

CHARITY REGISTRATION NUMBER: 211245

Felix Thornley Cobbold Agricultural Trust
Financial statements
31 March 2020

Felix Thornley Cobbold Agricultural Trust

Financial statements

Year ended 31 March 2020

	Pages
Trustees' annual report	1 to 10
Independent auditor's report to the members	11 to 13
Statement of financial activities	14
Balance sheet	15
Notes to the financial statements	16 to 23

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report

Year ended 31 March 2020

The Board of management present their report and the financial statements of the charity for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Registered charity name	Felix Thornley Cobbold Agricultural Trust
Charity registration number	211245
Principal office	Flint Barn Annexe Earls Hall Road Cockfield Bury St Edmunds Suffolk IP30 0JD

The trustees

The trustees who served during the year and at the date of approval were as follows:

J Forrest (Chairman)
R Baker
J Field
P Forbes
A Hawes (Vice-chairman)
C Leney
M May
Dr E Ober
J Wall

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Administrator	Colin Smith
Land and Property Agents	Lacy Scott and Knight 10 Risbygate Street Bury St Edmunds IP33 3AA
Solicitors	Birketts LLP 24-26 Museum Street Ipswich IP1 1 HZ
Bankers	HSBC 54 Abbeygate Street Bury St Edmunds Suffolk IP33 1LJ
Investment managers	CCLA 85 Queen Victoria Street London EC4V 4ET
Auditor	Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Objectives and activities

Charitable Objectives

The Trust's objective is to provide grants to "advance and improve agriculture, in particular to educate farmers and young persons in agricultural methods, developments and techniques" in Suffolk and the adjoining counties.

Founded in 1910, the Trust has continued to evolve throughout the past 110 years to ensure it meets the changing needs of agriculture for charitable development support.

Public Benefit

The Trustees confirm that they referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and on planning future activities and setting the grant making policy.

Fulfilling the Trust Objectives

To further its objectives the Trust maintains links with other organisations:

- Support for the Otley Campus of Suffolk New College to develop agricultural courses
- Continued relationship with NIAB
- Host to the Sustainable Trial for Arable Rotation (STAR) project
- Support for the Suffolk Agricultural Association events: the School Farm Fair, Suffolk Farming School of the Year and the Schools Garden Competition
- Support for Essex Agricultural Society and the Essex Schools Food and Farming Day
- Support for the Royal Norfolk Agricultural Association's 'Spring Fling' for children
- Support for Suffolk Young Farmers Club
- Support for High Ground, training ex-military personnel for work in agriculture
- Support for other suitable projects to meet the Trust's objectives
- Support for the AgriFood Charities Partnership.
- Support for Hertfordshire Agricultural Society Food & Farming Day

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Grant Making Policy

Grants may be awarded to eligible individuals, educational bodies, organisations or other charities to improve agricultural knowledge and efficiency in the defined region.

Grant applications are accepted only on the Trust's standardised application forms, to ensure that all required information is provided and that all submissions for grant are considered on a fair and equal basis. Applicants may provide additional written information, providing it is relevant.

All applications are assessed by the Administrator for eligibility, processed into an appropriate format, and included on the agenda for consideration by the Trustees at the next quarterly meeting.

John Forrest Memorial Award

This annual award, established in memory of John Forrest, late Chairman of the Trust, currently provides eight agriculturists, with professional training in public communication skills.

The eleventh award was for a three-day course held at Madingly Hall, Cambridge, 7-9 January 2019. Costs of the course were shared jointly with The Morley Agricultural Foundation, with professional training provided by Green Shoots.

The Trust has again agreed to share the cost of a similar course with The Morley Agricultural Foundation which will be held at Madingly Hall, Cambridge, 5-7 January 2021.

Grant Awards

Grants may be awarded in the following categories:

- Education and Training
- Research and Trials
- Promotion and Publicity
- Capital and equipment
- Production and Marketing
- Environment and Wildlife

18 applications for grants were considered during the year ending 31 March 2020, of which 14 were approved, 3 were rejected and one was deferred. Of the awards, 3 were for training and higher education, 3 were for research projects, 7 were for educating children in food farming and the countryside, one was for genetic improvement. One higher education grant included a maintenance grant for a student from a disadvantaged background.

