



REAL
FARMING
TRUST



Report of Trustees and Financial Statement

2020-2021

Company no. 3336839



REAL
FARMING
TRUST

charity number 1061607
company number 3336839

THE REAL FARMING TRUST

REPORT OF TRUSTEES AND FINANCIAL STATEMENT 2020-2021

Formation of the Trust

The Trust was incorporated as The Winged Horse Trust on the 20th March 1997 and was registered as a charity on the 27th March 1997. Its change of name to The Real Farming Trust was registered with the Charity Commission on 22nd August 2014, and at Companies House on 11th November 2014. Its registered office is 27 Old Gloucester Street, London, WC1N 3AX, United Kingdom.

The Trustees present their report and the financial accounts for the year to 31st March 2021.

Objects of the Trust

The objects of the Trust as contained in its Articles of Association are to further such charitable purposes or objects as the Trust shall from time to time determine.

Purpose of the Trust

The Trust's purpose is to encourage farming and food production practices that are economically sound, democratic, socially just, humane to animals, and promote the long-term protection of the biosphere. In practice this means supporting projects that adopt agroecological methods of farming, seek to localise supply chains, increase employment and engagement from local communities, revive local economies, protect and enhance the biosphere and through all of these elements bring about social impact on the local communities that they serve.

Public Benefit

The trustees have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's purpose and in planning its future activities.

During this financial year public benefits were delivered through the following principal projects:

The Oxford Real Farming Conference (ORFC)

In January 2021, as a result of the pandemic, we decided to take ORFC online and make it an international conference. ORFC Global was the largest ever online gathering of the food and farming movement. Over seven days, it was attended by 5,317 delegates from 125 countries, including 23 African countries and representatives from Iran, Albania, Bhutan and North Korea. A truly international programme offered 155 sessions and workshops covering such diverse areas as farm practice, climate justice, food sovereignty, indigenous wisdom, soil health, access to land, biodiversity and technology. These sessions were delivered by 500+ speakers from across 18 different time zones and translated into 7 languages.

The conference not only gave a platform to high profile activists such as Naomi Klein, Vandana Shiva and Anna Lappé – to name a few – but also to many farmers from around the world, who were able to share their incredible stories of struggle, triumph and innovation. It also brought dozens of partners together to work on creating a programme that would appeal to an international audience. These included La Via Campesina, the African Food Sovereignty Alliance (AFSA), Real Food Media, the Agroecology Fund, IFOAM, IPES-Food and Urgenci, as well as the ORFC's usual UK partners, including the Landworkers' Alliance, the Soil Association, Sustain, Nourish and the Pasture-Fed Livestock Association (PFLA).

As a result of such far-reaching collaboration, we were able to programme sessions from farming communities who had never spoken on a global platform before. These included indigenous speakers from communities in Brazil, India, New Zealand, Taiwan, Ecuador and Alaska, to name a few.

Other highlights included hearing from representatives of the feminist farming collective, FEM, in Nicaragua; farmers from the Himalayan region of Sikkim, the first fully organic state in the world; a group of farmers working on rice intensification in Indonesia; and from the Shashe Agroecological School in Zimbabwe.

ORFC Global was a very exciting event for all involved, from the team to the speakers to the participants. It was the first time that so many partners and funders working in the global food and farming movement were able to collaborate on a public facing event. This brought an energy and enthusiasm to the conference that was palpable across all the sessions. For participants, it was an opportunity to engage in a world of hopeful and constructive conversation at one of the darkest times in recent history.

In addition to ORFC Global, we supported the development of the Northern Real Farming Conference, the first regional conference addressing food and farming issues in the North of England and Scotland. This was also delivered online and attracted an audience of over 500 delegates in the Autumn of 2020. We were also supposed to hold our first smaller 'ORFC-in-the-field' event at FarmED in the summer of 2020 which was to allow delegates to dig deeper into the subject-matter of some of the sessions at the ORFC. This event sold out, but sadly had to be postponed to 2021 due to coronavirus. We are hoping to hold three 'in-the-field' events each year, giving delegates the opportunity to learn from some of the most innovative farmers in the UK and to visit local farms to see these practices in action.

In response to the coronavirus pandemic, we launched two other ORFC initiatives. The first was the ORFC Review, an extended newsletter which launched in April and went out to the ORFC community of over 7,000 followers each month for the rest of 2020. The newsletter helped to keep organisations within the ORFC community across each other's actions, as well as provide farmers and growers with a glimpse into the lives of their friends and colleagues during the crisis. It has also been an amplifier of news, online events and campaigns and has kept the spirit of the ORFC alive for its many delegates during a time when they have felt isolated, and at times in need of a bigger vision of how important their work is.

