

# THE FARTHING TRUST

England & Wales · Charity number 268066

## Details

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**Status** Registered

**Legal form** Trust

**Registered** 1974-08-19

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** PO Box 276  
Newmarket  
CB8 1GW

**Phone** 07598565623

**Email** [thefarthingtrust@gmail.com](mailto:thefarthingtrust@gmail.com)

**Website** [www.thefarthingtrust.org](http://www.thefarthingtrust.org)

## Activities

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**Objects:** FOR SUCH CHARITABLE PURPOSES AS THE TRUSTEES SHALL IN THEIR UNCONTROLLED DISCRETION FROM TIME TO TIME THINK FIT.

**Activities:** The Trust was formed as a vehicle to meet charitable causes in any area of the world. All manner of charitable causes are supported, predominantly in the areas of education, faith, health, human rights and reconciliation and the relief of those in need. The Trust rarely supports GAP year students or applications for educational courses. The Trust prioritizes small projects with "seed corn" funding

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

## Geography

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- Afghanistan
- Bangladesh
- Bhutan
- Burkina Faso
- India
- Madagascar
- Malawi
- Mexico
- Mozambique
- Nicaragua
- Pakistan
- Papua New Guinea
- Philippines
- Scotland
- Senegal
- Sierra Leone
- Syria
- Uganda
- Ukraine
- Zambia
- Zimbabwe
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-04-05	£500,935	£553,322	£6,236,535	0
2024-04-05	£248,498	£527,827	-	-
2023-04-05	£224,998	£375,653	-	-
2022-04-05	£56,139	£360,265	-	-
2021-04-05	£236,014	£205,264	-	-

## Trustees

Name	Role	Appointed
A WHITE		
J MARTIN		
Mr J Martin		2018-08-28
Ms E Bell		2018-08-28

**THE FARTHING TRUST**

England & Wales - Charity number 268066

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# Accounts

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Charity registration number 268066 (England and Wales)

**THE FARTHING TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

# THE FARTHING TRUST

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# THE FARTHING TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr JJ Martin Mrs A White Mrs J Martin Ms E Bell
<b>Charity number (England and Wales)</b>	268066
<b>Registered office</b>	P O Box 276 Newmarket Suffolk CB8 1GW
<b>Auditor</b>	Whitings LLP Greenwood House Greenwood Court Skyliner Way Bury St Edmunds Suffolk IP32 7GY
<b>Bankers</b>	Lloyds Bank Plc Minster Place Ely Cambridgeshire CB7 4EN
<b>Solicitors</b>	HCR Law 50-60 Station Road Cambridge Cambridgeshire CB1 2JH

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# THE FARTHING TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 5 APRIL 2025**

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The trustees present their annual report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

### **Objectives and activities**

The Charity was formed as a vehicle to meet charitable causes in any area of the world. Although all manner of charitable causes are supported, the main beneficiaries are in the areas of education, health and human rights and the reconciliation/promotion of religious or racial harmony/equality/diversity, as well as the relief of those in need.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### *Public benefit*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### *Activities*

The activities for the year are set out in the attached financial statements. The Trustees have reviewed each grant payment during the year in conjunction with the Charity Commission guidance on Public Benefit. Many grant payments are deemed to have been made to institutions or individuals that fulfil more than one charitable purpose.

#### *Grant making policy*

Some of the grants and donations awarded during the year are to individuals and organisations that are known or have become known to the Trustees personally or through their acquaintances. Smaller grants and donations have to be agreed by at least two Trustees, whilst larger payments must be approved by all Trustees. Other applications received are considered carefully by the Trustees, with references being sought where considered necessary in order to verify the nature of the application. There are no financial or geographical restrictions placed on grant applicants

### **Achievements and performance**

#### *Significant activities and achievements against objectives*

During the year, the Charity received donations and legacies of £343,958 (2024 - £30) and investment income of £156,977 (2024 - £248,468). Grants payable during the year amounts to £527,785 (2024 - £512,814) with support and governance costs of £11,765 (2024 - £4,716). Outgoings on investment properties was £3,637 (2024 - £576) and costs for investment advisers and other charges was £10,135 (2024 - £9,721), leaving net expenditure of £52,387 (2024 - £279,329) before net gains on investments of £1,479,508 (2024 - £30,236).

Once again, numerous individual grant payments were made during the year and the nature of these payments is further explained in note 7 to the Financial Statements.

# THE FARTHING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2025**

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### *Investment performance*

The Charity's investments are chosen based on ethical considerations, as well as being invested with the intention of producing a balance of growth and income.

An area of land in Littleport, which the Charity had a 23% interest in, was sold for development during 2020. The Charity will receive £2,408,688 in total, part of which will not be received until 2027. The delayed consideration has been included within other debtors (see note 16).