Easton & Otley College

Despite strong local support, including from the trust, the Further Education Commissioner (FEC) decided that the college had not made sufficient progress over the past academic year to justify its continued independence. It was decided that training for young people up to Further Education level in Suffolk and Norfolk should continue. The FEC invited offers from other colleges to produce a best-case solution. Eventually, it was decided that Easton & Otley College to be divided, with the Easton campus being merged with Norwich City College, and the Otley campus with Suffolk New College (SNC).

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Trustees were concerned that an appropriate range of land-based courses should continue to be offered at Otley, and that the material condition of the site should be protected. A sub-committee met with Viv Gillespie, SNC principal, to discuss her vision for the campus and land-based courses, and were impressed that her background included teaching at agricultural colleges and with her enthusiasm for the future of the campus.

It was agreed that agreements in the former lease should be maintained. Mrs Gillespie was also invited to apply to the trust for any specific support to improve land-based training.

Achievements and performance

The restoration and extension of the 17th century Stanaway Farmhouse was completed, and a new tenant took up residence in mid-March although minor groundworks remain to be concluded.

The Farmhouse has been enhanced by extending the grounds to the north, including part of the large car park for the Conference Centre.

Land promoters and partners, Pigeon, East Anglian specialists in optimising land development, revised the first draft of plans for Hope Farm development to take into account comments made by Sproughton Parish Council and the Working Group, and have carried out further consultations with local interest groups.

In conjunction with The Morley Agricultural Foundation, Trustees continued funding the John Forrest memorial Award communications training course for eight agriculturalists who expected to use the skills acquired in their future careers.

A second bursary was awarded to enable a student from a disadvantaged background in East Anglia to study agricultural science at the University of Nottingham.

NIAB held an Open Day on the site of the STAR project to encourage knowledge transfer from the rotational trials on Nelson Field to farmers and advisers.

Trustees reviewed professional service providers and agreed to make no changes.

The problem of very slow broadband speeds at the Conference Centre and Stanaway Farmhouse has been overcome by installing a satellite system.

A new lease for the Otley Campus was granted to Suffolk New College.

A sub-committee contributed to the consultation on the optional routes for the proposed Ipswich northern bypass, the most northerly route of which passes through trust property to the east of the college and Stanaway farmyard.

The Trust's registered office was moved from Lackford to temporary accommodation in Cockfield.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Financial review

The Trust's income for the year was £246,433 (2019: £250,755) of which £194,131 (2019: £193,414) was made up of rents, with £48,145 (2019: £51,865) from investment dividends, £4,157 (2019: £5,476) from interest on deposits and £Nil (2019: Nil) in other income.

Grants awarded and payable in 2019-20 amounted to £111,551 (2019: £159,037) with further grants being awarded payable over two, three or four years as shown in note 6.

Due to new government anti money laundering measures CCLA have ceased accepting deposits from third parties. Hence all rent monies are now deposited by Lacy Scott & Knight (LSK) directly into the trust's HSBC general bank account.

A total of £107,672 was transferred into the COIF deposit account, of which £57,406 consisted of rents (after paying land agents fees and some property maintenance), with £48,145 from investment dividends, and £2,122 from interest on deposits.

LSK deposited a further £106,051 into HSBC general account.

The value of new grants awarded during the year totalled £47,550. Some awards were spread over up to three years.

Total renovation of the 17th century Stanaway Farmhouse has been the major project of the year, accounting for £868,258 using accumulated funds.

21 per cent of income was derived from COIF dividends and interest, with 79 per cent from land and property rents. Of expenditure:

15 per cent of income was spent on admin and committee expenses.

19 per cent was spent on land agency and property expenses, excluding Stanaway Farmhouse restoration.

45 per cent of income was dispersed as grants.

21 per cent of income was held against future expenditure.

Designated Capital Fund

During the previous year the trustees established a designated capital fund to reflect the present value of the property originally bequeathed to the charity with the aim of maintaining the Trust's capital.

Reserves policy

The Trustees aim to establish available reserves at a level which would enable them, amongst other things, to:

- Renovate Stanaway Farmhouse.
- Purchase additional investment units against future needs for capital expenditure
- Purchase additional land in furtherance of the Trust's objectives;
- Increase availability of grants to advance and improve agriculture.