Secondly, we launched the Agroecology Communications Network (ACN). While many of our partners have great comms people who connect with others when there is a need to do so, it is apparent that we could work more effectively and strategically if we were able to communicate with each other regularly as a group, support each other's campaigns and coordinate our activities. The ACN will help each organisation to see what others are currently working on and to reach out to each other when urgent comms support is needed, such as happened recently with amendments to the Agriculture Bill. The network will also share contacts and information with each other in relation to press, media and PR and look for training and support where available. Any organisation working in this area is welcome to join and attend monthly online meetings.

Ready, Healthy, Eat

The three-year programme funded by The National Lottery Community Fund (TNLCF) began in March 2020 and appointed a new member of staff as Programme Manager in October 2020. The aim of the programme is to bring together a number of community food organisations to trial different ideas for improving the nutritional value of the cooked food eaten by the most vulnerable groups in their community. Between them, the partners are providing nutritionally balanced meals created specifically for people who attend various support groups and food banks as well as home deliveries to vulnerable people unable to leave their home. Beneficiaries include adults with learning difficulties, people at risk of homelessness, refugees and families on low incomes.

The programme is managed by the RFT with four delivery partner organisations (Now Group in Belfast, Cyrenians in Edinburgh, OrganicLea in London and Brighton and Hove Food Partnership), Coventry University's Centre for Agroecology, Water and Resilience are the social impact assessment partner. Working in partnership has enabled the projects to share innovations and good practice. Lockdown was announced almost as soon as the project began. The community cafes were closed and the projects' work was suddenly changed. The projects took active roles in providing very large quantities of ready meals to meet a huge growth in need, enabled by an additional grant from TNLCF's Coronavirus Community Support Fund that was arranged by RFT. The projects were well placed to build networks with other organisations, to harness willing volunteers, to find and reach people in need and to collect surplus and waste food. The main output in the first year has been an effective community provision of over half a million ready meals during the pandemic. The projects also saved 170 tonnes of food from being wasted.

The care, dignity and contact that came with the meal was highly valued by recipients, many of whom were alone and vulnerable. An unexpected social impact finding was the benefits to volunteers of their participation during the lockdowns. They described significant benefits to their own well-being from working in teams and providing help. Many people gained new perspectives into the make-up of their own neighbourhoods.

The programme aimed for this food to be made by trainees who were themselves at risk of food poverty, providing them with work experience and training and a mentoring scheme to help them into further training or employment. This aspect of the work has been delayed by Covid but is now underway.

Social impact toolkit development

Work on the digitisation of the toolkit continued throughout 2020 and was launched in March 2021. The toolkit was used as a basis for collecting data from our first two LEAP investees in 2020. Key findings from that data are that the main driver for customer involvement is concern about the environment, though supporting local businesses was also important. Rather than catalysing wholesale behaviour change, the data indicated that LEAP investees provide a way of enabling people to practice their world views on a range of social and ecological issues. There does seem to also be an impact on the amount of fruit and veg eaten even though consumers are starting from a high starting point. Around 60% of customers reported eating more fruit and vegetables and around 90% say that being involved with the projects had had some impact on their diet and eating habits. Over 50% said that they were more resourceful in their use of food/wasted less food as a result of their involvement with the projects. The impact of Covid on supply chains was seen in the fact that over 70% of respondents said that reliability of supply was very important to them.

A further six investees have started using the toolkit over the course of 20/21 and the results from their data sets will be reported at the end of 2021. The next stage in the development of the toolkit will be to explore partnerships with other organisations that are also developing impact assessment tools e.g., Better Food Traders, Sustainable Food Trust to see how we can integrate the toolkit into their work. We will also be looking to raise funds to add functionality to the toolkit including creating individual dashboards that will enable projects to monitor and store their progress digitally as well as enable them to benchmark their work against that of others.

Loans for Enlightened Agriculture Programme (LEAP)

LEAP provides funding and support to agroecological food and farming enterprises that are aligned with our values and charitable objectives. It offers a mix of affordable loans (£20,000-£100,000) and grants (18% of the loan amount) side by side with a comprehensive mentoring programme and a hands-on approach and is made possible by funding from the Esmée Fairbairn Foundation, the Centre for Innovation in Voluntary Action, the A Team Foundation, the Power to Change Foundation,

and the Halleria Trust. The Real Farming Trust is also an Access Point for the Reach Fund, which provides grants for investment readiness mentoring. LEAP will be making investments through to the end of 2022. Decisions on investments has been delegated to an experienced Investment Committee which reports to the Board of Trustees.

