THE FARMINGTON TRUST LIMITED

England & Wales · Charity number 237934

Details

Status	Registered
Legal form	Charitable company
Company number	00819630
Registered	1964-11-30
Register	View on the Charity Commission register

Contact

Address	Harris Manchester College Mansfield Road Oxford OX1 3TD
Phone	01865271967
Email	farmingtontrust@hmc.ox.ac.uk
Website	www.farmington.ac.uk

Activities

Objects: TO PROMOTE CARRY OUT OR ADVANCE ANY CHARITABLE OBJECTS, AND IN PARTICULAR ANY BRANCHES OR ASPECTS OF EDUCATION ESPECIALLY BUT NOT EXCLUSIVELY CHRISTIAN EDUCATION, LIKELY TO PROMOTE MORALITY AND THE ACCEPTANCE OF MORAL STANDARDS IN HUMAN CONDUCT. (FOR DETAILS SEE CLAUSE 3 OF MEMORANDUM OF ASSOCIATION.)

Activities: To provide fellowships for teachers of Religious Education. Also to offer fellowships to members of Her Majesty's Armed Forces, Clergy, Ministers of Religion and Academics involved in RE. To support Head Teachers to undertake research on values and standards, to disseminate recent and interesting work in RE and provide a network of support for those involved in RE teaching.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** Education/training, Religious Activities, Other Charitable Purposes
- **Who:** Other Defined Groups, The General Public/mankind

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Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£884,873	£1,186,442	£28,398,904	10
2024-07-31	£910,422	£892,489	£27,320,430	5
2023-07-31	£648,674	£678,426	£26,151,820	1
2022-07-31	£998,879	£875,881	£26,570,422	1
2021-07-31	£517,744	£806,916	£25,605,002	1
2020-07-31	£697,012	£659,027	£23,284,325	1

Trustees

Name	Role	Appointed
MR HARRY HENDERSON	Chair	
Catriona Hamilton Blampied		2022-10-01
Dr Timothy Roderick Hands		2019-11-18
Lord Ajay Kumar Kakkar		2020-11-16
MR DAVID HENDERSON		
Rebecca Joanne Hickey		2022-10-01

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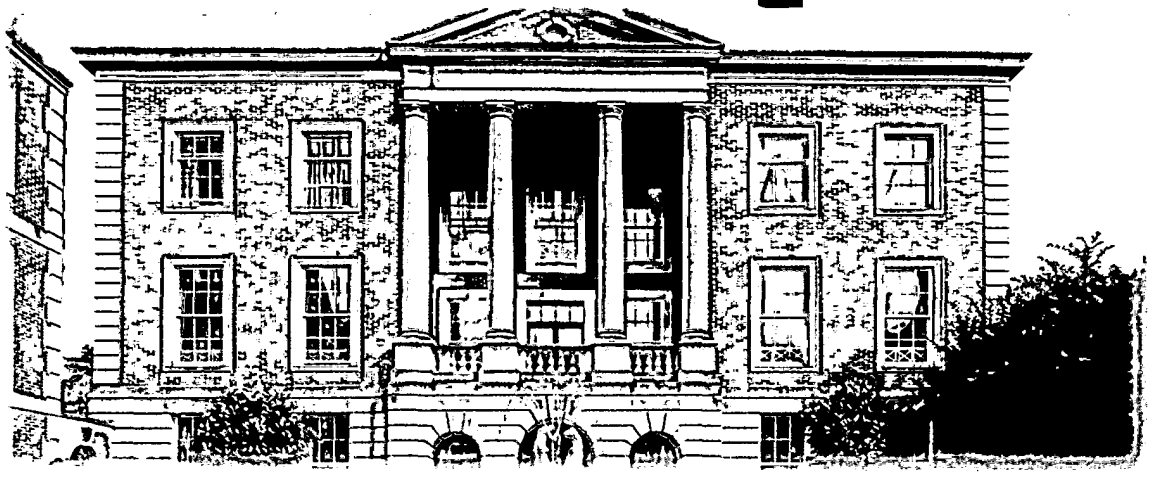
Accounts

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and Financial Statements for the Year Ended 31 July 2025 for The Farmington Trust Limited

WEDNESDAY

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Report of the Trustees

ADMINISTRATIVE INFORMATION

Registered Company Number
00819630 (England and Wales)

Registered Charity Number
237934

Registered Office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson (Chairman)
P N H Gibbs
R D C Henderson
R H Wills
I L H Ormerod
Dr T R Hands
Rt Hon A K Kakkar, Professor Lord
R J Hickey
M J H Wills
C H Blampied

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This Committee shall consist of a minimum of three governors.

Members
P N H Gibbs
H M Henderson
R D C Henderson
G W W Hudson

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

Report of the Trustees - continued

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and establish paid residential or other Fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other courses of study and Conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out for thirty years in the name of the Farmington Institute based at Harris Manchester College in the University of Oxford. Co-operation with Harris Manchester College, where the main offices and facilities of the charity are based, continues and is supported by a memorandum of understanding. From January 2024 the activities have been expanded to include the Farmington Head Teachers Institute alongside the Farmington Institute, the addition of three staff, including a new director, and an association with, and facilities at, Jesus College, Cambridge.

Report of the Trustees - continued

We summarise the activities of the Farmington Institute.

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to Enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and Ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academies who are Involved in RE.
5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

The achievement and performance of the Institutes

Below is an extract from the report to trustees, including future plans, delivered by Rev. Dr Sir Ralph Waller and Professor Lesley Smith.

Teacher-Scholars

2024-25: The 33 teacher-scholars this year included a group of 6 working on a project looking at racist and antisemitic language in the classroom. For the first time we have had joint sponsorship by the Temple Grove Schools Trust who support 6 primary teachers in any subject. Additionally, St Lukes' College Foundation has continued support of a scholar from the North West.

2025-26: We have chosen 33 teacher-scholars for the coming year. In addition to the 6 Temple Grove Farmington Scholars, this year we also have a St Luke's Farmington scholar and a Hockerill Foundation scholar (East London/Essex) – a new joint sponsorship. Induction Days were held for both groups.

Headteacher Scholarships

The Farmington Headteachers Scholarships continue to be a welcome feature of the institutes' activities. Last year, the Institute awarded six scholarships to headteachers, and this year we have awarded eight scholarships to heads. A worthwhile induction day for this group was held at Jesus College, Cambridge. Each headteacher spoke about their proposed project and welcomed advice and suggestions from other heads.

Report of the Trustees - continued

Conferences

The Annual Conference in Oxford in June had 99 participants and was enjoyed by all. Michael Wilcockson gave the Saturday lecture, Harry Henderson the after-dinner address. Sir Ralph Waller preached at the Sunday service. We are grateful to Dr Myles Hartley and Dr Martin Kauffmann for their help.

The first annual Headteachers Conference was successfully held in Cambridge in July. We have plans to expand it considerably in 2026, with more international participation.

Young Offender Institute Chaplains and Staff

It has proved difficult to get the YOI staff together in 2024-25, but we have plans for two events in October and November: a talk and discussion led by HHJ Wendy Joseph, KC, and a lunch with the judges of the Old Bailey, including a presentation of their No Knives initiative.

Senior Members of the Armed Forces and Military Chaplains

We continue to offer fellowships to Senior Members of the Armed Forces to spend time researching topics relating to ethical leadership and support the military chaplains with conferences, study and publications.

Covid Disadvantaged Schools Project

The five years of the Project came to an end in the summer of 2025. Reports from all the schools we supported and the impact report we commissioned from Dr Tim Hands made the usefulness of the scheme very clear.

Primary School Libraries

Following the end of the Covid Disadvantaged Schools Project, we have planned an initiative to support primary school libraries. We will begun with 20 libraries in 5 hubs around the country.

Discussion Forums

RE Forums have run in Lincoln, Brecon, Liverpool, Belfast and Cambridge; in addition, we are supporting a STARME online in Scotland to meet for a single day-long workshop.

Four Headteachers forums have run: Secondary, Primary, Aspiring and North-Eastern Heads. The members of the forums much appreciate the opportunity to meet together and another two forums are planned in the near future, one in Scotland and one in Ireland.

Tutors

We are very aware of the debt we owe to the tutors who supervise our scholars and forums and do much more to help publicise and advise Farmington. We held a thank-you lunch and discussion about future pathways for c. 20 tutors in the RAF Club in London.

Report of the Trustees - continued

Cathedrals

We are supporting outreach work at three cathedrals:

Norwich: their Benedictine Heritage project, in conjunction with The Sainsbury Centre, Norwich and The Courtauld Institute, London

Peterborough: outreach and inreach, especially based around music and schools.

Chichester: Artist Alice Carter is producing an installation which responds to the John Pipe Tapestry in Chichester, which will run, with outreach events, during Lent 2026.

Jesus College, Cambridge

Jesus College provides a supportive and congenial home for the Farmington Headteachers Institute, and we continue to host meetings, dinners and conferences here for ourselves and for headteachers who wish to find somewhere away from school to meet with their senior management teams.

In Oxford, we continue to offer the use of our buildings to school groups, etc., free of charge. Smith.

Investment performance

Cazenove report for the 12 months to 31st July 2025

The Cazenove portfolio returned 8.2% from 1st August 2024 and 31st July 2025, marginally behind the Trust's benchmark of 8.7% but ahead of the ARC Balanced peer group index which rose by an estimated 5.9% and the CPI+3% benchmark which rose 6.94%.

Financial review

Financial position

For the year ended 31 July 2025, net income amounted to £1,078,474 (2024 - £1,168,610). Net assets totalled £28,398,904 (2024 - £27,320,430). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income is generated from investments held in the Designated Fund and Endowment Fund, together with rental income received from properties let by the Trust. In recent years, there has also been additional support from private donors, including a substantial anonymous commitment pledged for a number of future years.

Report of the Trustees - continued

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £20,235 (2024 - £196,364) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

Future plans

It is intended to continue all the initiatives undertaken during the current year as set out in the extract of the report to the trustees delivered by Rev. Dr Sir Ralph Waller and Professor Lesley Smith.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The original endowment has grown substantially through retained residential property development providing a rental income stream and growth via equity markets. The balance of the liquid assets is managed by Cazenove & Co.

In the recruitment and appointment of new Trustees persons have been sought who have expertise related to:

(i) the management of agricultural property, and in particular local knowledge of the property at Northleach;
(ii) the management of our liquid investment funds;
(iii) the management of charitable trusts;
(iv) media;
(v) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Report of the Trustees - continued

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

There are no related parties other than the Trustees listed on Page 2.

Declaration of Interests

All the Trustees and the Director of the Farmington Institute are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute. In addition:

- Mr H M Henderson, DL, Chair of the Trustees, is a member of the Senior Common Room of Harris Manchester College and has formerly worked as a partner and Managing Director of Cazenove & Co, the Trust's stockbrokers. Mr H M Henderson stepped down as a member of the governing body of Harris Manchester College upon the commencement of the new relationship on 1st August 2023.
- The Rev. Dr. Sir Ralph Waller, KBE, Director of the Farmington Head Teachers Institute is an Emeritus Fellow and the former Principal of Harris Manchester College for 30 years. He is Chair of Westminster College Trust, Oxford.
- Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.
- The Rt. Hon. Professor the Lord Ajay Kakkar KG KBE PC is an Honorary Fellow of Harris Manchester College.
- Mr Richard Wills is an adjoining landowner.
- Professor Lesley Smith, appointed as Director of the Farmington Institute from January 2024, is Fellow Emerita in Politics and formerly Senior Tutor of Harris Manchester College
- Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a non-stipendiary Official Fellow/charity trustee on the governing body of Harris Manchester College and is presently its Chair for the purpose of searching and appointing a new Principal from the next academic year. He has been involved in the property development work carried out in Northleach.

Policy decisions of the charity are made by the Trustees with the involvement of George Hudson, a volunteer and former Company Secretary, the Rev. Dr Sir Ralph Waller KBE, who serves as Director of the Farmington Head Teachers Institute, and Professor Lesley Smith, Director of the Farmington Institute. On a day-to-day basis invoices are approved by either Rev. Dr Sir Ralph Waller, Professor Lesley Smith, or George Hudson, (unless an invoice is more than an agreed limit in which case approval of two of those persons is required) with the oversight of our accountants, who have full access to the bank account, and subject to being within the budget. All payments are made via online banking. The procedures allow our auditor live access to the supporting papers of all invoices.

Report of the Trustees - continued

The budget for the year, for which income and expenditure is forecast, is created within the Finance & Investment Sub-committee. A major element of the budget is the amount determined for the funding of the two Institutes based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue the business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

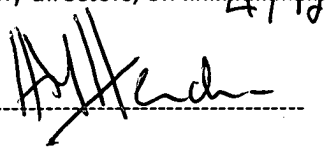
Report of the Trustees - continued

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 4/12/25 and signed on the board's behalf by:



H M Henderson – Chairman and Trustee

Report of the Independent Auditors

Opinion

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Report of the Independent Auditors - continued

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- The charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Report of the Independent Auditors - continued

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

We also assessed the susceptibility of the Charities' financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

Report of the Independent Auditors - continued

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: 5/12/25

Statement of Financial Activities – Income and Expenditure

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS:						
Donations and legacies	2	18,000	255,353	-	**273,353**	308,000
Investment income	3	451,722	-	159,798	**611,520**	602,422
Total income		469,722	255,353	159,798	**884,873**	910,422
EXPENDITURE ON Raising funds:						
Investment management costs	4	102,715	-	33,799	**136,514**	124,889
Charitable activities:	5					
Institute at Oxford		589,508	40,726	-	**630,234**	443,126
Head Teachers Institute		205,067	214,627	-	**419,694**	324,474
Total expenditure		897,290	255,353	33,799	**1,186,442**	892,489
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS / (LOSSES)		(427,568)	-	125,999	**(301,569)**	17,933
Net investment gains / (losses)	11	937,996	-	442,047	**1,380,043**	1,150,677
NET INCOME/(EXPENDITURE)		510,428	-	568,046	**1,078,474**	1,168,610
RECONCILIATION OF FUNDS	18					
Total funds brought forward		18,871,232	9,636	8,439,562	**27,320,430**	26,151,820
Net income/(expenditure)		510,428	-	568,046	**1,078,474**	1,168,610
Transfers between funds		286,988	-	(286,988)	**-**	-
Net movement in funds		797,416	-	281,058	**1,078,474**	1,168,610
TOTAL FUNDS CARRIED FORWARD		19,668,648	9,636	8,720,620	**28,398,904**	27,320,430

Balance Sheet

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS						
Tangible assets	12	118,636	-	-	**118,636**	119,749
Investments						
Investments	13	9,027,862	-	8,374,810	**17,402,672**	16,001,637
Investment property	14	10,611,190	-	345,810	**10,957,000**	11,119,810
		19,757,688	-	8,720,620	**28,478,308**	27,241,196
CURRENT ASSETS						
Debtors	15	17,425	-	-	**17,425**	190,179
Cash at bank		31,402	9,636	-	**41,038**	48,016
		48,827	9,636	-	**58,463**	238,195
CREDITORS						
Amounts falling due within one year	16	(28,592)	-	-	**(28,592)**	(32,195)
NET CURRENT ASSETS		20,235	9,636	-	**29,871**	206,000
TOTAL ASSETS LESS CURRENT LIABILITIES		19,777,923	9,636	8,720,620	**28,508,179**	27,447,196
CREDITORS						
Amounts falling due after more than one year	17	(109,275)	-	-	**(109,275)**	(126,766)
NET ASSETS		19,668,648	9,636	8,720,620	**28,398,904**	27,320,430
FUNDS						
Unrestricted funds:						
General fund					**2,386,757**	1,642,533
Designated fund					**17,281,891**	17,228,699
TOTAL FUNDS CARRIED FORWARD					**19,668,648**	18,871,232
Restricted funds					**9,636**	9,636
Endowment funds					**8,720,620**	8,439,562
					28,398,904	27,320,430

Balance Sheet - continued

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

(a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 4/12/25 and were signed on its behalf by:

H M Henderson – Chairman and Trustee

Cash Flow Statement

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	A	**(616,841)**	(502,416)
Net cash used in operating activities		**(616,841)**	(502,416)
Cash flows from investing activities			
Purchase of quoted investments		**(5,544,080)**	(5,358,857)
Purchase of investment property		**(60,291)**	(96,266)
Sale of quoted investments		**6,513,212**	5,228,252
Sale of investment property		**763,498**	-
Movement on cash held at Cazenove		**(1,535,179)**	(220,163)
Accrued income on quoted investments		**4,659**	(2,050)
Interest received		**49,993**	44,545
Dividends received		**292,052**	299,058
Net cash provided by investing activities		**483,864**	(105,481)
Cash flows from financing activities			
Income attributable to endowment		**159,798**	168,473
Expenditure attributable to endowment		**(33,799)**	(33,160)
Net cash provided by financing activities		**125,999**	135,313
Change in cash and cash equivalents in the reporting period	B	**(6,978)**	(472,584)
Cash and cash equivalents at the beginning of the reporting period		**48,016**	520,600
Cash and cash equivalents at the end of the reporting period		**41,038**	48,016

Notes to the Cash Flow Statement

A. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2025	2024
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**1,078,474**	1,168,610
Adjustments for:		
Depreciation charges	**1,113**	1,116
(Gain)/losses on investments	**(1,380,043)**	(1,150,677)
Interest received	**(49,993)**	(44,545)
Dividends received	**(292,052)**	(299,058)
Income attributable to endowment	**(159,798)**	(168,473)
Expenditure attributable to endowment	**33,799**	33,160
(Increase)/decrease in debtors	**172,754**	(6,015)
Increase/(decrease) in creditors	**(21,095)**	(36,534)
Net cash used in operations	**(616,841)**	(502,416)

B. Analysis of Changes in Net Funds

	At 1.8.24	Cash flow	At 31.7.25
	£	£	£
Cash at bank	48,016	(6,978)	41,038

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the *Companies Act 2006. The financial statements have been prepared under the historical cost convention,* with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Notes to the Financial Statements - continued

Raising funds

Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs

Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 6.

Governance costs

Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	In accordance with the lease term
Improvements to property	2% on cost
Library	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property

Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations		
Westminster College Oxford	216,037	200,000
Shawn Ching	-	100,000
Temple Grove	49,316	-
St Lukes	5,000	5,000
Inchcape	3,000	3,000
	273,353	308,000

Notes to the Financial Statements - continued

3. INVESTMENT INCOME

	2025	2024
	£	£
Rent received	269,475	258,819
Dividends and interest	292,052	299,058
Interest – cash deposits	49,290	53,843
Interest – deferred premium and loans	703	1,702
	611,520	602,422

4. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Investment management costs – brokers fees	64,201	61,490
Cost of rental properties	72,313	63,399
	136,514	124,889

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (see note 6)	Totals
	£	£	£
Institute at Oxford	618,660	11,574	630,234
Head Teachers Institute	408,122	11,572	419,694
	1,026,782	23,146	1,049,928

Notes to the Financial Statements - continued

6. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Institute at Oxford	7,727	457	3,390	11,574
Head Teachers Institute	7,726	456	3,390	11,572
	15,453	913	6,780	23,146

Support costs, included in the above are as follows:

	2025 Institute at Oxford	2025 Head Teachers Institute	2024 Total activities
	£	£	£
Pensions paid for past service	2,661	2,660	6,385
Insurance	543	543	513
Accountancy	2,340	2,340	3,906
Legal and professional costs	1,627	1,626	1,668
Depreciation of tangible and heritage assets	556	557	1,116
Bank charges	457	456	797
Auditors'remuneration	3,390	3,390	6,912
	11,574	11,572	21,297

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after changing/(crediting):

	2025	2024
	£	£
Auditors' remuneration	**6,780**	6,912
Depreciation – owned assets	**1,113**	1,116
	7,893	8,028

Notes to the Financial Statements - continued

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2025 nor for the year ended 31 July 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2025 nor for the year ended 31 July 2024.

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	403,850	151,937
Other pension costs	5,321	6,385
	409,171	158,322

The average monthly number of employees during the year was as follows:

	2025	2024
Working on charitable activities	10	5

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£60,001 - £70,000	1	-

10. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was £281,058 (2024 – £287,711). The unapplied total return allocated to income in the reporting period was £286,988 (2024 - £479,900).

