

CHARITY REGISTRATION NUMBER: 211245

Felix Thornley Cobbold Agricultural Trust
Financial statements
31 March 2022

DRAFT ACCOUNTS

Felix Thornley Cobbold Agricultural Trust

Financial statements

Year ended 31 March 2022

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Felix Thornley Cobbold Agricultural Trust

Trustees' annual report

Year ended 31 March 2022

The trustees present their report and the financial statements of the charity for the year ended 31 March 2022.

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	7 Manor Farm Lane Drayton Market Harborough Leicestershire LE16 8SW

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 2022

Administrator	Colin Smith
Land and Property Agents	Lacy Scott and Knight 10 Risbygate Street Bury St Edmunds IP33 3AA
Solicitors	Birketts LLP Providence House 141-145 Princes Street Ipswich IP1 1QJ
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 2022

Objectives and activities

Charitable Objectives

The Trust's major 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 112 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 and provide further education and training for students of agriculture
- 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 the Countryside Trust's programme for children from disadvantaged areas
- Support for High Ground, training ex-military personnel for work in agriculture
- Support for other suitable projects to meet the Trust's objectives

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

- Support for the AgriFood Charities Partnership
- Support for Hertfordshire Agricultural Society Food & Farming Day

Much of the trust's public education support has been interrupted by Covid-19 controls.

Grant Making Policy

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

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

Due to Covid-19 restrictions the twelfth course planned for 4-6 January 2021 was cancelled. It was rearranged for 4-6 January 2022, but was postponed for three months, due to Covid restrictions, finally being held at Madingley Hall, Cambridge, 4-6 April 2022.

Costs of the course were shared jointly with The Morley Agricultural Foundation, with professional training provided by Green Shoots.

Grant Awards

The primary object of the Trust is to provide grants to individuals and organisations involved in agricultural education, research, improvement and development.

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

17 applications for grants were considered, of which 16 were approved, with 1 being rejected. Of the awards, three were for training and higher education, nine were for research projects, three for educating children in food, farming and the countryside, one was for capital expenditure for teaching purposes at SNC Rural and one for breed development in the Suffolk Horse.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

Easton & Otley College

Following the Further Education Commissioner's decision that the college should be separated into its constituent campuses, the Easton campus was duly merged with Norwich City College, and the Otley campus with Suffolk New College (SNC).

It was unfortunate that the reformation occurred just before the government's Covid-19 control measures were imposed, which greatly affected recruitment of students and teaching at the new colleges. Trustees have maintained contact with Viv Gillespie, SNC principal, and have provided tangible support in the form of a grant for farm equipment to be used in teaching farming methods and agricultural engineering.

It is encouraging that land-based courses have been expanded and student numbers are increasing. Trustees met the Principal at the campus in March and were impressed by the progress being made.

Achievements and performance

- Land promoters and partners, Pigeon, East Anglian specialists in optimising land development, have successfully negotiated the first two stages of the planning process on part of Hope Farm, Sproughton, The Chairman and Vice-chairman have signed the section 106 agreement, which went to Suffolk County Council and Babergh District Council for their signatures.
- 16 new grants were awarded during the year, to a value of £223,266, some spread over four years.
- £50,000 was transferred from COIF Deposit Fund to CCLA Charities Investment Fund to purchase additional investment units.
- The defective roof of the ex-Workshop was relaced with a composite insulated roof.
- Drainage was improved on part of Stanaway Farm.
- Professional service providers were reviewed and it was agreed to make no changes.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

Financial review

Income totalled £273,112 of which £47,661 (17%) was produced by stock market investments and interest on the COIF deposit account, £225,434 came from property rents and £17 from miscellaneous sources.

Other than £50,000 transferred to COIF CIF for purchasing investment units, there were no withdrawals from the COIF deposit account. At 31 March 2022, the COIF deposit account held £23,231.

Major items of expenditure were:

£69,053 (25% of income) was spent on grants

£102,070 (37% of income) on property renovation and management

£52,942 (19% of income) on administration and committee costs

£49,047 (18% of income) was held in reserve against future expenditure

Designated Capital Fund

In the year ended 31 March 2019 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:

- Provide for grants instalments, falling due in the future
- Provide against unforeseen events and costs
- Purchase additional investment units
- 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 2022, free reserves (being net current assets) amounted to £127,389 however after deducting contingent liabilities of £252,553 for grants awarded, free reserves were effectively in deficit by £125,164 (2021: free reserves £19,956).