Since launching and through to 31st March 2021, LEAP received 90 expressions of interest representing over £3.8m in funds. We invited 23 of those to make a full application. 17 were approved to move forward to Round 2, which sees them receive investment readiness support and mentoring. This mentoring is a key part of the programme, with applicants receiving between £5-10k worth of tailored advice and support from specialist mentors most commonly in the critical areas of governance, business planning, financial forecasting, and social impact planning. The total funds drawn down or in the pipeline at 31st March 2021 are £695,750 which represents around 65% of LEAP's available capital.

LEAP approved its first investments in September 2019 to the Apricot Centre and Glasgow Locavore. Since then, it has approved further investments into Edfords Care Farm, Sole of Discretion, Goonown Growers, Gwendraeth Organics, Earthlight Herbs, Soul Farm, Tyddyn Teg, Regather and Hemen.

The College for Real Farming and Food Culture (CRFFC)

The Covid-19 pandemic slowed the development of the CRFFC, and meant we had to cancel some events and activities (such as our second dialogue at 42 Acres in Somerset). However, we used this time to firm up our plans for the CRFFC and started on the development of a detailed strategic plan and budget. This process should be complete by June 2021.

We also further developed our relationship with the Black Mountains College through a Memorandum of Understanding. As part of the collaborative learning partnership, the CRFFC will provide help and support in the following specific areas:

- 1) Development of modules of the undergraduate curriculum and modules on agroecology
- 2) Development of a series of events to be held in partnership with the BMC on site
- 3) Co-creation and development of new programmes
- 4) Co-creation and development of short courses and further education courses

The CRFFC also sits on the Academic and Farm Advisory Boards and will be supporting the BMC as they develop plans for the campus (which includes a farm), with the cooperation of the local community.

Erasmus+ Partnership "Collaborative learning about innovative land strategies"

The year saw the completion of our three-year programme of work with six partners from EU member states on "Innovative Approaches to Land Ownership", and with it the conclusion of our nine-year involvement in Erasmus funded EU partnership projects on access to land. We hope though that the friendships we have built up over the years will continue despite the UK leaving the EU. And we remain members of the Access to Land Network composed of around 15 organisations from Austria, Belgium, Czech Republic, France, Germany, Italy, Romania, Spain and the UK.

During the year two reports were published (online and in hard copy). Both were collective documents coordinated by the following organisations: European Coordination Via Campesina (ECVC), Terre de Liens, URGENCI, Eco Ruralis, the International Federation of Organic Agriculture Movements (IFOAM-EU), Real Farming Trust (RFT) and Transnational Institute (TNI). The first - "Your Land, My Land, Our Land" was a handbook to support local land mobilisations and was launched in

June 2020. The second - "Roots of Resilience: Land Policy for an Agroecological Transition in Europe" was published in January 2021.

A series of webinars were also organised in place of some of the planned meetings, one of which "The Financialisation of Land Sales" we hosted at ORFC Global 2021.

The All-Party Parliamentary Group on Agroecology for Sustainable Food and Farming (APPG)

The APPG's principal achievement has been to take agroecology from the fringe of the food and farming debate in Westminster right to the centre over the past ten years. One of the key reasons for the group's growing influence has been its ability to get ahead of the curve on the big issues facing agriculture, from soil health and climate change to biodiversity loss and animal welfare.

The Covid-19 pandemic resulted in significant restrictions on engagement, preventing onsite and offsite events, but despite this, we did manage to co-host several briefing sessions for our members, and those of other APPGs, around key policy and legislative issues, including meetings with Ministers in both Defra and with the COP26 President, Rt Hon Alok Sharma MP.

Our members also sponsored draft amendments to the Agriculture Bill which now, significantly, includes reference to agroecology. This engagement gave a huge opportunity to discuss and raise the profile of agroecology in Parliament, with many APPG members and others speaking to the importance of agroecology and agroforestry, as ways of delivery and land-use.

Governance and Management

The Real Farming Trust is a Company Limited by Guarantee and a registered charity and is governed by its Articles of Association which set out the powers and objects of the organisation. The directors of the company are also the trustees of the charity. Trustees have control of the organisation, its funds and assets, and are responsible for overall strategic and operational management and trustee recruitment. Board meetings are held quarterly. The trustees have delegated the day-to-day management of the organisation to the Senior Management Team.

Trustees are recruited from the wide network of people and organisations who support the aims and activities of the Trust. The Trust is a member of Oxfordshire Community and Voluntary Action, which provides guidance for Trustees and a full training programme.