Notes to the Financial Statements - continued

11. NET GAINS/(LOSSES) ON INVESTMENT

	2025	2024
	£	£
Investment portfolio	839,647	1,172,588
Investment properties	540,396	(21,910)
	1,380,043	1,150,678

12.TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2024 and 31 July 2025	150,000	4,095	15,391	169,486
DEPRECIATION				
At 1 August 2024	32,000	2,656	15,081	49,737
Charge for year	1,000	82	31	1,113
At 31 July 2025	33,000	2,738	15,112	50,850
NET BOOK VALUE				
At 31 July 2025	117,000	1,357	279	118,636
At 31 July 2024	118,000	1,439	310	119,749

13. FIXED ASSET INVESTMENTS

	2025	2024
	£	£
Listed investment portfolio	17,402,672	16,001,636

Included within investments held on Stock Exchange are investment assets outside the UK of £9,711,826 (2024 - £9,442,748). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2025 was £13,041,739 (2024 - £13,876,347).

Notes to the Financial Statements - continued

13.FIXED ASSET INVESTMENTS - continued

The following investments were held at 31 July 2025 with a value in excess of 5% of the market value of listed investments:

- **Vanguard S&P 500 ETF**
- **JP Morgan America Equity Fund**

Movement in fixed asset investments

	2025	2024
	£	£
Market value at 1 August (excluding cash held)	**15,325,188**	14,019,947
Additions at cost	**5,544,080**	5,358,857
Disposal proceeds	**(6,513,212)**	(5,228,254)
Gains/(Losses) on investment assets	**839,647**	1,172,588
Accrued interest (movement)	**(4,659)**	2,050
Market value at 31 July (excluding cash held)	**15,191,045**	15,325,188
Cash held at 31 July	**2,211,627**	676,448
Market value of investments 31 July	**17,402,672**	16,001,636

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2024	**11,119,810**
Additions	**60,291**
Disposals	**(795,000)**
Revaluation	**571,899**
At 31 July 2025	**10,957,000**
NET BOOK VALUE	
At 31 July 2025	**10,957,000**
At 31 July 2024	**11,119,810**

A formal red book valuation has been undertaken as at 31 July 2025 by Property Formula Limited indicating a market value of £10,957,000, which the Governors have adopted in these accounts.

The historical cost of the property investments, held at 31 July 2025 was £4,543,758 (2024 - £5,282,632).

Notes to the Financial Statements - continued

14. INVESTMENT PROPERTY - continued

Fair value at 31 July 2025 is represented by:

	£
Cost	**4,543,758**
Valuation in 2020	**3,133,220**
Valuation in 2021	**834,148**
Valuation in 2022	**1,774,164**
Valuation in 2023	**166,289**
Valuation in 2024	**74,357**
Valuation in 2025	**431,064**
	10,957,000

15. DEBTORS

	2025 £	2024 £
Amounts falling due within one year:		
Loans	**3,726**	16,656
Prepayments and accrued income	**13,699**	1,630
	17,425	18,286
Amounts falling due after more than one year:		
Deferred premium	**-**	171,893
	17,425	190,179

Within loans are amounts totaling £1,014 (2024 - £1,935) which may not be repayable within one year.

Deferred premiums at the year-end of £NIL (2024 - £171,893) relate to premiums due from a tenant. The sum has been paid from the proceeds of the tenant's house which was on the market and sale completed during the year.

Notes to the Financial Statements - continued

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Lease premiums	17,491	20,791
Accrued expenses	11,101	11,404
	28,592	32,195

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Lease premiums	106,407	123,898
Security premiums	2,868	2,868
	109,275	126,766

18. MOVEMENTS IN FUNDS

	At 1.8.24	Net movement in funds	Transfers between funds	At 31.7.25
	£	£	£	£
Unrestricted funds				
General fund	1,620,623	(540,898)	1,307,032	2,386,757
Designated fund	17,250,609	1,051,326	(1,020,044)	17,281,891
	18,871,232	510,428	286,988	19,668,648
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,439,562	568,046	(286,988)	8,720,620
TOTAL FUNDS	27,320,430	1,078,474	-	28,398,904

Notes to the Financial Statements - continued

18. MOVEMENTS IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	325,991	(866,889)	-	(540,898)
Designated fund	143,731	(30,401)	937,996	1,051,326
	469,722	(897,290)	937,996	510,428
Restricted funds				
St Lukes College	5,000	(5,000)	-	-
Temple Grove Scholars	49,316	(49,316)	-	-
Westminster Research Fellows	201,037	(201,037)	-	-
	255,353	(255,353)	-	-
Endowment funds				
Endowment fund	159,798	(33,799)	442,047	568,046
TOTAL FUNDS	884,873	(1,186,442)	1,380,043	1,078,474

Comparatives for movement in funds

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	1,340,504	(254,917)	535,036	1,620,623
Designated fund	16,649,829	655,918	(55,138)	17,250,609
	17,990,333	401,001	479,898	18,871,232
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,151,851	767,609	(479,898)	8,439,562
TOTAL FUNDS	26,151,820	1,168,610	-	27,320,430

Notes to the Financial Statements - continued

18. MOVEMENTS IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	597,988	(830,995)	(21,910)	(254,917)
Designated fund	143,961	(28,334)	540,291	655,918
	741,949	(859,329)	518,381	401,001
Endowment funds				
Endowment fund	168,473	(33,160)	632,296	767,609
TOTAL FUNDS	910,422	(892,489)	1,150,677	1,168,610

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.23	Net movement in funds	Transfers between funds	At 31.7.25
	£	£	£	£
Unrestricted funds				
General fund	1,340,504	(795,815)	1,842,068	2,386,757
Designated fund	16,649,829	1,707,244	(1,075,182)	17,281,891
	17,990,333	911,429	766,886	19,668,648
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,151,851	1,335,655	(766,886)	8,720,620
TOTAL FUNDS	26,151,820	2,247,084	-	28,398,904

Notes to the Financial Statements - continued

18. MOVEMENTS IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	923,979	(1,697,884)	(21,910)	(795,815)
Designated fund	287,692	(58,735)	1,478,287	1,707,244
	1,211,671	(1,756,619)	1,456,377	911,429
Restricted funds				
St Lukes College	5,000	(5,000)	-	-
Temple Grove Scholars	49,316	(49,316)	-	-
Westminster Research Fellows	201,037	(201,037)	-	-
	255,353	(255,353)	-	-
Endowment funds				
Endowment fund	328,271	(66,959)	1,074,343	1,335,655
TOTAL FUNDS	1,795,295	(2,078,931)	2,530,720	2,247,084

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Notes to the Financial Statements - continued

18. MOVEMENTS IN FUNDS - continued

Total return

	Endowment	Unapplied Total Return	Total Endowment
	£	£	£
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,554,957	2,554,957
	5,538,795	2,554,957	8,093,752
Movement in the reporting period:			
Investment return: dividends and interest	-	159,798	159,798
Investment return: realised and unrealised gains	-	442,047	442,047
Less: investment management costs	-	(33,800)	(33,800)
		568,046	568,046
Unapplied total return allocated to income in the reporting period	-	(286,988)	(286,988)
Net movements in the reporting period	-	281,058	281,058
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,836,015	2,836,015
Total	5,538,795	2,836,015	8,374,810

19. RELATED PARTY DISCLOSURES

There are no related parties other than the Trustees listed on Page 2. There were no related party transactions for the year ended 31 July 2025.

20. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

Detailed Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	**2025 Total funds**	2024 Total funds
INCOME AND ENDOWMENTS					
Donations and legacies					
Donations	18,000	255,353	-	**273,353**	308,000
Investment income					
Rent received	269,475	-	-	**269,475**	258,819
Dividends and interest	138,296	-	153,756	**292,052**	299,058
Interest – cash deposits	43,248	-	6,042	**49,290**	42,843
Interest – deferred premium and loans	703	-	-	**703**	1,702
	451,722	-	159,798	**611,520**	602,422
Total incoming resources	469,722	255,353	159,798	**884,873**	910,422
EXPENDITURE					
Investment management costs					
Investment management costs	30,402	-	33,799	**64,201**	61,490
Cost of rental properties	72,313	-	-	**72,313**	63,399
	102,715	-	33,799	**136,514**	124,889
Charitable activities					
Scholarship costs	506,707	54,316	-	**561,023**	530,708
Employee costs	202,813	201,037	-	**403,850**	151,937
Office costs	61,909	-	-	**61,909**	63,658
	771,429	255,353	-	**1,026,782**	746,303
Support costs					
Management					
Pensions paid for past services	5,321	-	-	**5,321**	6,385
Insurance	1,086	-	-	**1,086**	513
Accountancy	4,680	-	-	**4,680**	3,906
Legal and professional costs	3,253	-	-	**3,253**	1,668
Depreciation of tangible assets	1,113	-	-	**1,113**	1,116
	15,453	-	-	**15,453**	13,588

Detailed Statement of Financial Activities - continued

	Unrestricted funds	Restricted funds	Endowment funds	**2025 Total funds**	2024 Total funds
Finance					
Bank charges	913	-	-	**913**	797
Governance costs					
Auditors' remuneration	6,780	-	-	**6,780**	6,912
Total resources expended	897,290	255,353	33,799	**1,186,442**	892,489
Net (expenditure)/income before gains and losses	(427,568)	-	125,999	**(301,569)**	17,933
Realised and unrealised recognized gains and losses					
Fixed asset investments	397,600	-	442,047	**839,647**	1,172,587
Investment property	540,396	-	-	**540,396**	(21,910)
Net income/(expenditure)	510,428	-	568,046	**1,078,474**	1,168,610

THE FARMINGTON TRUST LIMITED

England & Wales - Charity number 237934

Accounts

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and Financial Statements for the Year Ended 31 July 2024 for The Farmington Trust Limited



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Report of the Trustees

ADMINISTRATIVE INFORMATION

Registered Company Number
00819630 (England and Wales)

Registered Charity Number
237934

Registered Office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson (Chairman)
P N H Gibbs
R D C Henderson
R H Wills
I L H Ormerod
Dr T R Hands
Rt Hon A K Kakkar, Professor The Lord
R J Hickey
M J H Wills
C H Blampied

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This Committee shall consist of a minimum of three governors.

Members
P N H Gibbs
H M Henderson
R D C Henderson
G W W Hudson

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

Report of the Trustees (continued)

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and establish paid residential or other Fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other courses of study and Conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out for thirty years in the name of the Farmington Institute, including for the period 1st August 2015 until 31st July 2023 within Harris Manchester College in the University of Oxford. From that date all the activities of the Farmington Institute have again been undertaken directly by the charity. The co-operation with Harris Manchester College, where the main offices and facilities of the charity are based, is now on a looser basis, supported by a memorandum of understanding. Moreover, from January 2024 the activities have been expanded to include the Farmington Head Teachers Institute alongside the Farmington Institute, the addition of three staff, including a new director, and an association with, and facilities at, Jesus College, Cambridge.

For the previous year the Charity aimed to meet its objective indirectly by making the grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2024 the annual grant to the College to support the transferred activities was £NIL (2023 - £480,840).

Report of the Trustees (continued)

We summarise the activities of the Farmington Institute.

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to Enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and Ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academies who are Involved in RE.
5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

The achievement and performance of the Institutes

Below is an extract from the report to trustees, including future plans, delivered by Rev. Dr Sir Ralph Waller and Professor Lesley Smith.

This year, we have increased our capacity to help schools and headteachers by establishing a new Farmington Headteachers Institute at Jesus College, Cambridge. We have appointed a new director at Oxford, Professor Lesley Smith, as well as additional support staff, Natasha Dark and Clare Barnes. All the activities of the Institutes have been retained, but we have increased their intensity.

Teachers of Religious Education.

The Farmington Institute has offered 35 scholarships to teachers of religious education for the coming year. A very successful induction day was held for them at the RAF Club in London. Each teacher talked about their research project and how they planned to tackle it, and received many enthusiastic ideas and suggestions from the other RE teachers.

Report of the Trustees (continued)

The Annual Conference

The annual conference weekend for RE teachers was held in June at Harris Manchester College in the University of Oxford. It was a very successful weekend with 110 RE teachers attending. Those who had just completed their scholarships presented the results of their work to their colleagues. There were excellent talks from Dr Tim Hands, one of the Farmington Trustees, John Dunston, and Canon Victoria Johnson, who gave the address on the Sunday.

Prison Chaplains.

The Farmington Institute continues to support prison chaplains to Young Offenders Institutes. Early in the year Farmington funded a training day for chaplains from YOI, which included covering travelling expenses of the chaplains, providing lunch, coffees, and teas, as well as finding and paying for a barrister, who organised a very good training day on the youth justice system. The Institute continues to give scholarships to individual chaplains to enable them to undertake additional short course training.

Bishops and Deans, Ministers and Clergy

This year, at the request of one of the Church Commissioners, Farmington successfully ran a forum for Bishops and Deans, to which four Bishops and four Deans were invited. The forum met three times during the year in interesting places such as the Old Bailey and the RAF Club. The forum was very helpful in exchanging good ideas, and useful insights, and was greatly appreciated by the members.

The trust continues to give scholarships to ministers and clergy to undertake short courses or to have a learning sabbatical.

Headteachers Scholarships

The Farmington Headteachers Scholarships continue to be a welcome feature of the institutes' activities. Last year, the Institute awarded five scholarships to headteachers, and this year we have awarded six scholarships to heads. A worthwhile induction day for this group was held at Jesus College, Cambridge. Each headteacher spoke about their proposed project and welcomed advice and suggestions from other heads.

Headteachers Forums

The Farmington Headteachers Forums have been greatly appreciated. This year the Institute has increased the number of forums from 2 to 4 with each forum meeting six times during the year. The forums are for 1. secondary headteachers, 2. primary headteachers, 3. aspiring headteachers, and 4. more recently, for headteachers in the North East of England, based at Newcastle upon Tyne. The feedback from these headteachers has been very positive.

Report of the Trustees (continued)

Support for Disadvantaged Children

Over the last five years the Farmington Trust has donated approximately £115,000 per year to some 40 schools to help and support disadvantaged children. The money has been given to be used at the total discretion of the headteacher, on the condition that it is used for disadvantaged children. Each school has provided us with a report at the end of the year saying how the money was used. This project was started during the Covid pandemic and was a five year commitment on behalf of the Farmington Trustees. This is the last year of the present commitment, and the trustees will be reviewing the future of this programme.

The Temple Grove Farmington Scholarships and Headteachers Forums.

During this year the Farmington Institute and the Temple Grove Schools Trust have come together to develop the Temple Grove Farmington Scholarships for Primary Teachers, and the Temple Grove Farmington Forums for headteachers of primary schools. The Temple Grove Schools Trust has provided the finance for these projects and the Farmington Trust has provided the expertise and the administration to run these two programmes. For this coming year there will be five scholarships awarded to primary teachers. These scholarships will cover the cost of a replacement teacher for 30 days, provide a supervisor, a university connection, and agreed out-of-pocket expenses. The Farmington Primary Headteachers Forums will be funded by the Temple Grove Schools Trust, with Farmington providing the administration and the expertise to successfully run the forums. This is a welcome cooperation which will be of great benefit to primary headteachers and teachers.

Investment performance

Cazenove report for the 12 months to 31st July 2024

The Cazenove portfolio returned 10.3% in the year to 31st July 2024, behind the Trust's benchmark of 13.3% but ahead of the ARC Balanced peer group index which rose by 9.8% and the CPI+3% benchmark which rose 5.11%.

The period under review was a good one for risk assets, as global equity markets rose by almost 20% in Sterling terms (source Refinitiv), while government bond markets also showed a positive return as investors began to discount the prospect of lower interest rates in the G7 economies with inflation continuing to fall back towards central bank targets and economic growth and the labour market cooling down.

Equity market returns were led by the strong performance of the US market, which was characterized by particularly narrow leadership, with the bulk of the S&P500 performance coming from just 7 mega-cap technology stocks that were caught up in the excitement surrounding AI. This resulted in some underperformance in the portfolio against our composite benchmark. Towards the very end of the period market leadership started to broaden slightly, with a recovery in defensive and interest rate sensitive stocks, as optimism about a soft landing prevailed again. Because of the extreme strength and concentration of the US market, all other regional markets underperformed the global index, with China being the laggard as it actually fell over the period.

Within equity markets there was a clear trend of outperformance of large companies compared to the smaller and medium sized ones, with this trend most noticeable in the US. From a sector point of view the strongest performance came from the tech sector, with financials also performing strongly on expectations of lower interest rates. The energy and materials stocks were the laggards given the weakness in energy and commodity prices.

Report of the Trustees (continued)

Government bond markets showed positive returns during the period as evidence of falling inflation and slowing growth led to markets discounting a series of interest rate cuts, while index linked securities showed small positive returns. Both investment grade and high yield credit outperformed the stronger government bond markets as spreads narrowed across the spectrum.

Amongst alternative assets energy and commodity prices fell but gold performed strongly, rising by more than global equity markets over the year.

Financial review

Financial position

For the year ended 31 July 2024, net income amounted to £1,168,610 (2023 net expenditure - £418,602). Net assets totalled £27,342,340 (2023 - £26,151,820). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £196,364 (2023 - £651,322) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

Future plans

It is intended to continue all the initiatives undertaken during the current year as set out in the extract of the report to the trustees delivered by Rev. Dr Sir Ralph Waller and Professor Lesley Smith.

In addition, from 1st August 2024 an initiative fully funded by Westminster College Trust, Oxford pursuant to a Grant and Support Agreement dated 20th July 2024 has enabled four academics to be engaged in relevant research for a period of three years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees (continued)

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The original endowment has grown substantially through retained residential property development providing a rental income stream and growth via equity markets. The balance of the liquid assets is managed by Cazenove & Co.

In the recruitment and appointment of new Trustees persons have been sought who have expertise related to:

(i) the management of agricultural property, and in particular local knowledge of the property at Northleach;
(ii) the management of our liquid investment funds;
(iii) the management of charitable trusts;
(iv) media;
(v) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

There are no related parties other than the Trustees listed on Page 2.

Declaration of Interests

All the Trustees and the Director of the Farmington Institute are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute. In addition:

- Mr H M Henderson, DL, Chair of the Trustees, is a member of the Senior Common Room of Harris Manchester College and has formerly worked as a partner and Managing Director of Cazenove & Co, the Trust's stockbrokers. Mr H M Henderson stepped down as a member of the governing body of Harris Manchester College upon the commencement of the looser relationship on 1st August 2023.
- The Rev. Dr. Sir Ralph Waller, KBE, Director of the Farmington Head Teachers Institute is an Emeritus Fellow and the former Principal of Harris Manchester College for 30 years. He is Chair of Westminster College Trust, Oxford.
- Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.
- The Rt. Hon. Professor the Lord Ajay Kakkar KG KBE PC is an Honorary Fellow of Harris Manchester College.

Report of the Trustees (continued)

- Professor Lesley Smith, appointed as Director of the Farmington Institute from January 2024, is Fellow Emerita in Politics and formerly Senior Tutor of Harris Manchester College
- Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a non-stipendiary Official Fellow/charity trustee on the governing body of Harris Manchester College and is presently its Chair for the purpose of searching and appointing a new Principal from the next academic year. He has been involved in the property development work carried out in Northleach.

Policy decisions of the charity are made by the Trustees with the involvement of George Hudson, a volunteer and former Company Secretary, the Rev. Dr Sir Ralph Waller KBE, who serves as Director of the Farmington Head Teachers Institute, and Professor Lesley Smith, Director of the Farmington Institute. On a day-to-day basis invoices are approved by either Rev. Dr Sir Ralph Waller, Professor Lesley Smith, or George Hudson, (unless an invoice is more than an agreed limit in which case approval of two of those persons is required) with the oversight of our accountants, who have full access to the bank account, and subject to being within the budget. All payments are made via online banking. The procedures allow our auditor live access to the supporting papers of all invoices.

The budget for the year, for which income and expenditure is forecast, is created within the Finance & Investment Sub-committee. A major element of the budget is the amount determined for the funding of the two Institutes based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue the business.

Report of the Trustees (continued)

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on …… and signed on the board's behalf by:

H M Henderson – Chairman and Trustee

Report of the Independent Auditors

Opinion

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Report of the Independent Auditors (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- The charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Report of the Independent Auditors (continued)

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

We also assessed the susceptibility of the Charities' financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

Report of the Independent Auditors (continued)

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: .....