Asset strategy

A review of the Trust's asset management policy was carried out in January 2022. 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 January 2023.

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

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

Investment Policy

The Trust's income is derived from rents on property and land, dividends on stock-market investments, and interest on cash holdings.

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 totalling 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. A planning application is in progress to build up to 105 houses, with community facilities, car park and woodland on part of Hope Farm. It is the Trustees' intention to sell this development site to increase the value of the Trust's resources.

Land and property holdings were revalued at £9,363,900 for accounts purposes as at 31 March 2022. Returns on investment properties yielded 4.8 per cent.

Equities are held in two CCLA funds: COIF Charities Investment Funds and Global Equities Investment Fund (GEIF). 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 2022 amounted to £1,538,149 GEIF totalled £263,923 and the COIF deposit account held £23,231.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

Plans for future periods

- To progress the development opportunity at Hope Farm.
- To commission plans for re-ordering the layout of buildings and access at Stanaway Farm.
- To continue to support the development of SNC Suffolk Rural 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 and provide the finance in conjunction with The Morley Agricultural Foundation.
- To provide financial support to young people, farmers, agricultural research, public knowledge and environmental conservation in Suffolk and the adjoining counties, to perpetuate the work and wishes of the Trust's benefactor Felix Thornley Cobbold in his bequest of 1909.

Felix Thornley Cobbold Agricultural Trust

Trustees' annual report *(continued)*

Year ended 31 March 2022

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. Mrs Forbes, Mr Forrest and Mr Hawes retired by rotation at the AGM on 2 November 2021, and were re-elected as Trustees. Mr Forrest was re-elected as Chairman and Mr Hawes was re-elected Vice-chairman.

Trustees Induction and Training

Prior to appointment Trustees are given an outline of their role and responsibilities to the Charity by the Administrator.

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 business associated with 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 from time to time 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 2022

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 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 Charities SORP 2019 (FRS102);
- make judgements and 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 operation.

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 27 July 2022 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 trustees of Felix Thornley Cobbold Agricultural Trust

Year ended 31 March 2022

Opinion

We have audited the financial statements of Felix Thornley Cobbold Agricultural Trust (the 'charity') for the year ended 31 March 2022 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 2022 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

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

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

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

Felix Thornley Cobbold Agricultural Trust

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

Year ended 31 March 2022

Other information

The other information comprises the information included in the trustees 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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.

Felix Thornley Cobbold Agricultural Trust

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

Year ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

Felix Thornley Cobbold Agricultural Trust

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

Year ended 31 March 2022

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 trustees, 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 trustees 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 trustees 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

Felix Thornley Cobbold Agricultural Trust

Statement of financial activities

Year ended 31 March 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	273,112	273,112	256,085
Other income	5	—	—	5,000
Total income		<u>273,112</u>	<u>273,112</u>	<u>261,085</u>
Expenditure				
Raising funds				
Investment management and support costs	6	150,428	150,428	67,989
Charitable activities	7	73,637	73,637	87,710
Total expenditure		<u>224,065</u>	<u>224,065</u>	<u>155,699</u>
Net income and net movements in funds before gains and losses on investments		49,047	49,047	105,386
Net gains on investments	8	566,449	566,449	1,184,761
Net income and net movement in funds		<u>615,496</u>	<u>615,496</u>	<u>1,290,147</u>
Reconciliation of funds				
Total funds brought forward		10,677,864	10,677,864	9,387,717
Total funds carried forward		<u>11,293,360</u>	<u>11,293,360</u>	<u>10,677,864</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 17 to 24 form part of these financial statements.