The following Trustees served as members of the Board of Directors during the year to 31st March 2021, and to date:

- Mary Franklin
- Colin Tudge
- Jamie Hartzell
- Christopher Walsh (resigned 16th June 2020)
- Samrawit Mariam
- Nicola Read (elected on 18th March 2021)

Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the Trust in the event of a winding up. The total number of such guarantees at 31st March 2021 was five. Members of the Board of Directors have no beneficial interest in the Trust.

Strategic Plan and Future Priorities

The world has changed a lot over the last 3 years and the pace of change in the food and farming sector is accelerating. Huge challenges remain, with policy change, trade deals and the ongoing pandemic. The RFT itself has grown from 2 employees in 2018/19 and an income of £209,439 to 8 employees and an income of £733,795 in 2020/21.

This brings certain opportunities, but also brings problems and challenges that need to be addressed. There is much to do, and it would be very easy to try and do it all or lose focus. Because of this, we are in the process of developing a new strategic plan and theory of change, to build on the momentum that we already have, and set the agenda for the next 3 years.

We achieved much that we set out to achieve in our 2018-2021 strategic plan, and in 2020 specifically we were able to:

- Strengthen our communications with the recruitment of an experienced communications coordinator
- Recruit new staff into LEAP, the College and Ready, Healthy, Eat, to allow our Senior Management Team to step away from day-to-day project management and focus our strategic priorities, developing new programmes and fundraising.
- Expand the ORFC team by recruiting an operations coordinator and introducing new events and activities, and supporting the development of a new regional conference in the North of England.
- Recruit an experienced consultant to act as the Secretariat to the APPG Agroecology.
- Launch a new ORFC website.

The Covid-19 pandemic has clearly impacted our events programme and our programme of work with the APPG, with some events and activities being cancelled or postponed to later in 2021 or 2022. But as a 'virtual' organization we were thankfully able to continue without too much disruption and use the opportunity to take ORFC online and global, which was a huge success.

Our 2021-2024 strategic plan is in development and should be approved later in 2021.

Financial Review:

The Trust's main sources of income derive from grants, donations and income from charitable activities, mainly in the form of tickets, sponsorship and exhibition stands for the Oxford Real Farming Conference. Major (over £10,000) grants and donations received during 2020/21 included: £112,489 from the Esmée Fairbairn Foundation for core costs, APPG and Covid-19 support; £15,286 from Power to Change Foundation for community business mentoring as part of the Loans for Enlightened Agriculture Programme (LEAP); £15,000 from SHED, £15,000 from a foundation known to us which has requested confidentiality, and £10,000 from the Sheepdrove Trust for ORFC Global; £21,735 from the Halleria Trust for on-grants as part of LEAP; and £328,541 from TNLCF and £68,852 TNLCF's Coronavirus Community Support Fund for Ready, Healthy, Eat. Total income was £733,795, compared with £367,497 in 2019/20, with £495,624 in the form of restricted funds.

The Trust has two main sources of expenditure: the grants it makes, and costs associated with its charitable activities. Total expenditure was £541,424, compared with £266,409 in 2019/20, resulting in a net income for the year of £192,371.

At 31st March 2021 the charity had total net assets of £424,039, of which £269,145 was held as restricted funds and £154,894 as unrestricted funds.

Reserves Policy

The Board of Trustees has examined the organisation's requirements for reserves in light of the main risks to which it may be exposed. It has established a policy whereby the unrestricted funds not committed should ideally be between three- and six-months' worth of expenditure on unrestricted charitable activities. The total unrestricted funds at 31 March 2021 were £154,894, compared with £58,737 at 31st March 2020. Total expenditure on unrestricted charitable activities to 31 March 2021 was £142,014. Our current reserves therefore represent over 12-months' worth of expenditure. This has increased during the year due to core cost funding received from the Esmée Fairbairn Foundation, and we expect this to reduce over the next 24 months or so. Reserves are needed to safeguard the work of the Real Farming Trust, and the Board of Trustees is confident that at this level they would be able to continue the main/core services in the event of a significant drop in funding. The reserves policy will be reviewed by the Trustees every year, or as necessary when there are significant changes to the organisation's activities.

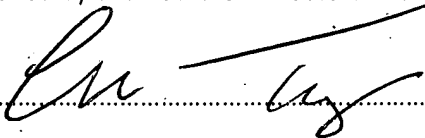
Statement of Trustees' Responsibilities as Directors

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the current Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the special provisions of the Companies Act 2006 relating to small entities. 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.

Approved by the Board of Directors and signed on its behalf:


.....
Colin Tudor Name
.....
October 18 2021 Date
.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF **The Real Farming Trust**

I report on the financial statements of the charitable company for the year ended 31 March 2021, which comprise the following Statement of Financial Activities, Balance Sheet, Cash Flow Statement, accounting policies and supporting notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Association of Independent Examiners.