Statement of Financial Activities – Income and Expenditure

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2024 Total funds £**	2023 Total funds £
INCOME AND ENDOWMENTS:						
Donations and legacies	2	308,000	-	-	**308,000**	2,250
Investment income	3	433,949	-	168,473	**602,422**	602,613
Other income		-	-	-	**-**	43,811
Total income		741,949	-	168,473	**910,422**	648,674
EXPENDITURE ON						
Raising funds:						
Investment management costs	4	91,729	-	33,160	**124,889**	131,982
Charitable activities:	5					
Attributable to grant making		-	-	-	**-**	546,444
Institute at Oxford		443,126	-	-	**443,126**	-
Head Teachers Institute		324,474	-	-	**324,474**	-
Total expenditure		859,329	-	33,160	**892,489**	678,426
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS / (LOSSES)		(117,380)	-	135,313	**17,933**	(29,752)
Net investment gains / (losses)	12	518,381	-	632,296	**1,150,677**	(388,850)
NET INCOME/(EXPENDITURE)		401,001	-	767,609	**1,168,610**	(418,602)
RECONCILIATION OF FUNDS	19					
Total funds brought forward		17,990,333	9,636	8,151,851	**26,151,820**	26,570,422
Net income/(expenditure)		401,001	-	767,609	**1,168,610**	(418,602)
Transfers between funds		479,898	-	(479,898)	**-**	-
Net movement in funds		880,899	-	287,711	**1,168,610**	(418,602)
TOTAL FUNDS CARRIED FORWARD		18,871,232	9,636	8,439,562	**27,320,430**	26,151,820

Balance Sheet

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2024 Total funds £**	2023 Total funds £
FIXED ASSETS						
Tangible assets	13	119,749	-	-	**119,749**	120,865
Investments						
Investments	14	7,907,885	-	8,093,752	**16,001,637**	14,476,232
Investment property	15	10,774,000	-	345,810	**11,119,810**	11,045,454
		18,801,634	-	8,439,562	**27,241,196**	25,642,551
CURRENT ASSETS						
Debtors	16	190,179	-	-	**190,179**	184,164
Cash at bank		38,380	9,636	-	**48,016**	520,600
		228,559	9,636	-	**238,195**	704,764
CREDITORS						
Amounts falling due within one year	17	(32,195)	-	-	**(32,195)**	(43,806)
NET CURRENT ASSETS		196,364	9,636	-	**206,000**	660,958
TOTAL ASSETS LESS CURRENT LIABILITIES		18,997,998	9,636	8,439,562	**27,447,196**	26,303,509
CREDITORS						
Amounts falling due after more than one year	18	(126.766)	-	-	**(126,766)**	(151,689)
NET ASSETS		18,871,232	9,636	8,439,562	**27,320,430**	26,151,820
FUNDS						
Unrestricted funds:						
General fund					**1,642,533**	1,340,504
Designated fund					**17,228,699**	16,649,829
TOTAL FUNDS CARRIED FORWARD					**18,871,232**	17,990,333
Restricted funds					**9,636**	9,636
Endowment funds					**8,439,562**	8,151,851
					27,320,430	26,151,820

Balance Sheet (continued)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

(a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on ……. and were signed on its behalf by:

H M Henderson – Chairman and Trustee

Cash Flow Statement

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	A	**(502,416)**	(599,660)
Net cash used in operating activities		**(502,416)**	(599,660)
Cash flows from investing activities			
Purchase of quoted investments		**(5,358,857)**	(9,083,952)
Purchase of investment property		**(96,266)**	(57,498)
Sale of quoted investments		**5,228,252**	9,038,687
Movement on cash held at Cazenove		**(220,163)**	332,361
Accrued income on quoted investments		**(2,050)**	(5,410)
Interest received		**44,545**	25,302
Dividends received		**299,058**	307,685
Net cash provided by investing activities		**(105,481)**	557,175
Cash flows from financing activities			
Income attributable to endowment		**168,473**	165,817
Expenditure attributable to endowment		**(33,160)**	(32,017)
Net cash provided by financing activities		**135,313**	133,800
Change in cash and cash equivalents in the reporting period	B	**(472,584)**	91,315
Cash and cash equivalents at the beginning of the reporting period		**520,600**	429,285
Cash and cash equivalents at the end of the reporting period		**48,016**	520,600

Notes to the Cash Flow Statement

A. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2024	2023
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**1,168,610**	(418,602)
Adjustments for:		
Depreciation charges	**1,116**	1,120
(Gain)/losses on investments	**(1,150,677)**	388,850
Interest received	**(44,545)**	(25,302)
Dividends received	**(299,058)**	(307,685)
Income attributable to endowment	**(168,473)**	(165,817)
Expenditure attributable to endowment	**33,160**	32,017
(Increase)/decrease in debtors	**(6,015)**	(1,995)
Increase/(decrease) in creditors	**(36,534)**	(102,246)
Net cash used in operations	**(502,416)**	(599,660)

B. Analysis of Changes in Net Funds

	At 1.8.23	Cash flow	At 31.7.24
	£	£	£
Cash at bank	520,600	(472,584)	48,016

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Notes to the Financial Statements (continued)

Raising funds

Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs

Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 7.

Governance costs

Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	In accordance with the lease term
Improvements to property	2% on cost
Library	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property

Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations		
Westminster College Oxford	**200,000**	-
Shawn Ching	**100,000**	-
St Lukes	**5,000**	-
Inchcape	**3,000**	2,250
	308,000	2,250

Notes to the Financial Statements (continued)

3. INVESTMENT INCOME

	2024	2023
	£	£
Rent received	258,819	269,626
Dividends and interest	299,058	307,685
Interest – cash deposits	53,843	14,138
Interest – deferred premium and loans	1,702	11,164
	602,422	602,613

4. RAISING FUNDS

Investment management costs

	2024	2023
	£	£
Investment management costs – brokers fees	61,490	61,587
Cost of rental properties	63,399	70,395
	124,889	131,982

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (see note 7)	Totals
	£	£	£
Institute at Oxford	421,829	10,649	443,126
Head Teachers Institute	324,474	10,648	324,474
	746,303	21,297	767,600

6. GRANTS PAYABLE

	2024	2023
	£	£
The total grants paid to institutions during the year was as follows:		
Harris Manchester College – Grant B	-	480,840

Notes to the Financial Statements (continued)

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £NIL (2023 - £480,840). Included in this total grant are wages of £NIL (2023 - £43,811) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the ongoing grant.

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Institute at Oxford	6,794	399	3,456	10,649
Head Teachers Institute	6,794	398	3,456	10,648
	13,588	797	6,912	21,297

Support costs, included in the above are as follows:

	2024 Institute at Oxford	2024 Head Teachers Institute	2023 Total activities
	£	£	£
Wages	-	-	43,811
Pensions paid for past service	3,193	3,193	6,385
Insurance	257	257	566
Accountancy	1,952	1,952	3,654
Legal and professional costs	834	834	3,506
Depreciation of tangible and heritage assets	558	558	1,120
Bank charges	399	398	514
Auditors'remuneration	3,456	3,456	6,048
	10,649	10,648	65,604

Notes to the Financial Statements (continued)

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after changing/(crediting):

	2024	2023
	£	£
Auditors' remuneration	**6,912**	6,048
Depreciation – owned assets	**1,116**	1,120
	8,028	7,168

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2024 nor for the year ended 31 July 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2024 nor for the year ended 31 July 2023.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	**151,937**	43,811
Other pension costs	**6,385**	6,385
	158,322	50,196

The average monthly number of employees during the year was as follows:

	2024	2023
Working on charitable activities	**5**	1

No employees received emoluments in excess of £60,000

Notes to the Financial Statements (continued)

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was £287,711 (2023 – negative £124,910). The unapplied total return allocated to income in the reporting period was £479,900 (2023 - £NIL).

12. NET GAINS/(LOSSES) ON INVESTMENT

	2024	2023
	£	£
Investment portfolio	**1,172,588**	(497,640)
Investment properties	**(21,910)**	108,790
	1,150,678	(388,850)

13.TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2023 and 31 July 2024	150,000	4,095	15,391	169,486
DEPRECIATION				
At 1 August 2023	31,000	2,574	15,047	48,621
Charge for year	1,000	82	34	1,116
At 31 July 2024	32,000	2,656	15,081	49,737
NET BOOK VALUE				
At 31 July 2024	118,000	1,439	310	119,749
At 31 July 2023	119,000	1,521	344	120,865

Notes to the Financial Statements (continued)

14. FIXED ASSET INVESTMENTS

	2024	2023
	£	£
Listed investment portfolio	**16,001,636**	14,476,232

Included within investments held on Stock Exchange are investment assets outside the UK of £6,558,887 (2023 - £7,499,862). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2024 was £13,876,347 (2023 - £13,679,748).

The following investments were held at 31 July 2024 with a value in excess of 5% of the market value of listed investments:

- Vanguard S&P 500 ETF
- JP Morgan America Equity Fund
- HSBC Global Government Bond Index Fund
- Schroder Diversified Alternative Assets

Movement in fixed asset investments

	2024	2023
	£	£
Market value at 1 August (excluding cash held)	**14,019,947**	14,466,912
Additions at cost	**5,358,857**	9,083,952
Disposal proceeds	**(5,228,254)**	(9,038,687)
Gains/(Losses) on investment assets	**1,172,588**	(497,640)
Accrued interest (movement)	**2,050**	5,410
Market value at 31 July (excluding cash held)	**15,325,188**	14,019,947
Cash held at 31 July	**676,448**	456,285
Market value of investments 31 July	**16,001,636**	14,476,232

Notes to the Financial Statements (continued)

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2023	**11,045,454**
Additions	**96,266**
Revaluation	**(21,910)**
At 31 July 2024	**11,119,810**
NET BOOK VALUE	
At 31 July 2024	**11,119,810**
At 31 July 2023	**11,045,454**

An informal valuation has been undertaken by Mr L G Greaves FRICS at 31 July 2024, indicating a market value of £11,119,810, which the Governors have adopted in these accounts.

The historical cost of the property investments, held at 31 July 2024 was £5,282,632 (2023 - £5,186,366).

Fair value at 31 July 2024 is represented by:

	£
Valuation in 2020	**8,270,853**
Valuation in 2021	**834,148**
Valuation in 2022	**1,774,164**
Valuation in 2023	**166,289**
Valuation in 2024	**74,357**
	11,119,810

16. DEBTORS

	2024 £	2023 £
Amounts falling due within one year:		
Loans	**16,656**	10,399
Prepayments and accrued income	**1,630**	3,574
	18,286	13,973
Amounts falling due after more than one year:		
Deferred premium	**171,893**	159,095
	190,179	182,169

Notes to the Financial Statements (continued)

16. DEBTORS (continued)

Within loans are amounts totaling £1,935 (2023 - £4,302) which may not be repayable within one year.

Deferred premiums at the year-end of £171,893 (2023 - £170,191) relate to premiums due from a new tenant. The sum is due to be paid from the proceeds of the tenant's house which was on the market at the year end.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Lease premiums	**20,791**	33,177
Accrued expenses	**11,404**	10,629
	32,195	43,806

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Lease premiums	**123,898**	144,689
Security premiums	**2,868**	7,000
	126,766	151,689

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS

	At 1.8.23	Net movement in funds	Transfers between funds	At 31.7.24
	£	£	£	£
Unrestricted funds				
General fund	1,340,504	(233,007)	535,036	1,642,533
Designated fund	16,649,829	634,008	(55,138)	17,228,699
	17,990,333	401,001	479,898	18,871,232
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,151,851	767,609	(479,898)	8,439,562
TOTAL FUNDS	26,151,820	1,168,610	-	27,320,430

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	597,988	(830,995)	-	(233,007)
Designated fund	143,961	(28,334)	518,381	634,008
	741,949	(859,329)	518,381	401,001
Endowment funds				
Endowment fund	168,473	(33,160)	632,296	767,609
TOTAL FUNDS	910,422	(892,489)	1,150,677	1,168,610

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

Comparatives for movement in funds

	At 1.8.22	Net movement in funds	Transfers between funds	At 31.7.23
	£	£	£	£
Unrestricted funds				
General fund	1,088,570	(128,745)	380,679	1,340,504
Designated fund	17,195,455	(164,947)	(380,679)	16,649,829
	18,284,025	(293,692)	-	17,990,333
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,276,761	(124,910)	-	8,151,851
TOTAL FUNDS	26,570,422	(418,602)	-	26,151,820

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	488,094	(616,839)	-	(128,745)
Designated fund	(5,237)	(29,570)	(130,140)	(164,947)
	482,857	(646,409)	(130,140)	(293,692)
Endowment funds				
Endowment fund	165,817	(32,017)	(258,710)	(124,910)
TOTAL FUNDS	648,674	(678,426)	(388,850)	(418,602)

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.22	Net movement in funds	Transfers between funds	At 31.7.24
	£	£	£	£
Unrestricted funds				
General fund	1,088,570	(361,752)	915,715	1,642,533
Designated fund	17,195,455	469,061	(435,817)	17,228,699
	18,284,025	107,309	479,898	18,871,232
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,276,761	642,699	(479,898)	8,439,562
TOTAL FUNDS	26,570,422	750,008	-	27,320,430

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,086,082	(1,447,834)	-	(361,752)
Designated fund	138,724	(57,904)	388,241	469,061
	1,224,806	(1,505,738)	388,241	107,309
Endowment funds				
Endowment fund	334,290	(65,177)	373,586	642,699
TOTAL FUNDS	1,559,096	(1,570,915)	761,827	750,008

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Total return

	Endowment	Unapplied Total Return	Total Endowment
	£	£	£
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,267,246	2,267,246
	5,538,795	2,267,246	7,806,041
Movement in the reporting period:			
Investment return: dividends and interest	-	168,474	168,474
Investment return: realised and unrealised gains	-	632,296	632,296
Less: investment management costs	-	(33,160)	(33,160)
		767,610	767,610
Unapplied total return allocated to income in the reporting period	-	(479,900)	(479,900)
Net movements in the reporting period	-	287,711	287,711
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,554,957	2,554,957
Total	5,538,795	2,554,957	8,093,752

Notes to the Financial Statements (continued)

20. RELATED PARTY DISCLOSURES

There are no related parties other than the Trustees listed on Page 2. There were no related party transactions for the year ended 31 July 2024.

21. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

THE FARMINGTON TRUST LIMITED

England & Wales - Charity number 237934

Accounts

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and Financial Statements for the Year Ended 31 July 2023 for The Farmington Trust Limited



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Report of the Trustees

ADMINISTRATIVE INFORMATION

Registered Company Number
00819630 (England and Wales)

Registered Charity Number
237934

Registered Office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson (Chairman)
Dr C Wills (resigned 01.10.22)
P N H Gibbs
P J H Wills (resigned 01.10.22)
R D C Henderson
R H Wills
Hon R I H Wills (resigned 01.10.22)
I L H Ormerod
Rev Prof J Shaw
Dr T R Hands
Rt Hon A K Kakkar, Professor The Lord
R J Hickey (appointed 01.10.22)
M J H Wills (appointed 01.10.22)
C H Blampied (appointed 01.10.22)

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This Committee shall consist of a minimum of three governors.

Members
P N H Gibbs
H M Henderson
R D C Henderson
G W W Hudson

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

Report of the Trustees (continued)

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and establish paid residential or other Fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other courses of study and Conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

1) The activities of the Farmington Institute were formally transferred to the College;
2) The Charity transferred the use of its building, via a sub-lease to the College;
3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

Report of the Trustees (continued)

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed. As a result of a review carried out in the current year and due to the Farmington Institute wishing to have greater flexibility in its operations within the exclusive control of the trustees and outside of the remit easily provided by the Co-Operation Agreement, it was decided by both the Charity and the College to end the Co-Operation Agreement on 31st July 2023.

A replacement memorandum of understanding has been concluded by the parties to ensure that they continue to seek and co-operate on areas of mutual interest and concern as well as dealing with practical matters arising from the Charity's offices being located within the College.

For the current year the Charity still aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2023 the annual grant to the College to support the transferred activities was £480,840 (2022 - £669,689).

We summarise the activities of the Farmington Institute.

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to Enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and Ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academies who are Involved in RE.
5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

It should be noted that from 1st August 2023 the Farmington Institute will cease to be part of the College and will operate under the direct guidance of the trustees of the Charity.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

Report of the Trustees (continued)

STRATEGIC REPORT

Achievement and performance

Charitable activities

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £480,840 (2022 - £669,689).

It should be noted that from 1st August 2023 the Farmington Institute will cease to be part of the College and will operate under the direct guidance of the trustees of the Charity.

The achievement and performance of the Institute

Below is an extract from the report to trustees, including future plans, delivered by Rev. Dr Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

Scholars for the Academic Year 2023-24

For this coming academic year, we have selected 34 scholars from around the UK.

Scholarships in Moral and Ethical Leadership for Senior Members of His Majesty's Armed Forces

We have been most fortunate to have had with us this academic year two outstanding Senior Military Scholars. The first was an Army Colonel, who has served with the Welsh Guards and the Royal Scots Regiment, in Bosnia, Northern Ireland, Afghanistan, and Iraq.

His subject of study, during his fellowship, was that of Moral and Ethical Leadership across Cultural Boundaries. We appointed two people to be his joint supervisors.

The second Farmington Military Scholar was a Captain in the Royal Navy. He has served as a Navy pilot, flying from aircraft carriers, and has been the Operations and Air Operations Officer on HMS Ocean, and later was appointed the Military Advisor to the UK Ambassador to Europe.

During his scholarship he worked on building a moral and ethical framework for the Royal Navy.

RE Teachers' Forums

For the second year, we are running the highly successful RE Teachers' Forums. This year we have three groups with 10 teachers in each group. The groups meet six times in the year under the supervision of an experienced university lecturer or professor who specialises in Religious Education, in Liverpool, Lincoln and Bristol. We have also just established a fourth group in the Cambridge area. These forums are doing much to raise morale

Report of the Trustees (continued)

in the teaching profession and encourage and inspire young teachers in the early years of their careers.

We have also had a request from RE Teachers in Northern Ireland to establish a similar forum there.

Headteachers' Forums

This year we have run two Headteachers' Forums, one for primary Headteachers, and the other for secondary Headteachers. The members of the Primary Headteachers' Forum have discussed various subjects including teacher recruitment and retention, the issue of social media and its effect on schools, children and teachers, but the one topic, which has continued to be raised, is that of inspections.

The Secondary Headteachers' Forum has met regularly and discussed issues such as 'Is the curriculum fit for purpose?', 'Would you encourage your children to go into teaching?' and 'What should be the school's response to artificial intelligence?'

From the constant feedback received from Headteachers, it clearly appears that all the members have found the forums encouraging and worthwhile. We have planned further meetings of the forums at Winchester College, King Edward VI School, Stratford, the school that taught Shakespeare, St Johns College Oxford, the Tower of London, and the House of Lords.

Bishops and Deans Meetings

We have had two meetings of the Bishop and Dean's group, the first was at Trinity College, Cambridge, and the second at the Oxford and Cambridge Club in London. We have discussed two major issues: that of support for Bishops and Deans, and that of trust between Bishops and Deans.

Prison Chaplains.

Our support for Prison Chaplains in Young Offenders Institutions has resulted in our facilitating and funding a meeting of Chaplains with a leading Barrister to discuss issues of the Youth Justice System.

Annual Conference

This year, our Annual Conference took place from Friday, the 23rd of June until Sunday, the 25th of June. All the places were filled (125) and there was a waiting list from other RE teachers who wanted to attend. Those who completed their scholarships this year presented their findings to their colleagues during this conference.

Support for schools helping disadvantaged children

We are now well into the third year of our five year commitment to 41 schools to help them support disadvantaged children. As we have noted previously this help has been greatly appreciated by all the schools. The recently received feedback clearly shows the great effect that a small amount of money can have.

Report of the Trustees (continued)

Investment performance

Cazenove report for the 12 months to 31st July 2023

The Cazenove portfolio returned -1.57% in the year to 31st July 2023, a fraction behind the Trust's benchmark of -1.15% and the ARC Balanced peer group index which fell by 0.53%. Our third benchmark, CPI+3%, rose 10.03% over the period as high inflation continued to dominate the economic backdrop.

A brief rally in risk assets at the start of the year gave way to ongoing fears that terminal rates were not sufficiently high as central banks restated their commitment to combat stronger than anticipated inflation. In the UK, markets also suffered a particularly bruising end to the third quarter with Kwasi Kwarteng's disastrous mini budget - the pain being felt especially in fixed income markets. Some respite followed at the end of 2022 in reaction to softer inflation readings in the main economic blocs and a reduction in the pace of interest rate rises in the US, Europe, and the UK.