Felix Thornley Cobbold Agricultural Trust

Balance sheet

31 March 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Investments	10		11,165,971		10,549,522
Current assets					
Debtors	11	71,361		66,498	
Investments	12	23,231		25,553	
Cash at bank and in hand		75,822		81,107	
		<u>170,414</u>		<u>173,158</u>	
Creditors: Amounts falling due within one year	13	<u>(43,025)</u>		<u>(44,816)</u>	
Net current assets			127,389		128,342
Total assets less current liabilities			<u>11,293,360</u>		<u>10,677,864</u>
Net assets			<u>11,293,360</u>		<u>10,677,864</u>
Funds of the charity					
Unrestricted funds			<u>11,293,360</u>		<u>10,677,864</u>
Total charity funds	14		<u>11,293,360</u>		<u>10,677,864</u>

These financial statements were approved by the board of trustees and authorised for issue on 27 July 2022, and are signed on behalf of the board by:

J Forrest (Chairman)
Trustee

The notes on pages 17 to 24 form part of these financial statements.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements

Year ended 31 March 2022

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 7 Manor Farm Lane, Drayton, Market Harborough, Leicestershire, LE16 8SW.

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 2022

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 10.

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 2022

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 2022 £	Unrestricted Funds £	Total Funds 2021 £
Rent	225,434	225,434	210,794	210,794
Dividend income	47,661	47,661	45,184	45,184
Interest received	17	17	107	107
	<u>273,112</u>	<u>273,112</u>	<u>256,085</u>	<u>256,085</u>

5. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income	—	—	5,000	5,000
	<u>—</u>	<u>—</u>	<u>5,000</u>	<u>5,000</u>

6. Investment management and support costs

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Property maintenance and refurbishment	102,070	102,070	23,278	23,278
Administration	27,684	27,684	27,096	27,096
Professional fees	14,700	14,700	16,044	16,044
Sundry costs	5,974	5,974	1,571	1,571
	<u>150,428</u>	<u>150,428</u>	<u>67,989</u>	<u>67,989</u>

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2022

7. Expenditure on charitable activities by activity type

Grants

	2022	2021
	£	£
AFCP	2,950	3,700
BCPC-NIAB	—	2,000
Cranfield University	—	13,250
Essex Schools	—	2,500
NIAB	—	6,245
Rothamsted Reserch	3,000	—
Suffolk New College	2,447	—
SNC Rural College	—	2,650
Suffolk Agricultural Association	—	7,000
Suffolk Federation of Young Farmers	5,000	—
Suffolk Horse Society	5,000	5,000
The Country Trust	5,588	—
University of Hertfordshire	—	10,000
University of Nottingham	5,000	—
H Allison	5,750	5,750
J Axtel	1,500	—
E Bingol	6,000	—
N Bolton	—	1,500
J Crosby	—	3,500
G Day	3,000	3,000
M Dring	—	3,000
H Houston	6,960	—
E Jardine	1,000	—
J Nunns	—	2,500
R Patterson	2,000	2,000
J Salisbury	1,560	1,520
W Smith	2,298	4,397
U Solanki	—	3,500
L Tiller	10,000	—
	<u>69,053</u>	<u>83,012</u>

Governance costs

	2022	2021
	£	£
Auditors remuneration		
- audit services	<u>4,584</u>	<u>4,698</u>
Total expenditure on charitable activities	<u>73,637</u>	<u>87,710</u>

Grants payable in the year were for the furtherance of agriculture and included £23,985 (2021: £53,865) payable to institutions.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2022

In addition to the grants shown above the charity has contingent liabilities at 31 March 2022 totalling £252,553 (2021: £108,386). These relate to grants awarded, but not accrued, as payment in future periods is subject to relevant conditions being met, as follows:

	2022-23	2023-24	2024-25
	£	£	£
Essex Schools	2,500	—	—
Green Shoots	6,000	—	—
Hertfordshire Schools	1,500	—	—
John Forrest Memorial Award	6,000	6,000	6,000
NIAB	3,250	—	—
Suffolk Agricultural Association	11,000	4,000	—
Suffolk Horse Society	5,000	5,000	—
Suffolk Young Farmers	5,000	—	—
University of Cambridge	17,500	—	—
University of Hertfordshire	15,000	10,000	5,000
University of Nottingham	22,808	17,808	17,808
H Allison	5,750	—	—
E Bullock	2,000	—	—
G Duffield	1,000	—	—
D Ellis	9,666	9,666	5,667
E Jardine	1,000	—	1,000
K King	7,875	7,875	7,875
R Patterson	2,000	—	—
T Pratt	2,638	—	—
W Smith	2,367	—	—
U Solanki	3,500	3,500	—
N Yalina	4,000	4,000	4,000
	<u>137,354</u>	<u>67,849</u>	<u>47,350</u>