It is my responsibility to:

- examine the financial statements under Section 145 of the Charities Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145(5)(b) of the Charities Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

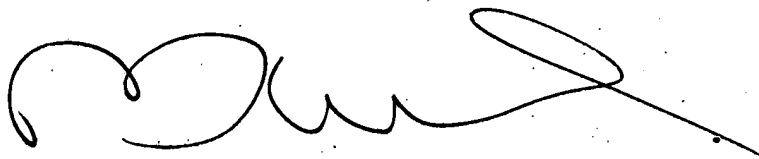
Independent examiner's statement

In connection with my examination, no matter has come to my attention to indicate:

- a) accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- b) the accounts do not accord with such records;
- c) that they fail to comply with the relevant accounting requirements under section 396 of the Companies Act 2006 or are not consistent with the Charities SORP (FRS102);
- d) any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the financial statements.

Mary Wallbank DChA, FCIE
Charity Management Services
19 Stinchar Drive
Chandlers Ford
Eastleigh
Hampshire
SO53 4QJ

Date: 25th October 2021



The Real Farming Trust

STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure account) FOR THE YEAR ENDED 31 March 2021

| | Note | Unrestricted Funds | Restricted Funds | Total 2021 | Total 2020 |
|------------------------------------|------|-----------------------|---------------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Income | | | | | |
| Donations and grants | 2 | 110,344 | 495,624 | 605,968 | 256,149 |
| Charitable activities | 3 | 119,624 | - | 119,624 | 110,050 |
| Investment income | 4 | 8,203 | - | 8,203 | 1,298 |
| Total Income | | 238,171 | 495,624 | 733,795 | 367,497 |
| Charitable expenditure | 5 | 142,014 | 399,410 | 541,424 | 266,409 |
| Net Income | | 96,157 | 96,214 | 192,371 | 101,088 |
| Net movement in funds | | 96,157 | 96,214 | 192,371 | 101,088 |
| Total funds brought forward | | 58,737 | 172,931 | 231,668 | 130,580 |
| Total funds carried forward | | 154,894 | 269,145 | 424,039 | 231,668 |

There are no recognised gains and losses other than those passing through the income and expenditure account. All income and expenditure is in respect of the charitable company's continuing activities.

The Real Farming Trust

BALANCE SHEET AS AT 31 March 2021

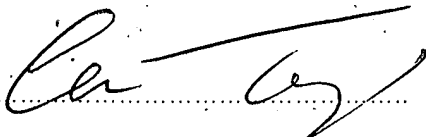
| | Note | 2021 £ | 2020 £ |
|---|------|-----------------------|-----------------------|
| Current Assets | | | |
| Debtors | 8 | 334,323 | 171,061 |
| Bank and Cash | | <u>430,553</u> | <u>260,124</u> |
| | | 764,877 | 431,185 |
| Creditors: amounts due within one year | 9 | <u>(45,636)</u> | <u>(51,205)</u> |
| Net current assets | | 719,241 | 379,980 |
| Creditors: amounts due in more than one year | 10 | (295,201) | (148,312) |
| Total Net Assets | | <u><u>424,039</u></u> | <u><u>231,668</u></u> |
| Represented by: | | | |
| Restricted Funds | 11 | 269,145 | 172,931 |
| Unrestricted Funds | | 154,894 | 58,737 |
| Total Funds | | <u><u>424,039</u></u> | <u><u>231,668</u></u> |

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements that give a true and fair view of the state of affairs of the company as at the end of its financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard (FRS) 102.

The financial statements were approved by the trustees on Sept 30 2021 and signed on their behalf:



Colin Tudge (Trustee)

Company Registration Number: 3336839

Registered as a limited company in England and Wales.

The Real Farming Trust
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2021

| | Total 2021 | Total 2020 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Cash used in operating activities | 184,191 | 99,866 |
| Decrease/(Increase) in operating activity debtors | 6,900 | (10,500) |
| (Decrease)/Increase in operating activity creditors | (31,687) | 31,488 |
| Cash flows from investing activities: | | |
| Increase in grants repayable | 20,831 | 18,505 |
| Increase in social investment loans debtors | (170,162) | (160,561) |
| Increase in social investment loan creditors | 152,176 | 143,545 |
| Interest receivable on social investments | 8,180 | 1,222 |
| Change in cash and cash equivalents during the year | 170,429 | 123,565 |
| Cash and cash equivalents at the start of the year | 260,124 | 136,559 |
| Cash and cash equivalents at the end of the year | <u>430,553</u> | <u>260,124</u> |

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows.

a Basis of preparation

The accounts are prepared in accordance with the accounting regulations set out under the Charities Act 2011, and with the current Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), issued by the Charity Commission; with the Companies Act 2006 and the Financial Reporting Standard 102.

Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated below.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b Funds

Restricted funds are funds which must be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal. Expenditure which meets this criteria is drawn from the fund.

Unrestricted funds are those funds which can be used for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees have, at their discretion, temporarily set aside resources for a specific purpose.

c Income

Income is included in the accounts once the charity has entitlement, the amount can be measured with sufficient reliability and there is the probability of receipt.

Earned income is included in the period in which the service is provided, if any performance conditions attached have been met or are fully within the control of the charity.

Donations are included when given, together with an estimate of the related gift aid due thereon.

Donated services are included in the accounts when received at the value of the gift to the charity provided the value of the gift can be measured reliably. The equivalent amount is recognised as an expense under the appropriate category.

Legacies are included when the date of probate is ascertained and the amount receivable can be reliably estimated.

Income which is subject to conditions that the charity has yet to fulfil, or which is specifically for use in a future accounting period, is treated as deferred income.

d Expenditure

Expenditure is included on an accruals basis when incurred, that is when a legal or constructive obligation arises, and includes related irrecoverable VAT. Future liabilities are included at the best estimate of the amount required to settle them. Future liabilities are included at the best estimate of the amount required to settle them.

e Pensions

The charity contributes to the government's NEST defined contribution pension scheme. Contributions are charged in the financial statements in the period to which they relate.

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

| INCOME | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| 2 Donations and grants | | | | |
| National Lottery Community Fund (NLCF) | - | 328,541 | 328,541 | 124,818 |
| NLCF Coronavirus Community Support Fund | - | 68,852 | 68,852 | - |
| Esmée Fairbairn Foundation | 107,489 | 5,000 | 112,489 | 55,000 |
| Power to Change Foundation | - | 15,286 | 15,286 | - |
| A Team Foundation | - | 3,000 | 3,000 | 3,000 |
| Be the Earth Foundation | - | 5,000 | 5,000 | 25,000 |
| Halleria Trust | - | 21,735 | 21,735 | 20,700 |
| SustainabilityHealthEnvironmentDevelopment(SHED) | - | 15,000 | 15,000 | - |
| Foundation that has requested confidentiality | - | 15,000 | 15,000 | - |
| Sheepdrove Trust | - | 10,000 | 10,000 | - |
| Terre de Liens | - | 4,752 | 4,752 | 4,808 |
| Other organisations | 675 | 3,458 | 4,133 | 21,265 |
| Individual donations | 2,180 | - | 2,180 | 180 |
| Gift aid recoverable | - | - | - | 1,378 |
| | 110,344 | 495,624 | 605,968 | 256,149 |
| 3 Charitable Activities | | | | |
| Conference and exhibition fees | 96,635 | - | 96,635 | 83,838 |
| Conference sponsorship:- | | | | |
| Soil Association | 4,000 | - | 4,000 | 4,000 |
| Riverford Organic Farmers Ltd | 7,500 | - | 7,500 | 5,000 |
| Globetrotter Foundation | 3,574 | - | 3,574 | - |
| Nature Friendly Farming Network | 2,000 | - | 2,000 | - |
| Cotswold Seeds Ltd | 1,500 | - | 1,500 | 1,500 |
| Triodos Bank UK Ltd | 1,500 | - | 1,500 | 5,000 |
| Organic Herb Trading Company Ltd | - | - | - | 1,000 |
| Social investment loan fees | 2,915 | - | 2,915 | 3,300 |
| Other services | - | - | - | 1,412 |
| | 119,624 | - | 119,624 | 110,050 |
| 4 Investment income | | | | |
| Social investment loan interest | 8,180 | - | 8,180 | 1,222 |
| Bank interest | 23 | - | 23 | 76 |
| | 8,203 | - | 8,203 | 1,298 |

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

EXPENDITURE

5 Charitable Expenditure

| | Unrestricted Funds | Restricted Funds | Total 2021 | Total 2020 |
|--|-----------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Advertising and promotional | 1,102 | - | 1,102 | 129 |
| Bank charges | 371 | 115 | 486 | 92 |
| Conference catering | - | - | - | 10,234 |
| Dues and Subscriptions | 137 | - | 137 | 148 |
| Grants (see note 14) | - | 276,023 | 276,023 | 78,365 |
| Independent examination | 725 | - | 725 | 700 |
| Interest paid on social investment loans | 4,915 | - | 4,915 | 600 |
| Legal and professional fees | 786 | 456 | 1,242 | 4,452 |
| Office and general administrative expenses | 5,613 | 1,313 | 6,925 | 7,410 |
| Project delivery | 71,155 | 78,015 | 149,170 | 79,034 |
| Rent or lease of buildings | - | - | - | 25,978 |
| Staff costs (see note 7) | 56,717 | 42,375 | 99,092 | 53,665 |
| Supplies | 125 | - | 125 | 923 |
| Travel and accommodation | 369 | 1,113 | 1,482 | 4,677 |
| | 142,014 | 399,410 | 541,424 | 266,409 |

6 Trustees' remuneration and expenses

No trustees received any expenses during the year (2020: £nil).