The early weeks of 2023 saw a continuation of the more buoyant market mood, with the belief that 2023 would see a peak in inflation and interest rates and that equity and bond markets were sitting at more realistic valuations. This more optimistic mood was helped by a U-turn in China on their COVID policy and furthermore by relief that Europe has weathered the ongoing Russia/Ukraine conflict without any significant threat to their energy supplies.

Markets became more jittery in the second quarter of 2023 as investors realised once again that consensus opinion for terminal rates was too low. Notably it was not just investors who had mispriced terminal rates, but the Bank of England was forced to announce in July that it had appointed a previous FED president, Ben Bernanke, to review its own forecasting abilities.

The end of the period saw a very narrow rally led by a handful of technology stocks in the US and predominantly those seen to benefit from the Artificial Intelligence (AI) revolution. Such is the scale now of the 7 US 'super stocks' (Meta, Tesla, Nvidia, Amazon, Alphabet, Microsoft and Apple) that their combined market capitalisation makes up more of the global equity index than Japan, UK, China and France combined (source: Refinitiv). In Asia, China struggled to maintain economic momentum with ongoing concerns over the property market and an inadequate policy response.

Toward the end of the period, we made an alteration to the Trust's benchmark, replacing the UK equity weighting with a commensurate increase in the global equity weighting. The UK equity market makes up less than 4% of the MSCI All Countries World Index (source: MSCI) and is notably weighted towards a handful of sectors. It was felt that in moving the equity weighting to a global comparator, it would better accommodate some of the larger themes in healthcare, technology, and infrastructure (including sustainable investment) that are likely to dominate global markets over the coming decade.

In the short term, the outlook remains uncertain, although we are looking for opportunities to add rather than reduce risk. Although there is a more realistic consensus on inflation and the direction of interest rates, there is no shortage of signals suggesting that the US is likely to enter a recession later this year. So far expectations have been confounded by a robust US economy. Whilst that is good news on the surface, there is considerable uncertainty as to whether the Fed can engineer a soft landing and bring inflation down fast enough to enable real wages to drive the economy. The direction of global markets in the coming months will be dictated by a great number of variables but this will perhaps be the most keenly watched.

Report of the Trustees (continued)

Financial review

Financial position

For the year ended 31 July 2023, net expenditure (2022 – income) amounted to £418,602 (2022 - £965,420). Net assets totalled £26,151,820 (2022 - £26,570,422). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £651,322 (2022 - £539,609) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

Future plans

It is intended to continue all the initiatives undertaken during the current year as set out in the extract of the report to the trustees delivered by Rev. Dr Sir Ralph Waller.

The trustees are intending to make a senior appointment, including the appointment of additional support staff, to work with Rev. Dr Sir Ralph Waller in all the current endeavours. In particular, greater resources will be devoted to assisting Head Teachers. In consideration of a grant, physical space and support has been secured from Jesus College, Cambridge.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Report of the Trustees (continued)

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to:

(i) the management of agricultural property, and in particular local knowledge of the property at Northleach;
(ii) the management of our liquid investment funds;
(iii) the management of charitable trusts;
(iv) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

There are no related parties other than the Trustees listed on Page 2.

Declaration of Interests

All the Trustees and the Director of the Farmington Institute are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute. In addition:

- Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers. He is also a member of the College's investment committee. Mr H M Henderson has stepped down as a member of the governing body of Harris Manchester College upon the commencement of the looser relationship on 1st August 2023.
- The Rev. Dr. Sir Ralph Waller, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is also the former Principal of Harris Manchester College.
- Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.
- Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a non-stipendiary Official Fellow and member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.
- Rev. Prof. Jane Shaw, a trustee, is the current Principal of Harris Manchester College, but has stepped down as a trustee upon the commencement of the looser relationship on 1st August 2023.
- Professor, The Lord Kakkar is an Honorary Fellow of Harris Manchester College.

Policy decisions of the charity are made by the Trustees with the involvement of Mr George Hudson, a volunteer and former Company Secretary, and the Rev. Dr Sir Ralph Waller, who serves as Director of the Farmington Institute. Rev. Dr Sir Ralph Waller is also the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Rev. Dr Sir Ralph Waller or Mr George Hudson, (unless an invoice is more than

Report of the Trustees (continued)

an agreed limit in which case approval of both parties is required) with the oversight of our accountants, who have full access to the bank account, and subject to being within the budget. All payments are made via online banking. In the ensuing year, a new audit procedure has been implemented, allowing the auditor live access to the supporting papers of all invoices.

The budget for the year, at which income and expenditure is forecast, is created within the Finance & Investment Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments. It should be noted that the Ongoing Grant will cease as of 1st August 2023. The equivalent funds will be used directly to support all the charitable endeavours undertaken by the Farmington Institute

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue the business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

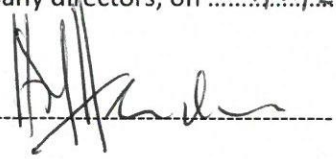
- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9/11/2023 and signed on the board's behalf by:



H M Henderson – Chairman and Trustee

Report of the Independent Auditors

Opinion

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Report of the Independent Auditors (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- The charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Report of the Independent Auditors (continued)

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

We also assessed the susceptibility of the Charities' financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

Report of the Independent Auditors (continued)

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: 10 November 2023

Statement of Financial Activities – Income and Expenditure

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2023 Total funds £**	2022 Total funds £
INCOME AND ENDOWMENTS:						
Donations and legacies	2	2,250	-	-	**2,250**	451,500
Investment income	3	436,796	-	165,817	**602,613**	492,839
Other income		43,811	-	-	**43,811**	54,540
Total income		482,857	-	165,817	**648,674**	998,879
EXPENDITURE ON						
Raising funds:						
Investment management costs	4	99,965	-	32,017	**131,982**	128,477
Charitable activities:						
Attributable to grant making	5	546,444	-	-	**546,444**	747,404
Total expenditure		646,409	-	32,017	**678,426**	875,881
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS / (LOSSES)		(163,552)	-	133,800	**(29,752)**	122,998
Net investment gains / (losses)	12	(130,140)	-	(258,710)	**(388,850)**	842,422
NET INCOME/(EXPENDITURE)		(293,692)	-	(124,910)	**(418,602)**	965,420
RECONCILIATION OF FUNDS	19					-
Total funds brought forward		18,284,025	9,636	8,276,761	**26,570,422**	25,605,002
Transfers between funds		-	-	-	**-**	-
Net Income/(Expenditure)		(293,692)	-	(124,910)	**(418,602)**	965,420
TOTAL FUNDS CARRIED FORWARD		17,990,333	9,636	8,151,851	**26,151,820**	26,570,422

Balance Sheet

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2023 Total funds £**	2022 Total funds £
FIXED ASSETS						
Tangible assets	13	120,865	-	-	**120,865**	121,985
Investments						
Investments	14	6,670,191	-	7,806,041	**14,476,232**	15,255,559
Investment property	15	10,699,644	-	345,810	**11,045,454**	10,879,165
		17,490,700	-	8,151,851	**25,642,551**	26,256,709
CURRENT ASSETS						
Debtors	16	184,164	-	-	**184,164**	182,169
Cash at bank		510,964	9,636	-	**520,600**	429,285
		695,128	9,636	-	**704,764**	611,454
CREDITORS						
Amounts falling due within one year	17	(43,806)	-	-	**(43,806)**	(62,209)
NET CURRENT ASSETS		651,322	9,636	-	**660,958**	549,245
TOTAL ASSETS LESS CURRENT LIABILITIES		18,142,022	9,636	8,151,851	**26,303,509**	26,805,954
CREDITORS						
Amounts falling due after more than one year	18	(151,689)	-	-	**(151,689)**	(235,532)
NET ASSETS		17,990,333	9,636	8,151,851	**26,151,820**	26,570,422
FUNDS						
Unrestricted funds:						
General fund					**1,340,504**	1,088,570
Designated fund					**16,649,829**	17,195,455
TOTAL FUNDS CARRIED FORWARD					**17,990,333**	18,284,025
Restricted funds					**9,636**	9,636
Endowment funds					**8,151,851**	8,276,761
					26,151,820	26,570,422

Balance Sheet (continued)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

(a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 9/11/2023 and were signed on its behalf by:

H M Henderson – Chairman and Trustee

Cash Flow Statement

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	A	**(599,660)**	(254,447)
Net cash used in operating activities		**(599,660)**	(254,447)
Cash flows from investing activities			
Purchase of quoted investments		**(9,083,952)**	(3,809,570)
Purchase of investment property		**(57,498)**	(22,816)
Sale of quoted investments		**9,038,687**	4,685,698
Movement on cash held at Cazenove		**332,361**	(520,703)
Accrued income on quoted investments		**(5,410)**	(729)
Interest received		**25,302**	2,545
Dividends received		**307,685**	233,205
Net cash provided by investing activities		**557,175**	567,630
Cash flows from financing activities			
Income attributable to endowment		**165,817**	117,647
Expenditure attributable to endowment		**(32,017)**	(32,945)
Net cash provided by financing activities		**133,800**	84,702
Change in cash and cash equivalents in the reporting period	B	**91,315**	397,885
Cash and cash equivalents at the beginning of the reporting period		**429,285**	31,400
Cash and cash equivalents at the end of the reporting period		**520,600**	429,285

Notes to the Cash Flow Statement

A. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**(418,602)**	965,420
Adjustments for:		
Depreciation charges	**1,120**	1,125
(Gain)/losses on investments	**388,850**	(842,422)
Interest received	**(25,302)**	(2,545)
Dividends received	**(307,685)**	(233,205)
Income attributable to endowment	**(165,817)**	(117,647)
Expenditure attributable to endowment	**32,017**	32,945
(Increase)/decrease in debtors	**(1,995)**	(4,013)
Increase/(decrease) in creditors	**(102,246)**	(54,105)
Net cash used in operations	**(599,660)**	(254,447)

B. Analysis of Changes in Net Funds

	At 1.8.22	Cash flow	At 31.7.23
	£	£	£
Cash at bank	429,285	91,315	520,600

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Notes to the Financial Statements (continued)

Raising funds

Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs

Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 7.

Governance costs

Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	In accordance with the lease term
Improvements to property	2% on cost
Library	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property

Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	**2,250**	451,500
The above donations have been made for the following purposes:		
Ms Ye	**-**	450,000
Other	**2,250**	1,500
	2,250	451,500

Notes to the Financial Statements (continued)

3. INVESTMENT INCOME

	2023	2022
	£	£
Rent received	269,626	257,089
Dividends and interest	307,685	233,205
Interest – cash deposits	14,138	970
Interest – deferred premium and loans	11,164	1,575
	602,613	492,839

4. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Investment management costs – brokers fees	61,587	65,543
Cost of rental properties	70,395	62,934
	131,982	128,477

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Attributable to grant making	480,840	65,604	546,444

6. GRANTS PAYABLE

	2023	2022
	£	£
The total grants paid to institutions during the year was as follows:		
Harris Manchester College – Grant B	480,840	669,689

Notes to the Financial Statements (continued)

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £480,840 (2022 - £669,689). Included in this total grant are wages of £43,811 (2022 - £54,540) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the ongoing grant.

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Attributable to grant making	59,042	514	6,048	65,604

Support costs, included in the above are as follows:

	2023 Attributable to grant making	2022 Total activities
	£	£
Wages	**43,811**	54,540
Pensions paid for past service	**6,385**	6,385
Insurance	**566**	883
Accountancy	**3,654**	3,970
Legal and professional costs	**3,506**	4,559
Depreciation of tangible and heritage assets	**1,120**	1,125
Bank charges	**514**	631
Auditors' remuneration	**6,048**	5,622
	65,604	77,715

Notes to the Financial Statements (continued)

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after changing/(crediting):

	2023	2022
	£	£
Auditors' remuneration	6,048	5,622
Depreciation – owned assets	1,120	1,125
	7,168	6,747

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2023 nor for the year ended 31 July 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2023 nor for the year ended 31 July 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	43,811	54,540
Other pension costs	6,385	6,385
	50,196	60,925

The average monthly number of employees during the year was as follows:

	2023	2022
Working on charitable activities	1	1

No employees received emoluments in excess of £60,000

Notes to the Financial Statements (continued)

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was negative £124,910 (2022 – negative £299,272). The unapplied total return allocated to income in the reporting period was £NIL (2022 - £NIL).

12. NET GAINS/(LOSSES) ON INVESTMENT

	2023	2022
	£	£
Investment portfolio	(497,640)	(763,926)
Investment properties	108,790	1,606,348
	(388,850)	842,422

13.TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2022 and 31 July 2023	150,000	4,095	15,391	169,486
DEPRECIATION				
At 1 August 2022	30,000	2,492	15,009	47,501
Charge for year	1,000	82	38	1,120
At 31 July 2023	31,000	2,574	15,047	48,621
NET BOOK VALUE				
At 31 July 2023	119,000	1,521	344	120,865
At 31 July 2022	120,000	1,603	382	121,985

Notes to the Financial Statements (continued)

14. FIXED ASSET INVESTMENTS

	2023	2022
	£	£
Listed investment portfolio	**14,476,232**	15,255,559

Included within investments held on Stock Exchange are investment assets outside the UK of £7,499,862 (2022 - £5,054,692). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2023 was £13,679,748 (2022 - £12,987,165).

The following investments were held at 31 July 2023 with a value in excess of 5% of the market value of listed investments:

- Schroder Diversified Alternative Assets

Movement in fixed asset investments

	2023	2022
	£	£
Market value at 1 August (excluding cash held)	**14,466,912**	16,106,238
Additions at cost	**9,083,952**	3,803,972
Disposal proceeds	**(9,038,687)**	(4,680,101)
Gains/(Losses) on investment assets	**(497,640)**	(763,926)
Accrued interest (movement)	**5,410**	729
Market value at 31 July (excluding cash held)	**14,019,947**	14,466,912
Cash held at 31 July	**456,285**	788,646
Market value of investments 31 July	**14,476,232**	15,255,558

Notes to the Financial Statements (continued)

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2022	**10,879,165**
Additions	**57,498**
Revaluation	**108,791**
At 31 July 2023	**11,045,454**
NET BOOK VALUE	
At 31 July 2023	**11,045,454**
At 31 July 2022	**10,879,165**

An informal valuation has been undertaken by Mr L G Greaves FRICS at 31 July 2023, indicating a market value of £11,045,454, which the Governors have adopted in these accounts.

The historical cost of the property investments, held at 31 July 2023 was £5,186,366 (2022 - £5,128,868).

Fair value at 31 July 2023 is represented by:

	£
Valuation in 2020	**8,270,853**
Valuation in 2021	**834,148**
Valuation in 2022	**1,774,164**
Valuation in 2023	**166,289**
	11,045,454

16. DEBTORS

	2023 £	2022 £
Amounts falling due within one year:		
Loans	**10,399**	17,605
Prepayments and accrued income	**3,574**	5,469
	13,973	23,074
Amounts falling due after more than one year:		
Deferred premium	**170,191**	159,095
	184,164	182,169

Notes to the Financial Statements (continued)

16. DEBTORS (continued)

Within loans are amounts totaling £4,302 (2022 - £9,262) which may not be repayable within one year.

Deferred premiums at the year-end of £170,191 (2022 - £159,095) relate to premiums due from a new tenant. The sum is due to be paid from the proceeds of the tenant's house which was on the market at the year end.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Lease premiums	33,177	52,969
Accrued expenses	10,629	9,240
	43,806	62,209

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Lease premiums	144,689	228,532
Security premiums	7,000	7,000
	151,689	235,532

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS

	At 1.8.22	Net movement in funds	Transfers between funds	At 31.7.23
	£	£	£	£
Unrestricted funds				
General fund	1,088,570	(128,745)	380,679	1,340,504
Designated fund	17,195,455	(164,947)	(380,679)	16,649,829
	18,284,025	(293,692)	-	17,990,333
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,276,761	(124,910)	-	8,151,851
TOTAL FUNDS	26,570,422	(418,602)	-	26,151,820

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	488,094	(616,839)	-	(128,745)
Designated fund	(5,237)	(29,570)	(130,140)	(164,947)
	482,857	(646,409)	(130,140)	(293,692)
Endowment funds				
Endowment fund	165,817	(32,017)	(258,710)	(124,910)
TOTAL FUNDS	648,674	(678,426)	(388,850)	(418,602)

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

Comparatives for movement in funds

	At 1.8.21	Net movement in funds	Transfers between funds	At 31.7.22
	£	£	£	£
Unrestricted funds				
General fund	755,876	(74,105)	406,799	1,088,570
Designated fund	16,263,456	1,338,798	(406,799)	17,195,455
	17,019,332	1,264,693	-	18,284,025
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,576,034	(299,273)	-	8,276,761
TOTAL FUNDS	25,605,002	965,420	-	26,570,422

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	881,232	(810,337)	(145,000)	(74,105)
Designated fund	-	(32,599)	1,371,397	1,338,798
	881,232	(842,936)	1,226,397	1,264,693
Endowment funds				
Endowment fund	117,647	(32,945)	(383,975)	(299,273)
TOTAL FUNDS	998,879	(875,881)	842,422	965,420

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.21	Net movement in funds	Transfers between funds	At 31.7.23
	£	£	£	£
Unrestricted funds				
General fund	755,876	(202,850)	787,478	1,340,504
Designated fund	16,263,456	1,173,851	(787,478)	16,649,829
	17,019,332	971,001	-	17,990,333
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,576,034	(424,183)	-	8,151,851
TOTAL FUNDS	25,605,002	546,818	-	26,151,820

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,369,326	(1,427,176)	(145,000)	(202,850)
Designated fund	(5,237)	(62,169)	1,241,257	1,173,851
	1,364,089	(1,489,345)	1,096,257	971,001
Endowment funds				
Endowment fund	283,464	(64,962)	(642,685)	(424,183)
TOTAL FUNDS	1,647,553	(1,554,307)	453,572	546,818

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Total return

	Endowment	Unapplied Total Return	Total Endowment
	£	£	£
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,392,156	2,392,156
	5,538,795	2,392,156	7,930,951
Movement in the reporting period:			
Investment return: dividends and interest	-	165,817	165,817
Investment return: realised and unrealised gains	-	(258,710)	(258,710)
Less: investment management costs	-	(32,017)	(32,017)
		(124,910)	(124,910)
Unapplied total return allocated to income in the reporting period	-	-	-
Net movements in the reporting period	-	(124,910)	(124,910)
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,267,246	2,267,246
Total	5,538,795	2,267,246	7,806,041

Notes to the Financial Statements (continued)

20. RELATED PARTY DISCLOSURES

There are no related parties other than the Trustees listed on Page 2. There were no related party transactions for the year ended 31 July 2023.

21. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

22. SUBSEQUENT EVENTS

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed. As a result of a review carried out in the current year and due to the Farmington Institute wishing to have greater flexibility in its operations within the exclusive control of the trustees and outside of the remit easily provided by the Co-Operation Agreement, it was decided by both the Charity and the College to end the Co-Operation Agreement on 31 July 2023. A replacement memorandum of understanding has been concluded by the parties to ensure that they continue to seek and co-operate on areas of mutual interest and concern as well as dealing with practical matters arising from the Charity's offices being located within the College.

From 1st August 2023 the Farmington Institute will cease to be part of the College and will operate under the direct guidance of the trustees of the Charity.

THE FARMINGTON TRUST LIMITED

England & Wales - Charity number 237934

Accounts

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and Financial Statements for the Year Ended 31 July 2022 for The Farmington Trust Limited



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Report of the Trustees

ADMINISTRATIVE INFORMATION

Registered Company Number
00819630 (England and Wales)

Registered Charity Number
237934

Registered Office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson (Chairman)
Dr C Wills (resigned 01.10.22)
P N H Gibbs
P J H Wills (resigned 01.10.22)
R D C Henderson
Sir J Kemp-Welch (resigned 12.01.22)
R H Wills
Hon R I H Wills (resigned 01.10.22)
I L H Ormerod
Rev Prof J Shaw
Dr T R Hands
Rt Hon A K Kakkar, Professor The Lord
R J Hickey (appointed 01.10.22)
M J H Wills (appointed 01.10.22)
C H Blampied (appointed 01.10.22)

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This Committee shall consist of a minimum of three governors.

Members
P N H Gibbs
H M Henderson
R D C Henderson
G W W Hudson

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

Report of the Trustees (continued)

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and establish paid residential or other Fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other courses of study and Conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

1) The activities of the Farmington Institute were formally transferred to the College;
2) The Charity transferred the use of its building, via a sub-lease to the College;
3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

Report of the Trustees (continued)

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed and, if successful, continue beyond an initial term of ten years.