The Trustees have a flexible policy on reserves, generally aiming to continue building the investment fund to be able to switch into other assets as appropriate. At 31 March 2020, free reserves (being net current assets) amounted to £132,956, however after deducting contingent liabilities of £140,957 for grants awarded, free reserves were overdrawn by £8,001 (2019: £309,082).

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Asset strategy

A review of the Trust's asset management policy was carried out in January 2020. Trustees overall asset strategy is: to safeguard the trust's investments, ensure that reserves are sufficient to meet charitable obligations and when possible to grow funds to satisfy increasing demands for support from eligible applicants in the future.

While the Administrator keeps a watchful eye on the Trust's assets the next review of asset management strategy is due in 2020.

The Trust continued with its major holdings in land and property.

Investment Policy

Property holdings consist of: the site of Otley College, including Charity Farmhouse, extending to 24.5 hectares, plus an additional 38.54 ha of grazing land; three blocks of farmland, Charity Farm, Stanaway Farm, and Hope Farm totaling 248.3 ha in the parishes of Otley, Ashbocking and Sproughton, let on agricultural leases; Allotments of 1.23 ha in the village of Sproughton; Stanaway Farmhouse, let on a residential lease; three former farm buildings at Stanaway Farm, let on commercial leases. The house at Hope Farm, together with the farm buildings and 2.1 ha of grassland is let for combined residential and business use.

Land and property holdings were revalued at £8,009,500 for accounts purposes as at 31 March 2020. Returns on investment properties yielded 2.4 per cent.

Equities are held in COIF Charities Investment Funds - Income Units. These funds are invested mainly in equities, both in the UK (about 16%) and overseas (about 46%), property and other assets (about 20%), cash (about 14%) and fixed interest (about 3%).

COIF holdings at 31 March 2020 amounted to £1,245,261 in investment funds and £90,262 in a COIF deposit account.

COIF investments have out-yielded the comparator and benchmark in each of the 1, 3, 5 and 10 years.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Plans for future periods

To pursue the development opportunity at Hope Farm.

To continue to support the development of Suffolk New College Otley Campus as a centre of excellence in land-based education and training to serve the farming industry in Suffolk.

To maintain Trust properties in good order.

To continue to grow the Trust's investments.

To support an Open Day at Nelson Field to publicise the results of the STAR project.

To continue increasing the value of grants awarded.

To publicise the Trust's activities.

To administer the John Forrest Memorial Awards in conjunction with The Morley Agricultural Foundation.

To install a new tenant in the Workshop at Stanaway Farm.

To provide financial support to young people.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Structure, governance and management

Governing instrument

The Trust's origins date back to a scheme made by the Charity Commission in 1910. The present charity was registered on 27 August 1962 and is now governed under the most recent revision of its governing instrument, a scheme approved by the Charity Commission on 5 December 2007.

Trustees Recruitment and Appointment

Trustees are selected to provide the Trust with the range of knowledge and understanding of agriculture related matters necessary for the Trust to meet its charitable obligations. The Trust has nine Trustees. Three Trustees retire by rotation at each AGM and become available for reappointment. Mr Baker, Mr Leney and Dr Ober retired by rotation at the AGM on 5 November 2019, and were re-elected as Trustees.

Trustees Induction and Training

Prior to appointment Trustees are given an outline of their role and responsibilities to the Charity by the Administrator. No additional training was deemed necessary.

Governance and Management

Trustees are selected to provide the Trust with the range of knowledge and understanding of agriculture related matters necessary for the Trust to meet its charitable obligations.

Meetings are held in January, April, July and November to discuss and decide action on issues brought before it by its Legal and Financial Advisers, Land Agents and Administrator. A major item on the agenda at each meeting is to consider grant applications for the improvement of agriculture.

The Land Agents manage the Trust's estate of land and property, liaise with tenants, collect rents, pay some minor bills and transfer income from property to the Trust's HSBC general account.

The Administrator manages the Trust's charitable activities, assesses and processes applications for grants, monitors progress of grant funded projects, manages the bank general account and keeps Trustees informed of the state of investments and reserves. The Administrator's responsibilities include making all VAT returns to HMRC and managing the John Forrest Memorial Award. The Administrator's responsibilities have been extended to include the renovation and extension of Stanaway Farmhouse, and the proposed development of Hope Farm.

The Administrator is responsible for the Trust's information, promotion and development activities, and also carries out any other business agreed with Trustees.