7 Staff costs

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Gross salaries | 92,467 | 50,979 |
| Social security costs | 3,646 | 668 |
| Employer pension contributions | 2,978 | 2,019 |
| | 99,092 | 53,665 |

The average number of employees during the year was 3.5 (2020 - 3)

No employee received emoluments in excess of £60,000 p.a. during the year (2020 - none).

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

| 8 Debtors | Total 2021 £ | Total 2020 £ |
|-------------------------|--------------------|--------------------|
| Social investment loans | 330,723 | 160,561 |
| Other debtors | 3,600 | 10,500 |
| | 334,323 | 171,061 |

| 9 Creditors: Amounts falling due within one year | £ | £ |
|--|---------------|---------------|
| Social investment loans | 39,856 | 13,738 |
| Grants payable | - | 25,910 |
| Other creditors | 4,830 | 10,107 |
| Accruals | 950 | 1,450 |
| | 45,636 | 51,205 |

| 10 Creditors: Amounts falling due in more than one year | £ | £ |
|---|----------------|----------------|
| Social investment loans | 255,865 | 129,807 |
| CIVA repayable grant | 39,336 | 18,505 |
| | 295,201 | 148,312 |

11 Restricted Funds

| | Note | Funds 1/04/2020 £ | Incoming Resources £ | Resources expended £ | Funds 31/03/2021 £ |
|--|------|-------------------------|----------------------------|----------------------------|--------------------------|
| All Party Parliamentary Group on Agroecology | a | 5,432 | 10,000 | (12,608) | 2,824 |
| <u>Funding Enlightened Agriculture:</u> | | | | | |
| Innovation and Infrastructure Fund (Power to Change) | b | 1,508 | - | (1,508) | - |
| Loans for Enlightened Agriculture Programme (LEAP) | c | 35,092 | 21,735 | (37,307) | 19,520 |
| LEAP mentoring (England) | d | 31,487 | 15,286 | (10,749) | 36,024 |
| LEAP mentoring (rest of UK) | e | 15,485 | - | (7,556) | 7,929 |
| Social Impact Toolkit | f | 113 | - | (113) | - |
| FEA Other | g | 771 | - | (771) | - |
| Collaborative Learning about Innovative Land Strategies | h | 5,381 | 4,752 | (3,947) | 6,185 |
| Ready, Healthy, Eat | i | 75,056 | 328,541 | (206,615) | 196,982 |
| Coronavirus Community Support | j | - | 68,852 | (68,852) | - |
| Wildlife on Farms Dialogue | k | 406 | - | - | 406 |
| Oxford Real Farming Conference | l | 1,075 | 46,458 | (47,533) | - |
| Routes to Market for Pasture for Life certified products | m | 1,125 | - | (1,125) | - |
| Total | | 172,931 | 495,624 | (398,685) | 269,870 |

All restricted fund balances are held as bank balances. The details for each fund are provided in the referenced notes on the next page.