Further potential land sales are being negotiated, which will be reflected in the accounts for 2025/26 or future accounts, depending on the timing of the transactions.

The Trustees undertook a full review of the Charity's portfolio of investment land and property and these accounts reflect any changes to valuations deemed appropriate.

### **Financial review**

#### *Going concern*

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

#### *Reserves policy*

As at 5 April 2025 the Charity has free reserves (unrestricted funds excluding investments and debtors due outside one year) of £1,178,606 (2024 - £1,137,610).

The listed investments and investment properties held by the Charity are structured so as to produce income available to be drawn to further the charitable objects. The programme related social investments are structured to further the charitable aims themselves and are not primarily used to produce an income for the Charity.

At the end of the year, the Charity has net assets of £6,236,535 compared with £4,809,414 at the end of the previous year.

### **Structure, governance and management**

The Farthing Trust is unincorporated and was formed by a Trust deed, dated 24 June 1974.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr JJ Martin  
Mrs A White  
Mrs J Martin  
Ms E Bell

#### *Recruitment and appointment of trustees*

The Trustees are recruited and appointed by the Board of Trustees and are not subject to periodical re-election.

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# THE FARTHING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2025**

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### *Organisational structure*

The Trustees set out the general policy of the Charity. The day-to-day affairs of the Charity are run by Mrs A White, with responsibility for financial investments resting with Ms E Bell, investment assets with Mr J Martin and property with Mrs J Martin.

### *Other matters*

Major risks have been reviewed and systems and procedures have been established to manage these risks.

Some of the Trustees are also shareholders in J H Martin & Sons (Littleport) Limited.

### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

*Anna White*

[Anna White \(Feb 3, 2026 19:09:53 GMT\)](#)

Mrs A White

**Trustee**

Date: 03/02/2026.....

# THE FARTHING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FARTHING TRUST

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### Opinion

We have audited the financial statements of The Farthing Trust (the 'charity') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 and of its incoming resources and application of resources, 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 Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

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# THE FARTHING TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE FARTHING TRUST

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#### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management override of controls and evaluating the business rationale of significant transactions outside the course of normal business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

The prior period financial statements were not audited due to the charity previously being entitled to exemption from audit under section 145 of the Charities Act 2011.

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# THE FARTHING TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE FARTHING TRUST

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### Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Whitings LLP

### Jaimie King ACA

For and on behalf of Whitings LLP, Statutory Auditor  
Chartered Accountants  
Greenwood House  
Greenwood Court  
Skyliner Way  
Bury St Edmunds  
Suffolk  
IP32 7GY  
Date: 04/02/2026.....

Whitings LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE FARTHING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

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		Unrestricted funds 2025 £	Unrestricted funds Unaudited 2024 £
	Notes		
<b>Income from:</b>			
Donations and legacies	3	343,958	30
Investments	4	156,977	248,468
<b>Total income</b>		<u>500,935</u>	<u>248,498</u>
<b>Expenditure on:</b>			
Raising funds	5	13,772	10,297
Charitable activities	6	539,550	517,530
<b>Total expenditure</b>		<u>553,322</u>	<u>527,827</u>
Net gains/(losses) on investments	11	<u>1,479,508</u>	<u>30,236</u>
<b>Net income/(expenditure) and movement in funds</b>		1,427,121	(249,093)
<b>Reconciliation of funds:</b>			
Fund balances at 6 April 2024		<u>4,809,414</u>	<u>5,058,507</u>
<b>Fund balances at 5 April 2025</b>		<u>6,236,535</u>	<u>4,809,414</u>

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

The notes on pages 9 to 20 form part of these financial statements.

# THE FARTHING TRUST

## BALANCE SHEET

AS AT 5 APRIL 2025

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		2025		Unaudited 2024	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investment property	13		3,219,422		1,832,500
Investments	14		1,198,297		1,199,306
Social investments	15		173,601		173,601
			<hr/>		<hr/>
			4,591,320		3,205,407
<b>Current assets</b>					
Debtors	16	483,660		932,794	
Investments	17	350,002		132,635	
Cash at bank and in hand		820,553		542,118	
		<hr/>		<hr/>	
		1,654,215		1,607,547	
<b>Creditors: amounts falling due within one year</b>	18				
		(9,000)		(3,540)	
		<hr/>		<hr/>	
<b>Net current assets</b>			1,645,215		1,604,007
			<hr/>		<hr/>
<b>Total net assets</b>			6,236,535		4,809,414
			<hr/> <hr/>		<hr/> <hr/>
<b>The funds of the charity</b>					
Unrestricted funds	19		6,236,535		4,809,414
			<hr/>		<hr/>
			6,236,535		4,809,414
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 9 to 20 form part of these financial statements.

The financial statements were approved by the trustees on 03/02/2026.....