True and fair override

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice from 1 April 2005 which has since been withdrawn.

Risk Management Policy

Trustees have considered risks appropriate to the Trust's activities and are of the opinion that the procedures and controls in place are sufficient to mitigate these risks. A procedure for annual review is established.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2020

Legal advice has been taken on converting the trust to Limited Liability status, to establish if such status would confer additional protection to trustees against personal liability in any instance of fraud or acting recklessly. Advice was that current status is adequate, and that adopting limited liability status would not confer additional protection.

It was agreed at the trust's quarterly meeting on 23 July 2019 to maintain the status quo.

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP 2015 (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 29 June 2020 and signed on behalf of the board of trustees by:

J Forrest (Chairman)
Trustee

Felix Thornley Cobbold Agricultural Trust

Independent auditor's report to the members of Felix Thornley Cobbold Agricultural Trust

Year ended 31 March 2020

Opinion

We have audited the financial statements of Felix Thornley Cobbold Agricultural Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet 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 FRS 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 charity's affairs as at 31 March 2020 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Felix Thornley Cobbold Agricultural Trust

Independent auditor's report to the members of Felix Thornley Cobbold Agricultural Trust *(continued)*

Year ended 31 March 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity 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 the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Felix Thornley Cobbold Agricultural Trust

Independent auditor's report to the members of Felix Thornley Cobbold Agricultural Trust *(continued)*

Year ended 31 March 2020

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

6 July 2020

Felix Thornley Cobbold Agricultural Trust

Statement of financial activities

Year ended 31 March 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	246,433	246,433	250,755
Total income		<u>246,433</u>	<u>246,433</u>	<u>250,755</u>
Expenditure				
Raising funds				
Investment management and support costs	5	944,574	944,574	145,313
Charitable activities	6	118,146	118,146	165,079
Total expenditure		<u>1,062,720</u>	<u>1,062,720</u>	<u>310,392</u>
Net (expenditure)/income and net movements in funds before gains and losses on investments		(816,287)	(816,287)	(59,637)
Net gains on investments	7	(439,221)	(439,221)	(179,760)
Net (expenditure)/income and net movement in funds		<u>(377,066)</u>	<u>(377,066)</u>	<u>120,123</u>
Reconciliation of funds				
Total funds brought forward		9,764,783	9,764,783	9,644,660
Total funds carried forward		<u>9,387,717</u>	<u>9,387,717</u>	<u>9,764,783</u>

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

The notes on pages 16 to 23 form part of these financial statements.

Felix Thornley Cobbold Agricultural Trust

Balance sheet

31 March 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets					
Investments	9		9,254,761		8,985,540
Current assets					
Debtors	10	54,738		63,959	
Investments	11	90,262		732,623	
Cash at bank and in hand		97,327		24,938	
		<u>242,327</u>		<u>821,520</u>	
Creditors: Amounts falling due within one year	12	<u>(109,371)</u>		<u>(42,277)</u>	
Net current assets			<u>132,956</u>		<u>779,243</u>
Total assets less current liabilities			<u>9,387,717</u>		<u>9,764,783</u>
Net assets			<u>9,387,717</u>		<u>9,764,783</u>
Funds of the charity					
Unrestricted funds			<u>9,387,717</u>		<u>9,764,783</u>
Total charity funds	13		<u>9,387,717</u>		<u>9,764,783</u>

These financial statements were approved by the board of trustees and authorised for issue on 29 June 2020, and are signed on behalf of the board by:

J Forrest (Chairman)
Trustee

The notes on pages 16 to 23 form part of these financial statements.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements

Year ended 31 March 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Flint Barn Annexe, Earls Hall Road, Cockfield, Bury St Edmunds, Suffolk, IP30 0JD.

2. Statement of compliance

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

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

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

Going concern

The accounts have been prepared on the going concern basis and the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected income and expenditure for the next 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern. The Trustees have taken into account the impact of COVID 19 in making this assessment.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust objectives.

Designated funds are unrestricted funds earmarked by the Trustees for particular future projects or commitment.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Income

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

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- investment income is included when receivable.

Expenditure

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

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Grants payable are recognised in the accounts at the point at which the charity has undertaken an obligation to make payment out of existing funds. Generally this is when the recipient has met any conditions of the award and the grant has been approved for payment by the trustees. Grants awarded, payable in future periods, and which are subject to relevant conditions being met are disclosed as contingent liabilities.