The Charity aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2022 the annual grant to the College to support the transferred activities was £669,689 (2021 - £601,786).

We summarise the activities of the Farmington Institute.

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to Enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and Ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academies who are Involved in RE.
5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

Charitable activities

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £669,689 (2021 - £601,786).

Report of the Trustees (continued)

The achievement and performance of the Institute

Below is an extract from the report to trustees, including future plans, delivered by Rev. Dr Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

This year we have had 33 scholars who were engaged in some of the most cutting-edge research regarding Religious Education. All of these were teachers of Religious Education in either secondary or primary schools. For every Scholar, the Institute paid for a replacement teacher, an induction course, a tutor, travelling expenses, and reimbursement of agreed out of pocket expenses. We also paid a university fee for those who wished to be associated with a university. All Scholars are required to make a public presentation of their research, attend an annual conference where they present their work, and produce a written report which is available to any other teacher who requests it.

We also offered scholarships to four head teachers to undertake research related to values and standards in schools. We provided these scholars with a tutor, a replacement teacher, and a university affiliation, if they required it.

This year we have commissioned Professor Michael Snape to write a book illustrating Christian Leadership in the Armed Forces. SPCK have agreed to publish this book and it should be available in the near future.

We now have approximately 800 reports (written by Farmington Scholars) dealing largely with the key aspects of teaching Religious Education. These reports are constantly requested by other school teachers and interested parties.

Due to the Covid pandemic, we felt that disadvantaged children were even more likely to be further disadvantaged by the outbreak of Covid 19. In response to this, we selected 41 schools who had already had an association with Farmington or were recommended to us and made grants to these schools to help them in supporting disadvantaged children. This is a five year commitment of £110,000 per year and we have now fulfilled the second year of this commitment. This timely help has been hugely appreciated by the receiving schools.

The Institute has continued to support the Armed Forces and particularly chaplains, both individually and as groups.

The Institute has supported the SPCK website on school assemblies.

We have also provided the use of our library to other charities, although this year, due to the pandemic, this opportunity has not been extensively used.

We have this year completed the two Headteacher Forum groups which were meeting and laid plans for a new group of secondary heads to meet and instigated our first primary headteachers forum.

We have commenced three new initiatives for the coming year.

1. RE Teachers' Forums; we have made arrangements to hold three of these, in Lincoln, Bristol and Liverpool. Each forum consists of approximately ten teachers and will meet six times during the year.

2. We are planning to offer study Scholarships to Chaplains who are working with young people in young offenders' institutions.

Report of the Trustees (continued)

3. We will be offering a scholarship to a Senior Member of the Armed Forces to undertake research into some aspects of moral and ethical leadership.

We plan to continue the tradition of hosting groups of teachers from local schools.

The Institute has continued the tradition of providing opportunities for clergy and ministers to undertake periods of study.

Mini scholarships are given in order to undertake particular pieces of work. This year we have given five.

We are continually grateful to the universities who have hosted our Scholars, and especially Harris Manchester who have provided a home for us. We would like to record our grateful thanks to the following who have generously agreed to host our scholars this last year:

- Bath: Bath Spa University, Religions, Philosophies & Ethics, Department of Humanities
- Belfast: St Mary's University College; Stranmillis University College; and Queen's University Belfast
- Bristol: University of Bristol
- Cambridge: University of Cambridge, Faculty of Education/Homerton College
- Chester: University of Chester
- Durham: University of Durham, St Chad's College
- Exeter: University of Exeter, School of Education (preferably Spring or Summer term)
- Glasgow: University of Strathclyde, School of Education, John Anderson Campus and University of Glasgow
- Lampeter/Carmarthen: University of Wales Trinity Saint David
- Lincoln: University of Lincoln and Bishop Grosseteste University
- Liverpool: Liverpool Hope University, Department of Theology & Religious Studies and Liverpool John Moores University/Liverpool Community Spirit
- London: St Mary's University, Twickenham
- Norwich: University of East Anglia, Centre for Spirituality & Religion in Education, School of Education & Lifelong Learning
- Oxford: University of Oxford, Harris Manchester College
- Warwick: University of Warwick, Institute of Education, Warwick Religions & Education Research Unit
- York: York St John University

Investment performance

Cazenove report for the 12 months to 31st July 2022

The Cazenove portfolio returned -3.73% in the year to 31st July 2022, marginally behind the Trust's benchmark of -2.25% and ahead of the ARC Balanced peer group index which fell by 3.93%. Our third benchmark, CPI+3%, rose 13.4% over the period.

This was an extremely challenging period for both equity and bond markets. Interest rate expectations had already started to rise at the start of the period, as pent-up demand emerged following prolonged periods of lockdown across the globe. Supply chain issues coupled with China's zero tolerance COVID policy resulted in inflationary pressures, which were subsequently exacerbated by Russia's invasion of Ukraine.

Report of the Trustees (continued)

The rapid repricing of interest rates expectations early in 2022 resulted in very volatile conditions in equity and bond markets around the globe. In the UK, political uncertainty and large twin deficits saw a fall in sterling against the dollar, which provided some protection for global portfolios denominated in sterling.

Although the UK equity market as measured by the FTSE 100 appeared to post a strong performance (+9.6%) over this period, its heavy weighting to oil, gas and mining companies hid falls in the rest of the market. Over the same period, the broader FTSE 250 index fell by 10%. The MSCI World equity index fell by a similar amount in nominal terms.

Over the period we built up cash weightings (to above 10%). The portfolio's exposure to alternatives provided some shelter with a commodities tracker in particular showing strong gains. Our private equity investment trusts fell sharply in line with other long duration assets. Elsewhere, our equities proved relatively resilient, but bonds fell – albeit by not nearly as much as the broader Government bond indices,

At the time of writing the outlook remain very uncertain. Corporate earnings, which held up well at the start of the year, are likely to see downgrades in the second half of the year. Markets are still second guessing where interest rates will peak. Valuations in equity markets look reasonable but may decline further depending on the direction of corporate earnings. However, bond markets are beginning to offer attractive yields and we are beginning to take advantage of these. Until the outlook is clearer, ongoing caution will be warranted.

Report of the Trustees (continued)

Financial review

Financial position

For the year ended 31 July 2022, net income amounted to £965,420 (2021 - £2,320,677). Net assets totalled £26,570,422 (2021 - £25,605,002). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £539,609 (2021 - £136,575) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

Future plans

In accordance with the Co-Operation Agreement with Harris Manchester College the Charity has agreed to devote its resources for a minimum period of ten years exclusively in support of the activities of the Farmington Institute at Harris Manchester College.

It is intended to continue all the initiatives undertaken during the current year as set out in the extract of the report to the trustees delivered by Rev. Dr Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Report of the Trustees (continued)

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to:

(i) the management of agricultural property, and in particular local knowledge of the property at Northleach;
(ii) the management of our liquid investment funds;
(iii) the management of charitable trusts;
(iv) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

There are no related parties other than the Trustees listed on Page 2.

Declaration of Interests

All the trustees and the Director of the Farmington Institute are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute. In addition:

- Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers.
- The Rev. Dr. Sir Ralph Waller, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is also the former Principal of Harris Manchester College.
- Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.
- Sir John Kemp-Welch, a Trustee, formerly worked with Cazenove & Co, the Trust's stockbrokers.
- Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a non-stipendiary Official Fellow and member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.
- Rev. Prof. Jane Shaw, a trustee, is the current Principal of Harris Manchester College.
- Professor, The Lord Kakkar is an Honorary Fellow of Harris Manchester College.

Report of the Trustees (continued)

Policy decisions of the charity are made by the Trustees with the involvement of Mr George Hudson, a volunteer and former Company Secretary, and the Rev. Dr Sir Ralph Waller, who serves as Director of the Farmington Institute. Rev. Dr Sir Ralph Waller is also the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Rev. Dr Sir Ralph Waller or Mr George Hudson, (unless an invoice is more than an agreed limit in which case approval of both parties is required) with the oversight of our accountants, who have full access to the bank account, and subject to being within the budget. All payments are made via online banking. In the ensuing year, a new audit procedure has been implemented, allowing the auditor live access to the supporting papers of all invoices.

The budget for the year, at which income and expenditure is forecast, is created within the Finance & Investment Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue the business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Trustees (continued)

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14th November 2022 and signed on the board's behalf by:

H M Henderson – Chairman and Trustee

Report of the Independent Auditors

Opinion

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 July 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; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Report of the Independent Auditors (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- The charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Report of the Independent Auditors (continued)

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

We also assessed the susceptibility of the Charities' financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

Report of the Independent Auditors (continued)

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: 15th November 2022

Statement of Financial Activities – Income and Expenditure

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2022 Total funds £**	2021 Total funds £
INCOME AND ENDOWMENTS:						
Donations and legacies	2	451,500	-	-	**451,500**	1,500
Investment income	3	375,192	-	117,647	**492,839**	460,558
Other income		54,540	-	-	**54,540**	55,686
Total income		881,232	-	117,647	**998,879**	517,744
EXPENDITURE ON						
Raising funds:						
Investment management costs	4	95,532	-	32,945	**128,477**	127,763
Charitable activities:						
Attributable to grant making	5	747,404	-	-	**747,404**	679,153
Total expenditure		842,936	-	32,945	**875,881**	806,916
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		38,296	-	84,702	**122,998**	(289,172)
Net investment gains	12	1,226,397	-	(383,975)	**842,422**	2,609,849
NET INCOME/(EXPENDITURE)		1,264,693	-	(299,273)	**965,420**	2,320,677
RECONCILIATION OF FUNDS	19					-
Total funds brought forward		17,019,332	9,636	8,576,034	**25,605,002**	23,284,325
Transfers between funds		-	-	-	**-**	-
Net Income/(Expenditure)		1,264,693	-	(299,273)	**965,420**	2,320,677
TOTAL FUNDS CARRIED FORWARD		18,284,025	9,636	8,276,761	**26,570,422**	25,605,002

Balance Sheet

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2022 Total funds £**	2021 Total funds £
FIXED ASSETS						
Tangible assets	13	121,985	-	-	**121,985**	268,110
Investments						
Investments	14	7,324,608	-	7,930,951	**15,255,559**	16,374,181
Investment property	15	10,533,355	-	345,810	**10,879,165**	9,105,001
		17,979,948	-	8,276,761	**26,256,709**	25,747,292
CURRENT ASSETS						
Debtors	16	182,169	-	-	**182,169**	178,156
Cash at bank		419,649	9,636	-	**429,285**	31,400
		601,818	9,636	-	**611,454**	209,556
CREDITORS						
Amounts falling due within one year	17	(62,209)	-	-	**(62,209)**	(63,345)
NET CURRENT ASSETS		539,609	9,636	-	**549,245**	146,211
TOTAL ASSETS LESS CURRENT LIABILITIES		18,519,557	9,636	8,276,761	**26,805,954**	25,893,503
CREDITORS						
Amounts falling due after more than one year	18	(235,532)	-	-	**(235,532)**	(288,501)
NET ASSETS		18,284,025	9,636	8,276,761	**26,570,422**	25,605,002
FUNDS						
Unrestricted funds:						
General fund					**1,088,570**	755,876
Designated fund					**17,195,455**	16,263,456
TOTAL FUNDS CARRIED FORWARD					**18,284,025**	17,019,332
Restricted funds					**9,636**	9,636
Endowment funds					**8,276,761**	8,576,034
					26,570,422	25,605,002

Balance Sheet (continued)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

(a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 14th November 2022 and were signed on its behalf by:

H M Henderson – Chairman and Trustee

Cash Flow Statement

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	A	**(254,447)**	(626,334)
Net cash used in operating activities		**(254,447)**	(626,334)
Cash flows from investing activities			
Purchase of quoted investments		**(3,809,570)**	(4,816,186)
Purchase of investment property		**(22,816)**	(15,841)
Sale of quoted investments		**4,685,698**	4,646,397
Movement on cash held at Cazenove		**(520,703)**	337,662
Accrued income on quoted investments		**(729)**	(3,054)
Interest received		**2,545**	520
Dividends received		**233,205**	209,388
Net cash provided by investing activities		**567,630**	358,886
Cash flows from financing activities			
Income attributable to endowment		**117,647**	112,710
Expenditure attributable to endowment		**(32,945)**	(34,824)
Net cash provided by financing activities		**84,702**	77,886
Change in cash and cash equivalents in the reporting period	B	**397,885**	(189,562)
Cash and cash equivalents at the beginning of the reporting period		**31,400**	220,962
Cash and cash equivalents at the end of the reporting period		**429,285**	31,400

Notes to the Cash Flow Statement

A. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**965,420**	2,320,677
Adjustments for:		
Depreciation charges	**1,125**	1,129
(Gain)/losses on investments	**(842,442)**	(2,609,849)
Interest received	**(2,545)**	(520)
Dividends received	**(233,205)**	(209,388)
Income attributable to endowment	**(117,647)**	(112,710)
Expenditure attributable to endowment	**32,945**	34,824
(Increase)/decrease in debtors	**(4,013)**	(155,478)
Increase/(decrease) in creditors	**(54,105)**	104,981
Net cash used in operations	**(254,447)**	(626,334)

B. Analysis of Changes in Net Funds

	At 1.8.21	Cash flow	At 31.7.22
	£	£	£
Cash at bank	31,400	397,885	429,285

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Notes to the Financial Statements (continued)

Raising funds

Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs

Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 7.

Governance costs

Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	In accordance with the lease term
Improvements to property	2% on cost
Library	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property

Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	**451,500**	1,500
The above donations have been made for the following purposes:		
Ms Ye	**450,000**	-
Other	**1,500**	1,500
	451,500	1,500

Notes to the Financial Statements (continued)

3. INVESTMENT INCOME

	2022	2021
	£	£
Rent received	257,089	250,650
Dividends and interest	233,205	209,388
Interest – cash deposits	970	-
Interest – deferred premium	1,575	520
	492,839	460,558

4. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Investment management costs – brokers fees	65,543	64,694
Cost of rental properties	62,934	63,069
	128,477	127,763

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Attributable to grant making	669,689	77,715	747,404

6. GRANTS PAYABLE

	2022	2021
	£	£
The total grants paid to institutions during the year was as follows:		
Harris Manchester College – Grant B	669,689	601,786

Notes to the Financial Statements (continued)

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £669,689 (2021 - £601,786). Included in this total grant are wages of £54,540 (2021 - £55,686) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the ongoing grant.

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Attributable to grant making	71,462	631	5,622	77,715

Support costs, included in the above are as follows:

	2022 Attributable to grant making	2021 Total activities
	£	£
Wages	**54,540**	55,686
Pensions paid for past service	**6,385**	6,385
Insurance	**883**	1,788
Accountancy	**3,970**	2,750
Legal and professional costs	**4,559**	3,763
Depreciation of tangible and heritage assets	**1,125**	1,129
Bank charges	**631**	616
Auditors' remuneration	**5,622**	5,250
	77,715	77,367

Notes to the Financial Statements (continued)

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after changing/(crediting):

	2022	2021
	£	£
Auditors' remuneration	5,622	5,250
Depreciation – owned assets	1,125	1,129
	6,747	6,379

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	54,540	55,686
Other pension costs	6,385	6,385
	60,925	62,071

The average monthly number of employees during the year was as follows:

	2022	2021
Working on charitable activities	1	1

No employees received emoluments in excess of £60,000

Notes to the Financial Statements (continued)

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was negative £299,272 (2021 - £1,042,243). The unapplied total return allocated to income in the reporting period was NIL (2021 - £750,320).

12. NET GAINS/(LOSSES) ON INVESTMENT

	2022	2021
	£	£
Investment portfolio	**(763,926)**	1,791,542
Investment properties	**1,606,348**	818,307
	842,422	2,609,849

13.TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2021 and 31 July 2022	295,000	4,095	15,391	314,486
Reclassification	(145,000)	-	-	(145,000)
	150,000	4,095	15,391	169,486
DEPRECIATION				
At 1 August 2021	29,000	2,410	14,966	46,376
Charge for year	1,000	82	43	1,125
At 31 July 2022	30,000	2,492	15,009	47,501
NET BOOK VALUE				
At 31 July 2022	120,000	1,603	382	121,985
At 31 July 2021	266,000	1,685	425	268,110

Notes to the Financial Statements (continued)

14. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Listed investment portfolio	**15,255,559**	16,374,181

Included within investments held on Stock Exchange are investment assets outside the UK of £5,054,692 (2021 - £6,183,993). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2022 was £12,987,165 (2021 - £13,668,904).

The following investments were held at 31 July 2022 with a value in excess of 5% of the market value of listed investments:

- Trojan Income Fund
- LF Liontrust UK Equity Fund
- Polar UK Value Opportunities Fund
- JP Morgan GBP Liquidity LVNAV Fund

Movement in fixed asset investments

	2022	2021
	£	£
Market value at 1 August (excluding cash held)	**16,106,238**	14,141,853
Additions at cost	**3,803,972**	4,816,186
Disposal proceeds	**(4,680,101)**	(4,646,397)
Gains/(Losses) on investment assets	**(763,926)**	1,791,543
Accrued interest (movement)	**729**	3,054
Market value at 31 July (excluding cash held)	**14,466,912**	16,106,238
Cash held at 31 July	**788,646**	267,943
Market value of investments 31 July	**15,255,558**	16,374,181

Notes to the Financial Statements (continued)

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2021	**9,105,001**
Additions	**22,816**
Revaluation	**1,606,348**
Reclassification	**145,000**
At 31 July 2022	**10,879,165**
NET BOOK VALUE	
At 31 July 2022	**10,879,165**
At 31 July 2021	**9,105,001**

An informal valuation has been undertaken by Mr L G Greaves FRICS at 31 July 2022, indicating a market value of £10,879,165, which the Governors have adopted in these accounts. During the year, there has been a reclassification amounting to £145,000 relating to a historic property, which was formerly treated as a tangible fixed asset.

The historical cost of the property investments, held at 31 July 2022 was £5,128,868 (2021 - £4,961,052).

Fair value at 31 July 2022 is represented by:

	£
Valuation in 2020	**8,270,853**
Valuation in 2021	**834,148**
Valuation in 2022	**1,774,164**
	10,879,165

16. DEBTORS

	2022	2021
	£	£
Amounts falling due within one year:		
Loans	**17,605**	13,435
Prepayments and accrued income	**5,469**	7,201
	23,074	20,636
Amounts falling due after more than one year:		
Deferred premium	**159,095**	157,520
	182,169	178,156

Notes to the Financial Statements (continued)

16. DEBTORS (continued)

Within loans are amounts totaling £9,262 (2021 - £9,057) which may not be repayable within one year.

Deferred premiums at the year-end of £159,095 (2021 - £157,520) relate to premiums due from a new tenant. The sum is due to be paid from the proceeds of the tenant's house which was on the market at the year end.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Lease premiums	**52,969**	55,344
Accrued expenses	**9,240**	8,001
	62,209	63,345

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Lease premiums	**228,532**	281,501
Security premiums	**7,000**	7,000
	235,532	288,501

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS

	At 1.8.21	Net movement in funds	Transfers between funds	At 31.7.22
	£	£	£	£
Unrestricted funds				
General fund	755,876	(74,105)	406,799	1,088,570
Designated fund	16,263,456	1,338,798	(406,799)	17,195,455
	17,019,332	1,264,693	-	18,284,025
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,576,034	(299,273)	-	8,276,761
TOTAL FUNDS	25,605,002	965,420	-	26,570,422

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	881,232	(810,337)	(145,000)	(74,105)
Designated fund	-	(32,599)	1,371,397	1,338,798
	881,232	(842,936)	1,226,397	1,264,693
Endowment funds				
Endowment fund	117,647	(32,945)	(383,975)	(299,273)
TOTAL FUNDS	998,879	(875,881)	842,422	965,420

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

	At 1.8.20	Net movement in funds	Transfers between funds	At 31.7.21
	£	£	£	£
Unrestricted funds				
General fund	880,228	(337,188)	212,836	755,876
Designated fund	14,110,349	1,615,623	537,484	16,263,456
	14,990,577	1,278,435	750,320	17,019,332
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,284,112	1,042,242	(750,320)	8,576,034
TOTAL FUNDS	23,284,325	2,320,677	-	25,605,002

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	405,034	(742,222)	-	(337,188)
Designated fund	-	(29,870)	1,645,493	1,615,623
	405,034	(772,092)	1,645,493	1,278,435
Endowment funds				
Endowment fund	112,710	(34,824)	964,356	1,042,242
TOTAL FUNDS	517,744	(806,916)	2,609,849	2,320,677

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.20	Net movement in funds	Transfers between funds	At 31.7.22
	£	£	£	£
Unrestricted funds				
General fund	880,228	(411,293)	619,635	1,088,570
Designated fund	14,110,349	2,954,421	130,685	17,195,455
	14,990,577	2,543,128	750,320	18,284,025
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,284,112	742,969	(750,320)	8,276,761
TOTAL FUNDS	23,284,325	3,286,097	-	26,570,422

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,286,266	(1,552,559)	(145,000)	(411,293)
Designated fund	-	(62,469)	3,016,890	2,954,421
	1,286,266	(1,615,028)	2,871,890	2,543,128
Endowment funds				
Endowment fund	230,357	(67,769)	580,381	742,969
TOTAL FUNDS	1,516,623	(1,682,797)	3,452,271	3,286,097

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Notes to the Financial Statements (continued)

19. MOVEMENTS IN FUNDS (continued)

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Total return

	Endowment	Unapplied Total Return	Total Endowment
	£	£	£
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,691,428	2,691,428
	5,538,795	2,691,428	8,230,223
Movement in the reporting period:			
Investment return: dividends and interest	-	117,647	117,647
Investment return: realised and unrealised gains	-	(383,975)	(383,975)
Less: investment management costs	-	(32,944)	(32,944)
		(299,272)	(299,272)
Unapplied total return allocated to income in the reporting period	-	-	-
Net movements in the reporting period	-	(299,272)	(299,272)
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,392,156	2,392,156
Total	5,538,795	2,392,156	7,930,951

Notes to the Financial Statements (continued)

20. RELATED PARTY DISCLOSURES

There are no related parties other than the Trustees listed on Page 2. There were no related party transactions for the year ended 31 July 2022.

21. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

THE FARMINGTON TRUST LIMITED

England & Wales - Charity number 237934

Accounts

ORIGINAL SIGNED

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and

Financial Statements for the Year Ended 31 July 2021

for

The Farmington Trust Limited

A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

The Farmington Trust Limited

Contents of the Financial Statements
for the Year Ended 31 July 2021

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and to establish paid residential or other fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other course of study and conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

1) The activities of the Farmington Institute were formally transferred to the College;
2) The Charity transferred the use of its building, via a sub-lease, to the College;
3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed and, if successful, continue beyond an initial term of ten years.

The Charity aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2021 the annual grant to the College to support the transferred activities was £601,786 (2020 - £359,520).

We summarise the activities of the Farmington Institute.

In the current and recent years the Farmington Institute has had, within the general aims set out above, the following target objectives:

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academics who are involved in RE.
5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

Public benefit
The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

Charitable activities
On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £601,786 (2020 - £359,520).

The achievement and performance of the Institute
Below is an extract from the report to trustees delivered by Dr. Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

This year we have had 31 scholars who were engaged in some of the most cutting-edge research regarding Religious Education. All of these were teachers of Religious Education in either secondary or primary schools. For every Scholar, the Institute paid for a replacement teacher, an induction course, a tutor, travelling expenses, and reimbursement of agreed out of pocket expenses. We also paid a university fee for those who wished to be associated with a university. All Scholars are required to make a public presentation of their research, attend an annual conference where they present their work, and produce a written report which is available to any other teacher who requests it.

We also offered scholarships to four head teachers to undertake research related to values and standards in schools. We provided these scholars with a tutor, a replacement teacher, and a university affiliation, if they required it.

This year we commissioned and published papers by seven head teachers on a range of topics which we felt would be helpful to other head teachers. These papers are freely available to anyone who wants them. The papers are:

Helen Pike - 'A Classroom of One's Own? The Challenges of Recruiting Excellent Teachers'
Patrick Derham - 'The Widening Access Challenge'
Clare Wagner - 'Radically traditional: A new approach to teaching Religious Studies in secondary schools'
Tim Hands - 'Pastoral Care in Independent Schools: An Explanation, a Retrospect and a Plea'
Rupert Moreton - 'If we are serious about enabling children from the most vulnerable families to succeed educationally, support needs to start as early as possible as part of a wider ecosystem'
Damian Ettinger - 'Finding Time'
Simon Henderson - 'The importance of culture in understanding pupil well-being'

We now have some 740 reports (written by Farmington Scholars) dealing largely with the key aspects of teaching Religious Education. These reports are constantly requested by other school teachers and interested parties.

Due to the Covid pandemic, we felt that disadvantaged children were even more likely to be further disadvantaged by the outbreak of Covid 19. In response to this, we selected 41 schools who had already had an association with Farmington or were recommended to us and made grants to these schools to help them in supporting disadvantaged children. In total we provided £110,000 of support this year and committed to a further £440,000 to continue that support over the next four years. Each school has sent an update on how they have used the money for the benefit of disadvantaged children.

STRATEGIC REPORT
Achievement and performance

The Institute has continued to support the Armed Forces and particularly chaplains, both individually and as groups.

The Institute has supported the SPCK website on school assemblies.

We have also provided the use of our library to other charities, although this year, due to the pandemic, this opportunity has not been extensively used.

It has not been an easy year to keep everything going due to the pandemic, and the two Head Teachers' Forums that we ran, one in the North of England and one in the South of England, had to be abandoned. We will continue again with these this coming academic year.

We have planned three new initiatives for the coming year.

1. RE Teachers' Forums; we have made arrangements to hold three of these, in Lincoln, Bristol and Liverpool. Each forum consists of approximately ten teachers and will meet six times during the year.

2. We are planning to offer study Scholarships to Chaplains who are working with young people in young offenders' institutions.

3. We will be offering a scholarship to a Senior Member of the Armed Forces to undertake research into some aspects of moral and ethical leadership.

We plan to continue the tradition of hosting groups of teachers and children from local schools.

The Institute has continued the tradition of providing opportunities for clergy and ministers to undertake periods of study.

Mini scholarships are given in order to undertake particular pieces of work. This year we have given nine.

We are continually grateful to the universities who have hosted our Scholars, and especially Harris Manchester who have provided a home for us. We would like to record our grateful thanks to the following who have generously agreed to host our scholars this last year:

o Bath: Bath Spa University, Religions, Philosophies & Ethics, Department of Humanities
o Belfast: St Mary's University College; Stranmillis University College; and Queen's University Belfast
o Bristol: University of Bristol
o Cambridge: University of Cambridge, Faculty of Education/Homerton College
o Chester: University of Chester
o Durham: University of Durham, St Chad's College
o Exeter: University of Exeter, School of Education (preferably Spring or Summer term)
o Glasgow: University of Strathclyde, School of Education, John Anderson Campus and University of Glasgow
o Lampeter/Carmarthen: University of Wales Trinity Saint David
o Lincoln: University of Lincoln and Bishop Grosseteste University
o Liverpool: Liverpool Hope University, Department of Theology & Religious Studies and Liverpool John Moores University/Liverpool Community Spirit
o London: St Mary's University, Twickenham
o Norwich: University of East Anglia, Centre for Spirituality & Religion in Education, School of Education & Lifelong Learning
o Oxford: University of Oxford, Harris Manchester College
o Warwick: University of Warwick, Institute of Education, Warwick Religions & Education Research Unit
o York: York St John University

STRATEGIC REPORT
Achievement and performance

Investment performance

Cazenove report for the 12 months to 31st July 2021

The Cazenove portfolio returned +13.38% in the year to 31st July 2021, marginally behind the Trust's benchmark of 14.65% and in line with the ARC Balanced peer group index which rose by 13.68%. Our third benchmark, CPI+3%, rose by 5.1% over the period.

After a pause in the summer months of 2020, equity markets resumed their upward trend into the end of the year and into 2021, buoyed by the global quantitative easing program in response to COVID, central bank assurances that they would continue to do all they could to support the global economy and initial signs of re-emerging economic activity.

The second half of the period saw equity markets in the West perform better than those in the East, which were unsettled by the increasing threat of regulation in China and the intervention of the Government there. Both Asia and Emerging markets still posted strong gains over the period, but not as high as the 25% to 30% gains seen in the UK, Europe and the US.

Interest rate expectations remained firmly pinned to the floor for the first half of the period, but began to turn upwards in 2021, leading to a more challenging backdrop for fixed income markets. Inflation expectations also rose and US Tips in particular performed well over the period.

Equities were the main driver of portfolio returns with our equites in aggregate performing in line with global markets, helped by a much better performance from the UK. Our bond holdings recorded small gains against a negative Gilt market and Alternatives were marginally down with profit taking on Gold being a major factor after a strong run in the previous period.

We remain positive on the outlook for equities and alternatives, but expect to find bond markets more challenging. We are likely to hear more from central banks in the coming months abut their plans for tapering their respective QE programs and to gain more clarity for interest rate expectations.

In the meantime, inflation is likely to remain in focus with year-on-year comparisons prompting a spike in global inflation data. The consensus view is that the spike will prove temporary, but there is no doubt that a more prolonged inflationary backdrop could reset investors' risk appetite. In this environment, equities remain our preferred asset class.

Financial review

Financial position

For the year ended 31 July 2021, net income amounted to £2,320,677 (2020 net expenditure - £377,553). Net assets totalled £25,605,002 (2020 - £23,284,325). Details of the financial position of the Charity are set out in the following accounts.

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £136,575 (2020 - £181,536) (unrestricted current assets less unrestricted current liabilities). Funds held are adequate and available to meet the obligations of the trust.

STRATEGIC REPORT
Achievement and performance

Future plans

In accordance with the Co-Operation Agreement with Harris Manchester College the Charity has agreed to devote its resources for a minimum period of ten years exclusively in support of the activities of the Farmington Institute at Harris Manchester College.

STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees
The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to (i) the management of agricultural property, and in particular local knowledge of the property at Northleach; (ii) the management of our liquid investment funds; (iii) the management of charitable trusts; and (iv) the purpose of the Farmington Trust as set out above under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees
After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties
The Trustees are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute.

Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers.

The Rev. Dr. Sir Ralph Waller, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is also the former Principal of Harris Manchester College.

Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.

Sir John Kemp-Welch formerly worked with Cazenove & Co, the Trust's stockbrokers.

Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.

Rev. Prof. Jane Shaw, a trustee, is the current Principal of Harris Manchester College.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policy decisions of the charity are made by the Trustees with the involvement of the Company Secretary, Mr George Hudson, a volunteer and former Company Secretary, and Sir Ralph Waller, who serves as Director of the Farmington Institute. Dr Ralph Waller is also the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Sir Ralph Waller or Mr G W W Hudson, (unless an invoice is more than an agreed limit in which case approval of both parties is required) with the oversight of the Company Secretary and our accountants and subject to being within the budget. All payments are made via online banking.

The budget for the year, at which income and expenditure is forecast, is created within the Finance Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. The ongoing grant in the current year was adjusted downward by agreement to reflect the significant adverse effect of the pandemic on the investment performance. This is then further approved at the Trustees meeting. A separate Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

Further details concerning the structure of the charity can be found in the Reference and Administrative Details.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00819630 (England and Wales)

Registered Charity number
237934

Registered office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson
Dr C Wills
P N H Gibbs
P J H Wills
R D C Henderson
Sir J Kemp-Welch
R H Wills
Hon R I H Wills
I L H Ormerod
Rev. Prof. J Shaw
Dr T R Hands
Rt. Hon. A K Kakkar, Professor The Lord (appointed 23.6.21)

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This committee shall consist of a minimum of three governors.

Members of the Finance & Investment Sub-Committee:
Mr P N H Gibbs
Mr H M Henderson
Sir J Kemp-Welch
Mr R D C Henderson
Mr G W W Hudson

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS
The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 November 2021 and signed on the board's behalf by:



.....
H M Henderson - Trustee

Opinion
We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud was as follows:
-The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
-Specific laws and regulations applicable to the Charity were identified from our knowledge and experience of the activities of the Charity.

The laws and regulations identified were that of the Companies Act 2006, the Charities Act 2011 and tax legislation.

We assessed the extent of compliance with laws and regulations identified above through making enquiries of personnel and inspecting board minutes, lease agreements and other legal documentation.

Throughout the audit, we were mindful of identified laws and regulations and remained alert to instances of non-compliance throughout the audit.

We also assessed the susceptibility of the Charities' financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud/error and override of controls, we:
- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested for large and unusual bank transactions.
- Performed substantive procedures looking at transactions linked with related parties and those involved in the day to day running of the business.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of the regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Responsibility for the prevention of irregularities, including fraud, rests with the trustees.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Date: 16 November 2021

Statement of Financial Activities – Income and Expenditure
for the Year Ended 31 July 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	1,500	-	-	1,500	152,158
Investment income	3	347,848	-	112,710	460,558	488,249
Other income		55,686	-	-	55,686	56,605
Total		405,034	-	112,710	517,744	697,012
EXPENDITURE ON						
Raising funds	4	92,939	-	34,824	127,763	111,338
Charitable activities	5					
Attributable to grant making		679,153	-	-	679,153	547,689
Total		772,092	-	34,824	806,916	659,027
Net gains/(losses) on investments	12	1,645,493	-	964,356	2,609,849	(415,538)
NET INCOME/(EXPENDITURE)		1,278,435	-	1,042,242	2,320,677	(377,553)
Transfers between funds	20	750,320	-	(750,320)	-	-
Net movement in funds		2,028,755	-	291,922	2,320,677	(377,553)
RECONCILIATION OF FUNDS						
Total funds brought forward		14,990,577	9,636	8,284,112	23,284,325	23,661,878
TOTAL FUNDS CARRIED FORWARD		17,019,332	9,636	8,576,034	25,605,002	23,284,325

The notes form part of these financial statements

Balance Sheet
31 July 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	13	268,110	-	-	268,110	269,239
Investments						
Investments	14	8,143,957	-	8,230,224	16,374,181	14,747,458
Investment property	15	8,759,191	-	345,810	9,105,001	8,270,853
		17,171,258	-	8,576,034	25,747,292	23,287,550
CURRENT ASSETS						
Debtors	16	178,156	-	-	178,156	22,678
Cash at bank		21,764	9,636	-	31,400	220,962
		199,920	9,636	-	209,556	243,640
CREDITORS						
Amounts falling due within one year	17	(63,345)	-	-	(63,345)	(52,468)
NET CURRENT ASSETS		136,575	9,636	-	146,211	191,172
TOTAL ASSETS LESS CURRENT LIABILITIES		17,307,833	9,636	8,576,034	25,893,503	23,478,722
CREDITORS						
Amounts falling due after more than one year	18	(288,501)	-	-	(288,501)	(194,397)
NET ASSETS		17,019,332	9,636	8,576,034	25,605,002	23,284,325
FUNDS	20					
Unrestricted funds:						
General fund					755,876	880,228
Designated fund					16,263,456	14,110,349
					17,019,332	14,990,577
Restricted funds					9,636	9,636
Endowment funds					8,576,034	8,284,112
TOTAL FUNDS					25,605,002	23,284,325

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

continued...

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15 November 2021 and were signed on its behalf by:



.....
H M Henderson - Trustee

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 July 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(626,334)	(351,507)
Net cash used in operating activities		(626,334)	(351,507)
Cash flows from investing activities			
Purchase of quoted investments		(4,816,186)	(4,733,699)
Purchase of investment property		(15,841)	(7,980)
Sale of quoted investments		4,646,397	5,408,538
Movement on cash held at Cazenove		337,662	(486,876)
Accrued income on quoted investments		(3,054)	12,180
Interest received		520	274
Dividends received		209,388	260,268
Net cash provided by investing activities		358,886	452,705
Cash flows from financing activities			
Income attributable to endowment		112,710	136,417
Expenditure attributable to endowment		(34,824)	(32,740)
Net cash provided by financing activities		77,886	103,677
Change in cash and cash equivalents in the reporting period		(189,562)	204,875
Cash and cash equivalents at the beginning of the reporting period		220,962	16,087
Cash and cash equivalents at the end of the reporting period		31,400	220,962

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,320,677	(377,553)
Adjustments for:		
Depreciation charges	1,129	1,134
(Gain)/losses on investments	(2,609,849)	415,538
Interest received	(520)	(274)
Dividends received	(209,388)	(260,268)
Income attributable to endowment	(112,710)	(136,417)
Expenditure attributable to endowment	34,824	32,740
(Increase)/decrease in debtors	(155,478)	28,520
Increase/(decrease) in creditors	104,981	(54,927)
Net cash used in operations	(626,334)	(351,507)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.20 £	Cash flow £	At 31.7.21 £
Net cash			
Cash at bank	220,962	(189,562)	31,400
	220,962	(189,562)	31,400
Total	220,962	(189,562)	31,400

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Raising funds
Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Support costs
Support costs are general and overhead costs which are not specific to Governance arrangements, but enable the charitable activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 7.

Governance costs
Included within support costs are Governance costs. These are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	- in accordance with the lease term
Improvements to property	- 2% on cost
Library	- 10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property
Investment properties are stated at the Trustees' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value are recognised through the Statement of Financial Activities.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments
Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is recognised through the Statement of Financial Activities.

continued...

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,500	152,158

The above donations have been made for the following purposes:

Kings Mound	-	100,000
Gift Aid credit	-	20,108
Other	1,500	32,500
	1,500	152,158

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	250,650	227,707
Dividends and interest	209,388	260,268
Interest - cash deposits	-	274
Interest - deferred premium	520	-
	460,558	488,249

4. RAISING FUNDS

Investment management costs

	2021	2020
	£	£
Investment management costs	64,694	62,463
Cost of rental properties	63,069	48,875
	127,763	111,338

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Attributable to grant making	601,786	77,367	679,153

continued...

6. GRANTS PAYABLE

	2021	2020
	£	£
Attributable to grant making	601,786	359,520

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Harris Manchester College - Grant B	601,786	359,520

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £601,786 (2020 - £359,520). Included in this total grant are wages of £55,686 (2020 - £56,605) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the on going grant.

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Attributable to grant making	71,501	616	5,250	77,367

A lease had been taken out during the prior year for the use of Kings Mound, this was not renewed during the current year. The total amount payable in the year for rent and expenses was £NIL (2020 - £100,001).

Support costs, included in the above, are as follows:

	2021 Attributable to grant making	2020 Total activities
	£	£
Wages	55,686	56,605
Pensions paid for past service	6,385	6,917
Other operating leases	-	100,001
Insurance	1,788	1,407
Company Secretary	-	7,640
Accountancy	2,750	2,730
Legal and professional costs	3,763	5,907
Depreciation of tangible and heritage assets	1,129	1,134
Bank charges	616	608
Auditors' remuneration	5,250	5,220
	77,367	188,169

continued...

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	5,250	5,220
Depreciation - owned assets	1,129	1,134
Other operating leases	-	100,001

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	55,686	56,605
Other pension costs	6,385	6,917
	62,071	63,522

The average monthly number of employees during the year was as follows:

	2021	2020
Working on charitable activities	1	1

No employees received emoluments in excess of £60,000.

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

During the year, the investment return relating to the permanent endowment fund was £1,042,243. The unapplied total return allocated to income in the reporting period was £750,320.

continued...

12. NET GAINS/(LOSSES) ON INVESTMENT

	2021	2020
	£	£
Investment portfolio	1,791,543	(415,538)
Investment properties	818,307	-
	2,609,849	(415,538)

13. TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2020 and 31 July 2021	295,000	4,095	15,391	314,486
DEPRECIATION				
At 1 August 2020	28,000	2,328	14,919	45,247
Charge for year	1,000	82	47	1,129
At 31 July 2021	29,000	2,410	14,966	46,376
NET BOOK VALUE				
At 31 July 2021	266,000	1,685	425	268,110
At 31 July 2020	267,000	1,767	472	269,239

14. FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Listed investment portfolio	16,374,181	14,747,458

Included within investments held on Stock Exchange are investment assets outside the UK of £6,183,993 (2020 - £4,355,028). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2021 was £13,668,904 (2020 - £12,317,867).

The following investments were held at 31 July 2021 with a value in excess of 5% of the market value of listed investments:

Trojan Income Fund
LF Majedie UK Equity Fund
Polar UK Value Opportunities Fund
Vanguard FTSE UK All Share Index
MU Lyxor Core US TIPS UCITS ETF

Movement in fixed asset investments	2021	2020
	£	£
Market value 1 August (excluding cash held)	14,141,853	15,244,410
Additions at cost	4,816,186	4,733,699

continued...