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

11 Restricted Funds contd.

- a The charity is the Secretariat for the APPGA which promotes the importance and value of adopting agroecological approaches to food and farming in UK policy.
- b The Power to Change Foundation provided a grant to design, develop and launch the Loans for Enlightened Agriculture Programme. The funding also funded a feasibility study on access to land for agroecology and continued work on our social impact toolkit. Remaining funds were used to support the implementation of LEAP.
- c The charity manages the Loans for Enlightened Agriculture Programme providing loans, grants and mentoring to food and farming enterprises. The programme is funded by interest received and fees charged. Additional operational funds were provided by the Esmée Fairbairn Foundation for the LEAP Programme Team which is responsible for identifying, assessing and managing applications, carrying out due diligence and making the loan and grant agreements. It is also responsible for monitoring and reporting (financials and impacts), promoting LEAP and its impact and providing advice and support to the investees. Grants for successful applicants to LEAP are provided by the Halleria Trust.
- d The Power to Change Foundation provided a grant to provide support and advice to LEAP investees located in England in areas such as business planning, financial forecasting, governance, and social impact measurement.
- e The Esmée Fairbairn Foundation provided a grant to provide support and advice to LEAP investees located outside of England in areas such as business planning, financial forecasting, governance, and social impact measurement.
- f The Power to Change Foundation provided a grant to the charity for the further development of a Social Impact Toolkit for community food businesses in partnership with Coventry University's Centre for Agroecology, Water and Resilience. This toolkit is being used to measure the social impact delivered by LEAP investees.
- g The FEA (Other) funds were from various funders for mentoring and seminar work.
- h This is an EU Erasmus+ funded programme and involves seven partner organisations from five EU countries: France, the Netherlands, Romania, Belgium and the UK. The programme is managed by (and payments are received via) Terre de Liens.
- i The Ready, Healthy, Eat programme, funded by the National Lottery Community Fund and managed by the Real Farming Trust, brings together a number of community food organisations to trial different ideas for improving the nutritional value of the cooked food eaten by the most vulnerable groups in their community. The programme aimed for this food to be made by trainees who were themselves at risk of food poverty, providing them with work experience and training and a mentoring scheme to help them into further training or employment.
- j Additional coronavirus emergency funding for our Ready, Healthy, Eat partners was provided by the National Lottery Community Fund's Coronavirus Community Support Fund.
- k Funding was received from Be the Earth Foundation to hold a College for Real Farming dialogue at 42 Acres in Somerset. This was postponed due to Coronavirus, and will now be held later in 2021.
- l Grants towards the operational costs of the ORFC Global were received from the Sheepdrove Trust, SHED, a foundation that has requested confidentiality, A Team Foundation and the Agroecology Fund.
- m Funding was provided to the PFLA to draw up a business proposal and financial model for growing routes to market for Pasture for Life certified products.

The Real Farming Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2021

12 Related Party Transactions

Consultancy and project management fees of £6,375, and expenses of £0 (2020: £5,085), were paid to Ruth West, the wife of a trustee.

13 Volunteers

In accordance with FRS102, the value of volunteer time is not recognised in the accounts. The contribution of volunteers is reported on in the Trustees' Report.

14 Grant Expenditure

| | 2021 | 2020 |
|--|----------------|---------------|
| | £ | £ |
| The Now Project | 70,921 | 13,130 |
| Brighton & Hove Food Partnership | 70,563 | 5,759 |
| Cyrenians | 64,359 | 14,641 |
| Organic Lea | 44,820 | 14,917 |
| Locavore | 9,000 | 9,000 |
| Soul Farm Produce | 8,805 | - |
| Gwendraeth Organic | 5,130 | - |
| Magdalene Herbs | 1,300 | - |
| Pasture-Fed Livestock Association | 1,125 | 5,000 |
| Apricot Centre | - | 4,500 |
| Edfords Care Farm | - | 7,200 |
| Goonown Growers | - | 2,129 |
| Willowbrook Farm | - | 500 |
| Oxford Real Farming Conference BAME bursaries (x9) | - | 1,589 |
| | 276,023 | 78,365 |

15 Statutory Information

The Real Farming Trust is a charitable company, registered with Companies House and the Charity Commission for England and Wales.

The statement below is included to provide the comparative figures for Restricted Income and Expenditure from 2019-20:

| | Funds 1/04/2019 | Incoming Resources | Resources expended | Funds 31/03/2020 |
|--|--------------------|-----------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| All Party Parliamentary Group on Agroecology | 3,683 | 10,500 | (8,751) | 5,432 |
| <u>Funding Enlightened Agriculture:</u> | | | | |
| Just Growth | 39 | - | (39) | - |
| Innovation and Infrastructure Fund (Power to Change) | 3,201 | - | (1,693) | 1,508 |
| Loans for Enlightened Agriculture Programme (LEAP) | 25,000 | 48,215 | (38,123) | 35,093 |
| LEAP mentoring (England) | 38,000 | - | (6,513) | 31,487 |
| LEAP mentoring (rest of UK) | - | 20,000 | (4,515) | 15,485 |
| Social Impact Toolkit | 17,646 | 195 | (17,729) | 113 |
| FEA Other | 771 | - | - | 771 |
| Collaborative Learning about Innovative Land Strategies | 966 | 4,808 | (393) | 5,381 |
| Ready, Healthy, Eat | - | 124,818 | (49,761) | 75,056 |
| Wildlife on Farms Dialogue | - | 10,000 | (9,594) | 406 |
| Oxford Real Farming Conference | - | 20,250 | (19,175) | 1,075 |
| Routes to Market for Pasture for Life certified products | - | 6,125 | (5,000) | 1,125 |
| Total | 89,306 | 244,911 | (161,286) | 172,931 |