Investment property

Investment properties are re-valued annually by the trustees on an open market basis. Changes in the market value are recognised in the statement of financial activities for the period. No depreciation is provided on freehold investment properties or on leasehold investment properties where the unexpired lease term exceeds 20 years. Details of the current value and historical cost information for investment properties are given in Note 9.

Where investment property is refurbished this is charged as expenditure in the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Financial instruments

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

4. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Rent	194,131	194,131	193,414	193,414
Dividend income	48,145	48,145	51,865	51,865
Interest received	4,157	4,157	5,476	5,476
	<u>246,433</u>	<u>246,433</u>	<u>250,755</u>	<u>250,755</u>

5. Investment management and support costs

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Property maintenance and refurbishment	899,905	899,905	103,423	103,423
Administration	29,458	29,458	27,223	27,223
Professional fees	14,323	14,323	12,000	12,000
Sundry costs	888	888	2,667	2,667
	<u>944,574</u>	<u>944,574</u>	<u>145,313</u>	<u>145,313</u>

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

6. Expenditure on charitable activities by activity type

Grants

	2020	2019
	£	£
John Forrest Award	–	5,000
NIAB	6,245	6,245
AFCP	4,950	2,250
RSK ADAS Ltd	–	5,000
University of Hertfordshire	10,000	16,000
Harper Adams University	3,500	5,500
G Day	3,000	–
R Patterson	4,000	–
M Dring	–	3,000
Lucy Merritt	5,000	–
N Bolton	1,500	–
L Spinks	4,600	4,600
H Turner	4,000	4,000
H Allison	5,750	5,750
The James Hutton Institute	–	6,667
The Country Trust	6,600	4,100
Game & Wildlife Conservation Trust	3,000	3,000
Green Shoots Productions	10,000	28,800
Suffolk Agricultural Association	4,000	4,000
Essex Agricultural Society	2,500	2,500
School Farm and County Fair (SAA)	7,000	6,000
Royal Norfolk Agricultural Association	–	3,000
Suffolk Federation of Young Farmers	5,000	10,000
Bishop Burton College	–	1,500
Cranfield University	13,250	13,250
High Ground	–	5,000
Red Poll Cattle Society	2,050	2,000
Royal Agricultural University	–	1,000
Suffolk Horse Society	5,100	5,175
University of Nottingham	–	5,000
Other grants and donations	506	700
	<u>111,551</u>	<u>159,037</u>

Governance costs

	2020	2019
	£	£
Auditors remuneration		
- audit services	4,566	3,540
- non audit services	600	600
Meeting costs and trustee expenses	1,429	1,902
	<u>6,595</u>	<u>6,042</u>

Total expenditure on charitable activities	<u>118,146</u>	<u>165,079</u>
--	----------------	----------------

Grants payable in the year were for the furtherance of agriculture and included £67,695 (2019:£106,987) payable to institutions.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

In addition to the grants shown above the charity has contingent liabilities at 31 March 2020 totalling £140,957 (2019:£187,790). These relate to grants awarded, but not accrued, as payment in future periods is subject to relevant conditions being met, as follows:

	2020-21	2021-22	2022-23	2023-24
	£	£	£	
University of Hertfordshire	15,000	5,000	5,000	–
NIAB/Cranfield	19,495	–	–	–
AFCP	2,700	2,700	–	–
John Forrest Memorial award	5,500	–	–	–
University of Nottingham	8,000	8,000	–	–
University of Lincoln	2,166	2,231	2,298	2,367
Professor Edwards (HAU)	3,500	–	–	–
Naomi Bolton	1,500	–	–	–
Milo Dring	3,000	–	–	–
Edward Bullock	2,000	–	–	–
Rebekah Patterson	2,000	2,000	2,000	–
Hollie Allison	5,750	5,750	–	–
Riseholme Campus	1,000	–	–	–
Suffolk Agricultural Association	9,000	11,000	2,000	–
Suffolk Young Farmers	5,000	–	–	–
Suffolk Horse Society	5,000	–	–	–
	<u>90,611</u>	<u>36,681</u>	<u>11,298</u>	<u>2,367</u>

7. Net gains on investments

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Gains/(losses) on investment property	459,500	459,500	65,312	65,312
Gains/(losses) on listed investments	(20,279)	(20,279)	114,448	114,448
	<u>439,221</u>	<u>439,221</u>	<u>179,760</u>	<u>179,760</u>

8. Trustee remuneration and expenses

No trustee or any person connected with them received any remuneration during the year. The Trust paid no Trustee's expenses in the year. (2019:£Nil).