14. FIXED ASSET INVESTMENTS - continued

Disposal proceeds	(4,646,397)	(5,408,538)
Gains/(Losses) on investment assets	1,791,543	(415,538)
Accrued interest (movement)	3,054	(12,180)
Market value at 31 July (excluding cash held)	16,106,238	14,141,853
Cash held at 31 July	267,943	605,605
Market value of investments 31 July	16,374,181	14,747,458

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2020	8,270,853
Additions	15,841
Revaluation	818,307
At 31 July 2021	9,105,001
NET BOOK VALUE	
At 31 July 2021	9,105,001
At 31 July 2020	8,270,853

An informal valuation has been undertaken by Mr L G Greaves FRICS at 31 July 2021, indicating a market value of £9,105,001, which the Governors have adopted in these accounts.

The historical cost of the property investments, held at 31 July 2021 was £4,961,052 (2020 - £4,945,211).

Fair value at 31 July 2021 is represented by:

	£
Valuation in 2020	8,270,853
Valuation in 2021	834,148
	9,105,001

16. DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	13,435	16,048
Prepayments and accrued income	7,201	6,630
	20,636	22,678

continued...

16. DEBTORS - continued

	2021	2020
	£	£
Amounts falling due after more than one year:		
Deferred premium	157,520	-
Aggregate amounts	178,156	22,678

Within other debtors are amounts totalling £9,057 which may not be repayable within one year.

Deferred premiums at the year end of £157,520 relate to premiums due from a new tenant. The sum is due to be paid from the proceeds of the tenants house which was on the market at the year end.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Lease premiums	55,344	44,669
Accrued expenses	8,001	7,799
	63,345	52,468

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Lease premiums	281,501	187,397
Security premiums	7,000	7,000
	288,501	194,397

19. LEASING AGREEMENTS

During the previous year, the trust ended the lease with the Balliol College for the use of the King's Mound property.

continued...

20. MOVEMENT IN FUNDS

	At 1.8.20	Net movement in funds	Transfers between funds	At 31.7.21
	£	£	£	£
Unrestricted funds				
General fund	880,228	(337,188)	212,836	755,876
Designated fund	14,110,349	1,615,623	537,484	16,263,456
	14,990,577	1,278,435	750,320	17,019,332
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,284,112	1,042,242	(750,320)	8,576,034
TOTAL FUNDS	23,284,325	2,320,677	-	25,605,002

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	405,034	(742,222)	-	(337,188)
Designated fund	-	(29,870)	1,645,493	1,615,623
	405,034	(772,092)	1,645,493	1,278,435
Endowment funds				
Endowment fund	112,710	(34,824)	964,356	1,042,242
TOTAL FUNDS	517,744	(806,916)	2,609,849	2,320,677

continued...

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
Unrestricted funds				
General fund	597,884	(35,968)	318,312	880,228
Designated fund	14,656,123	(227,462)	(318,312)	14,110,349
	15,254,007	(263,430)	-	14,990,577
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,398,235	(114,123)	-	8,284,112
TOTAL FUNDS	23,661,878	(377,553)	-	23,284,325

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	560,595	(596,563)	-	(35,968)
Designated fund	-	(29,724)	(197,738)	(227,462)
	560,595	(626,287)	(197,738)	(263,430)
Endowment funds				
Endowment fund	136,417	(32,740)	(217,800)	(114,123)
TOTAL FUNDS	697,012	(659,027)	(415,538)	(377,553)

continued...

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
General fund	597,884	(373,156)	531,148	755,876
Designated fund	14,656,123	1,388,161	219,172	16,263,456
	15,254,007	1,015,005	750,320	17,019,332
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,398,235	928,119	(750,320)	8,576,034
TOTAL FUNDS	23,661,878	1,943,124	-	25,605,002

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	965,629	(1,338,785)	-	(373,156)
Designated fund	-	(59,594)	1,447,755	1,388,161
	965,629	(1,398,379)	1,447,755	1,015,005
Endowment funds				
Endowment fund	249,127	(67,564)	746,556	928,119
TOTAL FUNDS	1,214,756	(1,465,943)	2,194,311	1,943,124

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

continued...

20. MOVEMENT IN FUNDS - continued

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

Total return

	Endowment £	Unapplied Total Return £	Total Endowment £
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,399,506	2,399,506
	5,538,795	2,399,506	7,938,301
Movement in the reporting period:			
Investment return: dividends and interest	-	112,710	112,710
Investment return: realised and unrealised gains	-	964,356	964,356
Less: investment management costs	-	(34,823)	(34,823)
		1,042,243	1,042,243
Unapplied total return allocated to income in the reporting period	-	(750,320)	(750,320)
Net movements in the reporting period	-	291,923	291,923
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,691,428	2,691,428
Total	5,538,795	2,691,428	8,230,223

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2021.

22. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS					
Donations and legacies					
Donations	1,500	-	-	1,500	152,158
Investment income					
Rents received	250,650	-	-	250,650	227,707
Dividends and interest	96,678	-	112,710	209,388	260,268
Interest - cash deposits	-	-	-	-	274
Interest - deferred premium	520	-	-	520	-
	347,848	-	112,710	460,558	488,249
Other income					
Payroll contribution received	55,686	-	-	55,686	56,605
Total incoming resources	405,034	-	112,710	517,744	697,012
EXPENDITURE					
Investment management costs					
Investment management costs	29,870	-	34,824	64,694	62,463
Cost of rental properties	63,069	-	-	63,069	48,875
	92,939	-	34,824	127,763	111,338
Charitable activities					
Grants to institutions	601,786	-	-	601,786	359,520
Support costs					
Management					
Wages	55,686	-	-	55,686	56,605
Pensions paid for past service	6,385	-	-	6,385	6,917
Other operating leases	-	-	-	-	100,001
Insurance	1,788	-	-	1,788	1,407
Company Secretary	-	-	-	-	7,640
Accountancy	2,750	-	-	2,750	2,730
Legal and professional costs	3,763	-	-	3,763	5,907
Depreciation of tangible and heritage assets	1,129	-	-	1,129	1,134
	71,501	-	-	71,501	182,341
Finance					
Bank charges	616	-	-	616	608

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Finance					
Governance costs					
Auditors' remuneration	5,250	-	-	5,250	5,220
Total resources expended	772,092	-	34,824	806,916	659,027
Net (expenditure)/income before gains and losses	(367,058)	-	77,886	(289,172)	37,985
Realised and unrealised recognised gains and losses					
Fixed asset investments	827,186	-	964,356	1,791,542	(415,538)
Investment property	818,307	-	-	818,307	-
Net income/(expenditure)	1,278,435	-	1,042,242	2,320,677	(377,553)

THE FARMINGTON TRUST LIMITED

England & Wales - Charity number 237934

Accounts

REGISTERED COMPANY NUMBER: 00819630 (England and Wales)
REGISTERED CHARITY NUMBER: 237934

Report of the Trustees and

Financial Statements for the Year Ended 31 July 2020

for

The Farmington Trust Limited

A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

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for the Year Ended 31 July 2020

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
2) To organise residential or other courses of study and conferences and to establish paid residential or other fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other course of study and conferences.
3) To establish fellowships, scholarships and prizes.
4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

1) The activities of the Farmington Institute were formally transferred to the College;
2) The Charity transferred the use of its building, via a sub-lease, to the College;
3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed and, if successful, continue beyond an initial term of ten years.

The Charity aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2020 the annual grant to the College to support the transferred activities was £359,520 (2019 - £632,561).

We summarise the activities of the Farmington Institute.

In the current and recent years the Farmington Institute has had, within the general aims set out above, the following target objectives:

1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school.The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to enablehead teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and ethical leadership in the University of Oxford.
4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academics who are involved in RE.

5) To disseminate recent and interesting work in RE.
6) To build up a network of support for those involved in RE teaching.

Public benefit
The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT
Achievement and performance
Charitable activities
On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £359,520 (2019 - £632,561).

STRATEGIC REPORT

Achievement and performance

The achievement and performance of the Institute

Below is an extract from the report to trustees delivered by Dr. Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

Scholars for the Academic Year 2020 to 2021

This year we have some 31 scholars with a further 14 who have deferred their scholarships until next year. All 31 have been assigned tutors and many given an association with a local university.

Induction Days

On Wednesday, the 14th of October and Thursday, the 15th of October we had two induction days for new scholars. These occasions provide an opportunity for all scholars to talk about their projects and to get feedback and ideas from the others. They often exchange email addresses and remain in contact with the other teachers who are interested in their research. I also use these occasions as an opportunity to talk about tutor management, reports, the annual conference, and the presentation. I generally suggest that when they are planning their public presentations they should invite a wide range of people who may be interested in their work including the head teacher, school governors, colleagues in their schools, local ministers and clergy, their constituency MP, the Bishop, local congregations, the Mayor, members of the council, other teachers of philosophy and religion in the area, and head teachers of other schools. Not all those invited will be able to attend but many will accept the invitation and even if they cannot attend will know about the school, about the Farmington Institute, and about the research that the teacher is doing. We have had some very positive feedback about the value of these induction days.

‘Thank you so much it was a really helpful and inspiring session’ - Kate Bonney, Head of Robert Arkenstall Primary School.

‘I would like to thank you and Sir Ralph for this morning. It was lovely to see everyone and hear about all the different projects’ - Nadia Nadeem, Rose Lane Primary School.

Support for Disadvantaged Children

Following our last meeting where it was decided to allocate £500,000 (£100,000 a year for 5 years) to the support of disadvantaged children, I set up a small working party to advise how this could best be done. The members of that group included Rebecca Hickey the Deputy Director of the Harris Federation, and David Jones the former Head of Gosford Secondary School in Kidlington, Oxford and later the Head of Bognor Regis Secondary School. We decided on the following principles:

1. We would select schools with which Farmington already had an association or which were recommended to us by others who had a connection with Farmington.

2. We would like to have schools from across the whole of the United Kingdom.

3. We would not give the same amount of money to each school. While large secondary schools and small primary schools both have great needs, we felt it would be fairer to give more to the larger school than the smaller. We decided that all schools would receive sums in the range of £2,000-£3,000 depending on the size of the school.

4. This would be a five year commitment on our behalf.

5. We will make some suggestions on how the money might be used, but that the final decision would be left to the discretion of the head teacher, provided that the money was used to help disadvantaged children.

6. We would require a short report at the end of the year from each school saying how the money had been used. These reports would be collated and then circulated to all schools involved in this project in the hope that they might provide good ideas for the future.

STRATEGIC REPORT
Achievement and performance

7. We may organise a dinner each year so that we can get some face-to-face feedback from some of the head teachers.

8. The schools chosen are as follows:

Abbey College, Ramsey, Cambs (sec)	£3,000
Cadle Primary School, Swansea (prim)	£2,700
Calderside Academy, Blantyre (sec)	£3,000
Cheselbourne Village School, Dorchester (prim)	£2,500
Christ the Word Catholic School, Rhyl (prim/sec)	£2,500
Coedcae School, Llanelli (sec)	£3,000
Didcot Girls School, Oxfordshire (sec)	£3,000
Durham Gilesgate Primary School, Durham (prim)	£2,300
Emmanuel County Primary School, Rhyl (prim)	£2,700
Harris Academy Bermondsey (Sec)	£3,000
Harris Academy Tottenham (sec)	£3,000
Harris Battersea (Sec)	£3,000
Harris Merton (Sec)	£3,000
Harris Orpington (sec)	£3,000
Harris Peckham (Sec)	£3,000
Harris Primary Coleraine Park (prim)	£2,700
Harris Primary Orpington (prim)	£2,700
Harris Primary Peckham Park (prim)	£2,700
Holbeach Primary Academy, Spalding (prim)	£2,700
Integrated College Dungannon, Co Tyrone (sec)	£2,500
Jack Hunt School, Peterborough (sec)	£3,000
Mepal and Witcham C of E Primary School, Ely (prim)	£2,500
Orchard Meadows, Oxford (prim)	£2,700
Oxford Spires Academy, Oxford (sec)	£3,000
Parklands Community Primary, Birkenhead (prim)	£2,500
Pegasus Primary School, Oxford (prim)	£2,700
Pembroke Dock Community School, Pembrokeshire (prim)	£2,700
Robert Arkenstall School, Haddenham (prim)	£3,000
Southway Primary School, Bognor Regis (prim)	£2,700
Springwood Heath School, Liverpool (prim)	£2,500
St Thomas More Catholic High School Crewe (sec)	£2,700
The King's Church of England School, Wolverhampton (sec)	£3,000
The Regis School, Bognor Regis (sec)	£3,000
Tilery Primary School, Stockton on Tees (prim)	£2,300
University Academy Holbeach, Spalding (sec)	£3,000
Windale Primary, Oxford (prim)	£2,500
Woodlands Community Primary School, Birkenhead (prim)	£2,500
Total	£102,300

I am happy to report that all schools have now received their money. One school decided to select the six most disadvantaged children in the lower age range of the school and allocate a mentor and a £500 a year Farmington bursary for each child. This money will be used in the best way to help that child over the five year period. For some it would be extra tuition, for others school uniform, for others food, for others perhaps a tablet, and for all perhaps a combination of all these ways of providing help.

We have already had positive feedback from some of the schools.

STRATEGIC REPORT

Achievement and performance

'Wow! That is amazing - thank you so much! That is the first piece of good news I have had today and has certainly put a smile on my face! The children will really benefit from such a generous donation - thank you!' - Jacquie Fleetwood, Head, Woodlands Community Primary School.

'Following a discussion earlier today between Sir Ralph Waller and the school Principal, Dave Oakes, please I can thank the Institute for this kind gesture, especially in the current economic climate. I can confirm that this donation will be used very effectively to support some of our disadvantaged children within the school, there will be more detail to follow on specific areas.' - Mark Betts, Director of Business, The Regis School.

'Thank you so much for taking the time to call today. I am thrilled that we have been selected for the grant. As I mentioned, our community is in the heart of an urban, predominantly council owned estate. I have only been at the school since January 2019, and whilst my predecessor had made huge improvements to secure a Good rating, outcomes have been consistently well below national. As a result, together with the team, I have been striving to drive up standards. Our school has also faced significant under-investment for many reasons and therefore I have been working hard to secure grants & provide a fabulous environment for the children.' - Kim Cairns, Headteacher, Parklands Community School.

Initial indications from schools show that these are some of the ways in which they will be using this grant:

- Make an area in grounds for growing fruit and veg. ICT equipment, homework clubs
- Purchase of chrome books and uniform
- Good quality Wi-Fi and access to quiet, focused working conditions, during the school day, and after school
- Support for those with no IT at home
- Uniform (especially shoes), glasses, meals, textbooks
- Family Worker to work with the most vulnerable re attendance, behaviour, welfare and home learning. Smaller class sizes for year 6
- Buying devices for key students to support learning at home
- To take pupils to live music, theatre, opera, ballet - cultural experience after too long looking at screens
- Ensure pupils have access to devices, Wi-Fi and data. Free breakfast clubs, uniform and subsidised trips
- iPads and books.

Gary Bunt

I mentioned in my last report that unfortunately the Gary Bunt Cathedral Exhibition has been curtailed due to the national lockdown. The exhibition started in Liverpool, where it was a great success and captured people's imaginations. It then moved to Ely where it was immediately closed down. However, the good news is that there are some 400 books covering the exhibition, with copies of the paintings and poems, which were due to be sold in Cathedrals, and have now been donated to us. We shall distribute these books to teachers and head teachers but if any of the Farmington Trustees would like a copy or several copies then I will happily send them to you.

Support for Military Chaplains

We have continued to support chaplains to Her Majesty's Armed Forces, as we believe that they are not only doing a very important job but also act as the Ethics Committee to the Forces. We have supported or are committed to the following activities:

1. Chaplains' Forum to be held at Lambeth Palace for the heads of each service and their deputies.

2. Small grants for chaplains to undertake research.

3. Away days, planning days and team building for senior chaplains.

4. A vocational day in Edinburgh Castle for potential women chaplains.

STRATEGIC REPORT
Achievement and performance
5. A conference for spouses of chaplains

We have been guided in this by the needs of the Heads of the Chaplaincy Services and especially the Chaplain General Clinton Langston.

Support for Ministers of Religion

This year we are supporting two ordained ministers and one lay minister.

1. Revd Sally Welch who is working on a large project on pilgrimage at Christ Church Cathedral for children.

2. Revd Sue Butler who is writing up the work she has been doing as a pioneer minister among vulnerable people including drug addicts.

3. Myles Hartley, our former Chaplain and Director of Music, who is a lay reader undertaking a study of church music.

Investment performance
The Cazenove portfolio returned -1.38% in the year to 31st July 2020, ahead of the Trust's benchmark of -3.08% and the ARC Balanced peer group index which is estimated to have fallen by 3.1%. CPI+3% rose by 3.62% over the period (with a 1 month lag).

The latter months of 2019 were generally positive for investors, thanks to a market friendly UK election result and the more positive direction in trade talks between the US and China. However the arrival of the COVID-19 global pandemic and the subsequent temporary shutdown of global economic activity at the beginning of 2020 dominated markets for the full period. Although markets saw a bounce in latter months, for the full period equity markets were weak - and in particular the UK where the All Share index was down by nearly 18%.

A sharp drop in yields saw UK Gilts rise by over 9% and Gold also benefitted from a drop in real yields with a rise of nearly 30% in sterling terms.

Against this backdrop the portfolio's UK equities fell, but not by as much as the market. We also remained underweight against the benchmark in favour of overseas equities, which performed positively in aggregate. Our exposure in particular to China,. Technology and healthcare performed well.

Within our fixed income holdings, we remained underweight against the benchmark and with shorter duration, which hurt relative performance, although we produced a positive return overall. Our exposure to alternatives performed well and in particular our Gold exposure which contributed 1.8% to overall performance and where we ended the period with a 9.6% exposure.

At the end of the period, we also had a cash weighting of 11%. This was marginally above the upper range of 10% but felt to be appropriate given the uncertain backdrop.

The outlook remains uncertain, with the extent of the economic damage inflicted by COVID-19 in the first two quarters of 2020 only now becoming clear. In addition the second half of 2020 will see a US Presidential election, further uncertainty over COVID until a vaccine is found and hesitant consumer activity. However, Governments and central banks continue to provide open ended support for their economies and to utilise unorthodox monetary and fiscal policy to ensure that any market recession is temporary. For the medium term we are therefore happy to maintain exposure to equities, but given the uncertain outlook, are also maintaining higher than usual weightings in cash and gold.

Financial review
Financial position
For the year ended 31 July 2020, net expenditure amounted to £377,553 (2019 net income - £341,977). Net assets totalled £23,284,325 (2019 - £23,661,878). Details of the financial position of the Charity are set out in the following accounts.

STRATEGIC REPORT

Financial review

Principal funding sources

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

Reserves policy

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to £181,536 (2019 - £5,077(negative)) (unrestricted current assets less unrestricted current liabilities).

Funds held are adequate and available to meet the obligations of the trust.

STRATEGIC REPORT

Future plans

In accordance with the Co-Operation Agreement with Harris Manchester College the Charity has agreed to devote its resources for a minimum period of ten years exclusively in support of the activities of the Farmington Institute at Harris Manchester College.

Below is an extract from the report to trustees delivered by Dr. Sir Ralph Waller who is directly employed by the Trust to provide his services as Director of the Farmington Institute.

The Coming Year

I suggest that this coming year we should make some changes to our usual programme. We not only need to find £100,000 from the budget to help disadvantaged children, but we also should be thinking of how we can extend our help to more teachers in schools and through them support students. With this in mind I suggest the following:

1. Scholarships

I suggest that we award twenty scholarships for this coming academic year 2021/22. We are already advertising these and will begin to shortlist and interview in the New Year. We can ensure that the successful candidates will be of a high quality. Such a move will also enable us to keep some places for former scholars at our annual conference. This is important for continuity and ensuring that we build networks not only between present scholars, but also between past scholars and present scholars.

2. Forums for Teachers

I suggest that we set up six forums for teachers of philosophy, religion and ethics in both primary and secondary schools. I envisage that these forums would be based on the model we have used for our Head Teachers' Forums. We should invite tutors from universities and school-based situations to head up each group of ten teachers who will meet six times a year. The hope is that these meetings will encourage teachers, build up networks of support, and spread good practice. One member of the group will be invited to lead the discussion at each meeting on a topic associated with RE teaching in which he or she is interested, and will be of interest to others. I estimate that such a programme will be of real encouragement to some sixty teachers a year at a total cost of £27,000. Some of the members of these groups may go on to become Farmington Scholars.

