Advertising	100	468
Accountancy fees	1,500	1,470
Bookkeeping	6,184	4,388

This page does not form part of the statutory financial statements.

## Growing With Grace Limited

### Detailed Revenue Account for the Year Ended 31 October 2024

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Legal and professional fees	1,549	160
	<u>42,292</u>	<u>37,007</u>
<b>Finance charges</b>		
Bank charges	165	5
Card transaction charges	5,723	7,328
Loan interest paid	<u>3,417</u>	
	<u>9,305</u>	<u>7,333</u>
<b>Depreciation costs</b>		
Depreciation of plant and machinery (owned)	718	933
Depreciation of fixtures and fittings (owned)	362	425
Depreciation of motor vehicles (owned)	2,375	3,166
	<u>3,455</u>	<u>4,524</u>
<b>Other expenses</b>		
(Profit)/loss on disposal of tangible fixed assets	<u>(3,333)</u>	<u>(2,701)</u>
<b>Other operating income</b>		
Donations received	<u>13,874</u>	<u>20,100</u>
<b>Other interest receivable and similar income</b>		
Bank interest receivable	<u>=</u>	<u>(127)</u>