8. Net gains on investments

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	2022	2022	2021	2021
	£	£	£	£
Gains/(losses) on investment property	427,900	427,900	926,500	926,500
Gains/(losses) on listed investments	138,549	138,549	258,261	258,261
	<u>566,449</u>	<u>566,449</u>	<u>1,184,761</u>	<u>1,184,761</u>

9. Trustee remuneration and expenses

No Trustee or any person connected with them received any remuneration during the year. The Trust paid no Trustee expenses in the year. (2021:£Nil).

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2022

10. Investments

	Listed investments £	Investment properties £	Total £
Cost or valuation			
At 1 April 2021	1,613,522	8,936,000	10,549,522
Additions	50,000	—	50,000
Fair value movements	138,549	427,900	566,449
At 31 March 2022	<u>1,802,071</u>	<u>9,363,900</u>	<u>11,165,971</u>
Impairment			
At 1 April 2021 and 31 March 2022			—
Carrying amount			
At 31 March 2022	<u>1,802,071</u>	<u>9,363,900</u>	<u>11,165,971</u>
At 31 March 2021	<u>1,613,522</u>	<u>8,936,000</u>	<u>10,549,522</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 2022 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 2022.

11. Debtors

	2022 £	2021 £
Rents receivable from tenants	56,304	51,441
Prepayments and accrued income	15,057	15,057
	<u>71,361</u>	<u>66,498</u>

12. Investments

	2022 £	2021 £
Short-term deposits	<u>23,231</u>	<u>25,553</u>

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Rents received in advance	7,812	7,812
Accruals and deferred income	4,644	5,940
Other creditors	30,569	31,064
	<u>43,025</u>	<u>44,816</u>

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements (continued)

Year ended 31 March 2022

14. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment gains/(losses) £	At 31 March 2022 £
General fund	482,350	273,112	(224,065)	–	29,363	560,760
Designated Capital Fund	10,195,514	–	–	–	537,086	10,732,600
	<u>10,677,864</u>	<u>273,112</u>	<u>(224,065)</u>	<u>–</u>	<u>566,449</u>	<u>11,293,360</u>
	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Investment gains/(losses) £	At 31 March 2021 £
General fund	334,717	261,085	(155,699)	–	42,247	482,350
Designated Capital Fund	9,053,000	–	–	–	1,142,514	10,195,514
	<u>9,387,717</u>	<u>261,085</u>	<u>(155,699)</u>	<u>–</u>	<u>1,184,761</u>	<u>10,677,864</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.

15. Analysis of net assets between funds

As at 31 March 2022

	General Fund £	Designated Capital Fund £	Total Funds 2022 £
Investment properties	–	9,363,900	9,363,900
Listed investments	433,371	1,368,700	1,802,071
Net current assets	127,389	–	127,389
Net Assets	<u>560,760</u>	<u>10,732,600</u>	<u>11,293,360</u>

As at 31 March 2021

	General Fund £	Designated Capital Fund £	Total Funds 2021 £
Investment properties	–	8,936,000	8,936,000
Listed investments	354,008	1,259,514	1,613,522
Net current assets	128,342	–	128,342
Net Assets	<u>482,350</u>	<u>10,195,514</u>	<u>10,677,864</u>

16. Contingencies

At 31 March 2022 the charity has contingent liabilities totalling £252,553 relating to grants awarded, the payment of which is subject to relevant conditions being met, as detailed in note 7.

Felix Thornley Cobbold Agricultural Trust

Notes to the financial statements *(continued)*

Year ended 31 March 2022

17. Related parties

The Trust paid grants of £5,000 in the year to Suffolk Horse Society, a related party by virtue of common Trustees (2021: £5,000)

No grants were made in the year to Suffolk Agricultural Association, a related party by virtue of common Trustees (2021: £7,000)