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

9. Investments

	Listed investments £	Investment properties £	Total £
Cost or valuation			
At 1 April 2019	1,435,540	7,550,000	8,985,540
Additions	–	–	–
Disposals	(170,000)	–	(170,000)
Fair value movements	(20,279)	459,500	439,221
At 31 March 2020	<u>1,245,261</u>	<u>8,009,500</u>	<u>9,254,761</u>
Impairment			
At 1 April 2019 and 31 March 2020			–
Carrying amount			
At 31 March 2020	<u>1,245,261</u>	<u>8,009,500</u>	<u>9,254,761</u>
At 31 March 2019	<u>1,435,540</u>	<u>7,550,000</u>	<u>8,985,540</u>

All investments shown above are held at valuation.

Investment properties

Investment properties were valued on an open market existing use basis as at 31 March 2020 by the external valuers, Lacy Scott & Knight (Chartered Surveyors), acting on behalf of the trustees, in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors. No depreciation is provided in respect of investment properties.

Financial assets held at fair value

Listed investments are held at market value as at 31 March 2020.

10. Debtors

	2020 £	2019 £
Rents receivable from tenants	39,681	39,468
Prepayments and accrued income	15,057	15,057
Other debtors	–	9,434
	<u>54,738</u>	<u>63,959</u>

11. Investments

	2020 £	2019 £
Short-term deposits	<u>90,262</u>	<u>732,623</u>

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Rents received in advance	7,307	6,019
Accruals and deferred income	67,834	3,552
Tenant deposits held	–	2,500
Other creditors	34,230	30,206
	<u>109,371</u>	<u>42,277</u>

13. Analysis of charitable funds

Unrestricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	Investment gains/(losses) £	At 31 March 2020 £
General fund	1,137,338	246,433	(1,062,720)	–	13,666	334,717
Designated Capital Fund	<u>8,627,445</u>	–	–	–	425,555	<u>9,053,000</u>
	<u>9,764,783</u>	<u>246,433</u>	<u>(1,062,720)</u>	<u>–</u>	<u>439,221</u>	<u>9,387,717</u>
	At 1 April 2018 £	Income £	Expenditure £	Transfers £	Investment gains/(losses) £	At 31 March 2019 £
General fund	1,151,689	250,755	(310,392)	–	45,286	1,137,338
Designated Capital Fund	<u>8,492,971</u>	–	–	–	134,474	<u>8,627,445</u>
	<u>9,644,660</u>	<u>250,755</u>	<u>(310,392)</u>	<u>–</u>	<u>179,760</u>	<u>9,764,783</u>

The trustees have established a designated capital fund to reflect the present value of the property originally bequeathed to the charity with the aim of maintaining the Trust's capital.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2020

14. Analysis of net assets between funds

As at 31 March 2020

	General Fund	Designated Capital Fund	Total Funds 2019
	£	£	£
Investment properties	–	8,009,500	8,009,500
Listed investments	201,761	1,043,500	1,245,261
Net current assets	132,956	–	132,956
Net Assets	334,717	9,053,000	9,387,717

As at 31 March 2019

	General Fund	Designated Capital Fund	Total Funds 2019
	£	£	£
Investment properties	–	7,550,000	7,550,000
Listed investments	358,095	1,077,445	1,435,540
Net current assets	779,243	–	774,243
Net Assets	1,137,338	8,627,445	9,759,783

15. Contingencies

At 31 March 2020 the charity has contingent liabilities totalling £140,957 relating to grants awarded, the payment of which is subject to relevant conditions being met, as detailed in note 6.

16. Related parties

The Trust paid grants in the year to:

Suffolk Agricultural Association of £11,000, a related party by virtue of common Trustees (2019: £10,000).

Suffolk Horse Society of £5,100, a related party by virtue of common Trustees (2019: £5,175)

17. Controlling party

The ultimate controlling party is considered to be the Trustees.