3. Head Teachers' Forums

I would like to suggest that this coming year, if we are permitted to meet freely, we should establish three Head Teachers' Forums, two for secondary heads, one in the north of England and one in the Oxford/London/Cambridge area. I would also suggest that now is the right time to establish a forum for primary school head teachers. Such a move would help eighteen head teachers, and through them many other teachers and children will benefit. The cost of these three forums I estimate will be approximately £30,000.

4. Extra meeting space

Over the last few years we have allowed the College to use Farmington rooms both as Fellows' studies and for meetings. This has not been a problem in the past as until 2018 we were able to use the Principal's Lodgings and more recently the King's Mound for meetings of head teachers, Chaplains to Her Majesty's Armed Forces and other educational gatherings. Due to their financial position, KSI Education Ltd has needed to reduce its expenditure and as a result no longer wished to pay for the lease on the King's Mound. We have accordingly surrendered the lease and returned the building to Balliol College, at no cost to the Farmington Institute or Trust.

However we are now short of space for meetings for both ourselves and for school away days and planning days, as well as for other charities that we help. It is also an important part of our activity to bring people together from the world of education and share ideas and good practice.

STRATEGIC REPORT

In order to effectively carry out our activities, it would be very helpful and beneficial if we could take back for our own use our room on the top floor of the Farmington building, which is currently lent to a Fellow of the College, Professor Kate McLaughlin, to use as a study. The plan would be to reorganise this room as a meeting room, and in addition, to convert a space on the top floor of the Farmington building as a small area to service this room.

We are all well aware that the College also is short of space, and that this transition is something that cannot be done quickly and probably should not take place until the end of the academic year in June 2021. In order to help the College with this reallocation, I suggest that the Farmington Trust should donate £12,000 a year to the College over the next two years. Although we are simply taking back a Farmington room for our own use, we should be aware of the needs of the College and be supportive where we can. A grant of £12,000 a year could offset the cost of the College renting a room from All Souls, or from Queen Elizabeth House, or compensate for the loss of income in the event of the College using a room currently occupied by a student.

We would, moreover, want the College to feel that it could book the Farmington Library and this new meeting room, when it is not being used by us.

5. Head Teachers Papers

Last year in association with KSI Education Ltd we produced seven papers written by head teachers and paid for by KSI. These papers were written by the head teachers of Eton, Winchester, Westminster, Magdalen College School, Cokethorpe School the West London Free School, and Cheney School, Oxford. This year I have invited the head teacher of Harrow, Alastair Land, to write a paper on the importance of schools building alliances within the local community.

You will remember that the plan was to launch these papers at a reunion of all the head teachers who have belonged to our Head Teachers' Forums in the past. Sadly this occasion had to be postponed because of the present pandemic, but it is my hope that once we are allowed to meet freely we will be able to re-organise this reunion. It will also be refreshing to be able to complete the outstanding meetings of the two current Head Teachers' Forums.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. Any person shall retain his office only until the next Annual General Meeting but will then be eligible for re-election.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to (i) the management of agricultural property, and in particular local knowledge of the property at Northleach; (ii) the management of our liquid investment funds; (iii) the management of charitable trusts; and (iv) the propose of the Farmington Trust as set out below under "Objectives and Activities", in particular those relating to education and research in religion and morality.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The Trustees are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute.

Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers.

The Rev. Dr. Sir Ralph Waller, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is also the former Principal of Harris Manchester College.

Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.

Sir John Kemp-Welch formerly worked with Cazenove & Co, the Trust's stockbrokers.

Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.

Rev. Prof. Jane Shaw, a trustee, is the current Principal of Harris Manchester College.

Policy decisions of the charity are made by the Trustees with the involvement of the Company Secretary, Mr George Hudson, a volunteer and former Company Secretary, and Sir Ralph Waller, who serves as Director of the Farmington Institute. Dr Ralph Waller is also the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Sir Ralph Waller or Mr G W W Hudson, (unless an invoice is more than an agreed limit in which case approval of both parties is required) with the oversight of the Company Secretary and our accountants and subject to being within the budget. All payments are made via online banking.

The budget for the year, at which income and expenditure is forecast, is created within the Finance Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. The ongoing grant in the current year was adjusted downward by agreement to reflect the significant adverse effect of the pandemic on the investment performance. This is then further approved at the Trustees meeting. A separate Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments.

Further details concerning the structure of the charity can be found in the Reference and Administrative Details.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00819630 (England and Wales)

Registered Charity number
237934

Registered office
Harris Manchester College
Mansfield Road
Oxford
OX1 3TD

Trustees
H M Henderson
Dr C Wills
P N H Gibbs
P J H Wills
R D C Henderson
Sir J Kemp-Welch
R H Wills
Hon R I H Wills
I L H Ormerod
Rev. Prof. J Shaw Principal Of Oxford College
Dr T R Hands (appointed 18.11.19)

Finance & Investment Sub-Committee
Certain powers of the governors can be delegated to a Finance & Investment Sub-Committee. This committee shall consist of a minimum of three governors.

Members of the Finance & Investment Sub-Committee:
Mr P N H Gibbs
Mr H M Henderson
Sir J Kemp-Welch
Mr R D C Henderson
Mr G W W Hudson

Company Secretary
Mrs A L Duffell

Auditors
A D Accounts Limited (Registered Auditors)
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Solicitors
Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Bankers
Coutts and Co
440 The Strand
London
WC2R 0QS

Investment Advisors
Cazenove Capital Management Ltd
12 Moorgate
London
EC2R 6DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, A D Accounts Limited (Registered Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 November 2020 and signed on the board's behalf by:

H M Henderson - Trustee

Opinion
We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 July 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company'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.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:
- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company 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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of A D Accounts Limited (Registered Auditors)
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

18 November 2020

Statement of Financial Activities
for the Year Ended 31 July 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	152,158	-	-	152,158	352,000
Investment income	3	351,832	-	136,417	488,249	491,051
Other income		56,605	-	-	56,605	52,451
Total		560,595	-	136,417	697,012	895,502
EXPENDITURE ON						
Raising funds	4	78,598	-	32,740	111,338	99,774
Charitable activities	5					
Attributable to grant making		547,689	-	-	547,689	804,083
Total		626,287	-	32,740	659,027	903,857
Net gains/(losses) on investments		(197,738)	-	(217,800)	(415,538)	350,332
NET INCOME/(EXPENDITURE)		(263,430)	-	(114,123)	(377,553)	341,977
RECONCILIATION OF FUNDS						
Total funds brought forward		15,254,007	9,636	8,398,235	23,661,878	23,319,901
TOTAL FUNDS CARRIED FORWARD		14,990,577	9,636	8,284,112	23,284,325	23,661,878

The notes form part of these financial statements

Balance Sheet
31 July 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS						
Tangible assets	13	269,239	-	-	269,239	270,373
Investments						
Investments	14	6,809,156	-	7,938,302	14,747,458	15,363,139
Investment property	15	7,925,043	-	345,810	8,270,853	8,262,873
		15,003,438	-	8,284,112	23,287,550	23,896,385
CURRENT ASSETS						
Debtors	16	22,678	-	-	22,678	51,198
Cash at bank		211,326	9,636	-	220,962	16,087
		234,004	9,636	-	243,640	67,285
CREDITORS						
Amounts falling due within one year	17	(52,468)	-	-	(52,468)	(62,726)
NET CURRENT ASSETS		181,536	9,636	-	191,172	4,559
TOTAL ASSETS LESS CURRENT LIABILITIES		15,184,974	9,636	8,284,112	23,478,722	23,900,944
CREDITORS						
Amounts falling due after more than one year	18	(194,397)	-	-	(194,397)	(239,066)
NET ASSETS		14,990,577	9,636	8,284,112	23,284,325	23,661,878
FUNDS	20					
Unrestricted funds:						
General fund					880,228	597,884
Designated fund					14,110,349	14,656,123
					14,990,577	15,254,007
Restricted funds					9,636	9,636
Endowment funds					8,284,112	8,398,235
TOTAL FUNDS					23,284,325	23,661,878

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

continued...

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 16 November 2020 and were signed on its behalf by:

H M Henderson - Trustee

Cash Flow Statement
for the Year Ended 31 July 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(351,507)	(482,312)
Net cash used in operating activities		(351,507)	(482,312)
Cash flows from investing activities			
Purchase of quoted investments		(486,876)	(472,416)
Purchase of investment property		(7,980)	(111,706)
Sale of quoted investments		687,019	577,170
Interest received		274	228
Dividends received		260,268	263,542
Net cash provided by investing activities		452,705	256,818
Cash flows from financing activities			
Income attributable to endowment		136,417	135,554
Expenditure attributable to endowment		(32,740)	(31,708)
Net cash provided by financing activities		103,677	103,846
Change in cash and cash equivalents in the reporting period		204,875	(121,648)
Cash and cash equivalents at the beginning of the reporting period		16,087	137,735
Cash and cash equivalents at the end of the reporting period		220,962	16,087

The notes form part of these financial statements

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(377,553)	341,977
Adjustments for:		
Depreciation charges	1,134	1,140
Losses/(gain) on investments	415,538	(350,332)
Interest received	(274)	(228)
Dividends received	(260,268)	(263,542)
Income attributable to endowment	(136,417)	(135,554)
Expenditure attributable to endowment	32,740	31,708
Decrease in debtors	28,520	31,737
Decrease in creditors	(54,927)	(139,218)
Net cash used in operations	(351,507)	(482,312)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.19 £	Cash flow £	At 31.7.20 £
Net cash			
Cash at bank	16,087	204,875	220,962
	16,087	204,875	220,962
Total	16,087	204,875	220,962

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Raising funds
Costs of generating funds comprise investment management costs and the costs associated with the maintenance and upkeep of rental properties.

Investment management costs are split between the endowment fund and the designated fund in proportion to the opening fund values.

Governance costs
Governance costs are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Support costs are general and overhead costs which are not specific to Governance, costs of generating funds as direct charitable activities but which enable theses activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 8.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Leasehold property	-	in accordance with the lease term
Improvements to property	-	4% on cost
Library	-	10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

Investment property
Investment properties are stated at the Governors' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments
Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	152,158	352,000

The above donations have been made for the following purposes:

Kings Mound	100,000	100,000
Cavendish Court	-	200,000
The Post Office (Northleach)	-	50,000
Gift Aid credit	20,108	-
Other	32,050	2,000
	152,158	352,000

3. INVESTMENT INCOME

	2020	2019
	£	£
Rents received	227,707	227,281
Dividends and interest	260,268	263,542
Interest - cash deposits	274	228
	488,249	491,051

4. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Investment management costs	62,463	61,645
Cost of rental properties	48,875	38,129
	111,338	99,774

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Attributable to grant making	359,520	188,169	547,689

continued...

6. GRANTS PAYABLE

	2020	2019
	£	£
Attributable to grant making	359,520	632,561

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Harris Manchester College - Grant B	359,520	632,561

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £359,520 (2019 - £632,561). Included in this total grant are wages of £56,605 (2019 - £52,451) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the on going grant.

The ongoing grant in the current year was adjusted downward by agreement to reflect the significant adverse effect of the pandemic on the investment performance

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Attributable to grant making	182,341	608	5,220	188,169

During the previous year, the charity received a refund of £1,685 in relation to an overpayment of council tax for the Farmington building in 2015/16.

A new lease has been taken out during the year for the use of Kings Mound. The total amount payable in the year for rent and expenses was £100,001 (2019 - £100,995).

Support costs, included in the above, are as follows:

	2020 Attributable to grant making	2019 Total activities
	£	£
Wages	56,605	52,451
Pensions paid for past service	6,917	6,385
Other operating leases	100,001	100,995
Office costs	-	(1,685)
Insurance	1,407	774
Company Secretary	7,640	3,005
Accountancy	2,730	2,590
Legal and professional costs	5,907	222
Depreciation of tangible and heritage assets	1,134	1,140
Carried forward	182,341	165,877

continued...

7. SUPPORT COSTS - continued

	2020 Attributable to grant making £	2019 Total activities £
Brought forward	182,341	165,877
Bank charges	608	525
Auditors' remuneration	5,220	5,120
	188,169	171,522

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Auditors' remuneration	5,220	5,120
Depreciation - owned assets	1,134	1,140
Other operating leases	100,001	100,995

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

10. STAFF COSTS

	2020 £	2019 £
Wages and salaries	56,605	52,451
Other pension costs	6,917	6,385
	63,522	58,836

The average monthly number of employees during the year was as follows:

	2020	2019
Working on charitable activities	1	1

No employees received emoluments in excess of £60,000.

11. MATERIAL TRANSFERS

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

12. NET GAINS/(LOSSES) ON INVESTMENT

	2020	2019
	£	£
Investment portfolio	(415,538)	350,332
Investment properties	-	-
	(415,538)	350,332

13. TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Library	Totals
	£	£	£	£
COST				
At 1 August 2019 and 31 July 2020	295,000	4,095	15,391	314,486
DEPRECIATION				
At 1 August 2019	27,000	2,246	14,867	44,113
Charge for year	1,000	82	52	1,134
At 31 July 2020	28,000	2,328	14,919	45,247
NET BOOK VALUE				
At 31 July 2020	267,000	1,767	472	269,239
At 31 July 2019	268,000	1,849	524	270,373

14. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Listed investment portfolio	14,747,458	15,363,137

Included within investments held on Stock Exchange are investment assets outside the UK of £4,355,028 (2019 - £4,347,977). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2020 was £12,317,867 (2019 - £12,523,491).

The following investments were held at 31 July 2020 with a value in excess of 5% of the market value of listed investments:

Trojan Income Fund
Polar UK Value Opportunities Fund
Vanguard FTSE UK All Share Index
iShare Physical Metals PLC

continued...

14. FIXED ASSET INVESTMENTS - continued

JPMorgan GBP Liquidity LVNAV Fund

Movement in fixed asset investments	2020 £	2019 £
Market value 1 August (excluding cash held)	15,244,410	14,771,994
Additions at cost	4,733,699	4,712,092
Disposal proceeds	(5,408,538)	(4,589,245)
Gains/(Losses) on investment assets	(415,538)	350,332
Accrued interest (movement)	(12,180)	(763)
Market value at 31 July (excluding cash held)	14.141.853	15,244,410
Cash held at 31 July	605,605	118,729
Market value of investments 31 July	14,747,458	15,363,139

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 August 2019	8,262,873
Additions	7,980
At 31 July 2020	8,270,853
NET BOOK VALUE	
At 31 July 2020	8,270,853
At 31 July 2019	8,262,873

A formal valuation had been undertaken by Mr L G Greaves FRICS at 31 July 2020, the market value was £8,270,853.

The historical cost of the property investments, held at 31 July 2020 was £4,945,211 (2019 - £4,937,231).

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	16,048	-
Prepayments and accrued income	6,630	51,198
	22,678	51,198

continued...

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Lease premiums	44,669	44,669
Accrued expenses	7,799	18,057
	52,468	62,726

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Lease premiums	187,397	232,066
Security premiums	7,000	7,000
	194,397	239,066

19. LEASING AGREEMENTS

During the previous year, the trust entered into a three year lease with the Balliol College for the use of the King's Mound property. The lease included a break clause at 12 months so there is a nil minimum lease payment under non-cancellable operating leases.

20. MOVEMENT IN FUNDS

	At 1.8.19	Net movement in funds	Transfers between funds	At 31.7.20
	£	£	£	£
Unrestricted funds				
General fund	597,884	(35,968)	318,312	880,228
Designated fund	14,656,123	(227,462)	(318,312)	14,110,349
	15,254,007	(263,430)	-	14,990,577
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,398,235	(114,123)	-	8,284,112
TOTAL FUNDS	23,661,878	(377,553)	-	23,284,325

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	560,595	(596,563)	-	(35,968)
Designated fund	-	(29,724)	(197,738)	(227,462)
	560,595	(626,287)	(197,738)	(263,430)
Endowment funds				
Endowment fund	136,417	(32,740)	(217,800)	(114,123)
TOTAL FUNDS	697,012	(659,027)	(415,538)	(377,553)

Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.19 £
Unrestricted funds				
General fund	795,701	(99,766)	(98,051)	597,884
Designated fund	14,392,957	157,701	105,465	14,656,123
	15,188,658	57,935	7,414	15,254,007
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,121,607	284,042	(7,414)	8,398,235
TOTAL FUNDS	23,319,901	341,977	-	23,661,878

continued...

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	380,011	(479,777)	-	(99,766)
Designated fund	379,937	(392,372)	170,136	157,701
	759,948	(872,149)	170,136	57,935
Endowment funds				
Endowment fund	135,554	(31,708)	180,196	284,042
TOTAL FUNDS	895,502	(903,857)	350,332	341,977

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
Unrestricted funds				
General fund	795,701	(135,734)	220,261	880,228
Designated fund	14,392,957	(69,761)	(212,847)	14,110,349
	15,188,658	(205,495)	7,414	14,990,577
Restricted funds				
Restricted	9,636	-	-	9,636
Endowment funds				
Endowment fund	8,121,607	169,919	(7,414)	8,284,112
TOTAL FUNDS	23,319,901	(35,576)	-	23,284,325

continued...

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	940,606	(1,076,340)	-	(135,734)
Designated fund	379,937	(422,096)	(27,602)	(69,761)
	1,320,543	(1,498,436)	(27,602)	(205,495)
Endowment funds				
Endowment fund	271,971	(64,448)	(37,604)	169,919
TOTAL FUNDS	1,592,514	(1,562,884)	(65,206)	(35,576)

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

continued...

20. MOVEMENT IN FUNDS - continued

Total return

	Endowment £	Unapplied Total Return £	Total Endowment £
At the beginning of the reporting period:			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,513,629	2,513,629
	5,538,795	2,513,629	8,052,424
Movement in the reporting period:			
Investment return: dividends and interest	-	136,417	136,417
Investment return: realised and unrealised gains	-	(217,800)	(217,800)
Less: investment management costs	-	(32,740)	(32,740)
		(114,123)	(114,123)
Unapplied total return allocated to income in the reporting period	-	-	-
Net movements in the reporting period	-	(114,123)	(114,123)
At the end of the reporting period			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	-	2,399,506	2,399,506
Total	5,538,795	2,399,506	7,938,301

21. RELATED PARTY DISCLOSURES

During the year payments were made to Mr G W Hudson, the former company secretary and current member of the Finance and Sub-Committee, for reimbursements in respect of invoices paid by him on behalf of the trust in relation to the renovation of the various investment properties. The amounts totalled £2,206 (2019 - £65,361).

22. GUARANTEE

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

Detailed Statement of Financial Activities
for the Year Ended 31 July 2020

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS					
Donations and legacies					
Donations	152,158	-	-	152,158	352,000
Investment income					
Rents received	227,707	-	-	227,707	227,281
Dividends and interest	123,851	-	136,417	260,268	263,542
Interest - cash deposits	274	-	-	274	228
	351,832	-	136,417	488,249	491,051
Other income					
Payroll contribution received	56,605	-	-	56,605	52,451
Total incoming resources	560,595	-	136,417	697,012	895,502
EXPENDITURE					
Investment management costs					
Investment management costs	29,723	-	32,740	62,463	61,645
Cost of rental properties	48,875	-	-	48,875	38,129
	78,598	-	32,740	111,338	99,774
Charitable activities					
Grants to institutions	359,520	-	-	359,520	632,561
Support costs					
Management					
Wages	56,605	-	-	56,605	52,451
Pensions paid for past service	6,917	-	-	6,917	6,385
Other operating leases	100,001	-	-	100,001	100,995
Office costs	-	-	-	-	(1,685)
Insurance	1,407	-	-	1,407	774
Company Secretary	7,640	-	-	7,640	3,005
Accountancy	2,730	-	-	2,730	2,590
Legal and professional costs	5,907	-	-	5,907	222
Depreciation of tangible and heritage assets	1,134	-	-	1,134	1,140
	182,341	-	-	182,341	165,877
Finance					
Bank charges	608	-	-	608	525

Detailed Statement of Financial Activities
for the Year Ended 31 July 2020

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Finance					
Governance costs					
Auditors' remuneration	5,220	-	-	5,220	5,120
Total resources expended	626,287	-	32,740	659,027	903,857
Net income/(expenditure) before gains and losses	(65,692)	-	103,677	37,985	(8,355)
Realised and unrealised recognised gains and losses					
Fixed asset investments	(197,738)	-	(217,800)	(415,538)	350,332
Net (expenditure)/income	(263,430)	-	(114,123)	(377,553)	341,977

This page does not form part of the statutory financial statements