*Anna White*

[Anna White \(Feb.3, 2026 19:09:53 GMT\)](#)

Mrs A White

Trustee

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 5 APRIL 2025*

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### 1 Accounting policies

#### Charity information

The Farthing Trust is an unincorporated charity, registered in England. The registered address is PO Box 276, Newmarket, CB8 1GW. The charity registration number is 268066.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Rent is included in the Statement of Financial Activities in the period to which it relates. Any outstanding rent at the year end is accrued for within debtors and any rent received in advance is carried forward as deferred income in creditors.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on investment advice and investment properties includes amounts payable to MM Wealth as the investment broker as well as legal fees and other costs in respect of the investment properties.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 1 Accounting policies

(Continued)

#### 1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss. Please see note 13 for further information.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the charity holds a long-term interest and where the charity has significant influence. The charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Programme related investments represent loans made in special circumstances to those in need, which are deemed to be made in furtherance of the Charity's charitable objectives. The terms may vary between the loans, from 0% interest and no fixed repayments to a 10 year term with a fixed interest rate of 2% per annum. The Trustees reserve the right to review and amend the interest rate during the term of the loan.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

##### **Investment property valuation**

Investment properties are valued annually by the Trustees. There is, however, an inevitable degree of judgement involved in that each property is unique and the value can only ultimately be reliably tested in the market itself.

### 3 Income from donations and legacies

	Unrestricted funds	Unrestricted funds Unaudited
	2025	2024
	£	£
Donations and gifts	-	30
Legacies	343,958	-
	<u>343,958</u>	<u>30</u>

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds Unaudited 2024 £
Rental income	11,917	15,917
Dividends receivable	122,361	203,745
Bank, building society and other interest	22,699	28,806
	<u>156,977</u>	<u>248,468</u>

### 5 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds Unaudited 2024 £
Investment management	13,772	10,297
	<u>13,772</u>	<u>10,297</u>

### 6 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities Unaudited 2024 £
<b>Direct costs</b>		
Grant funding of activities (see note 7)	527,785	512,814
<b>Share of support and governance costs (see note 8)</b>		
Support	11,765	4,716
	<u>539,550</u>	<u>517,530</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>539,550</u>	<u>517,530</u>

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# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

### 7 Grants payable

	Charitable activities 2025 £	Charitable activities Unaudited 2024 £
Grants to institutions:		
Need - UK Organisation	110,000	91,500
Need - Local	20,000	8,000
Need - International Organisation	65,000	61,000
Education - International Organisation	68,500	80,500
Education - UK Organisation	-	5,640
Religion - Local	200	1,200
Religion - UK Organisation	10,000	-
Human Rights - UK Organisation	5,000	6,000
Human Rights - International Organisation	2,000	15,000
Health - International Organisation	34,000	45,000
Community Development - Local	40,500	5,000
Community Development - UK Organisation	32,500	35,000
Community Development - International Organisation	78,500	106,300
Environmental - International Organisation	10,000	10,000
	<u>476,200</u>	<u>470,140</u>
Grants to individuals	51,585	42,674
	<u>527,785</u>	<u>512,814</u>

### 8 Support costs allocated to activities

	2025 £	Unaudited 2024 £
Sundry	800	396
Website	306	-
Bank charges	45	-
Governance costs	10,614	4,320
	<u>11,765</u>	<u>4,716</u>
<b>Analysed between:</b>		
Charitable activities	<u>11,765</u>	<u>4,716</u>

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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<b>9</b>	<b>Net movement in funds</b>		<b>Unaudited</b>
		<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>

The net movement in funds is stated after charging/(crediting):

Fees payable to the charity's auditor:

- for the audit of the charity's financial statements	5,850	-
- for the independent examination of the charity's financial statements	-	570
- for all other services not included above	3,150	3,150
Loss on disposal of investment property	57,327	-
	<u>          </u>	<u>          </u>

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 11 Gains and losses on investments

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2025</b>	<b>Unaudited 2024</b>
	<b>£</b>	<b>£</b>
Gains/(losses) arising on:		
Sale of investments	(10,087)	30,236
Revaluation of investment properties	1,546,922	-
Sale of investment properties	(57,327)	-
	<u>          </u>	<u>          </u>
	<u>1,479,508</u>	<u>30,236</u>

### 12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 13 Investment property

	<b>2025</b>
	<b>£</b>
<b>Fair value</b>	
At 6 April 2024	1,832,500
Disposals	(160,000)
Net gains or losses through fair value adjustments	1,546,922
	<u>          </u>
At 5 April 2025	<u>3,219,422</u>

The market value is based on the Trustees' best estimate of their respective values in the absence of professional valuations, or where appropriate, may be based on information from professional valuations relating to parcels of land within which the Charity has a partial interest. When properties are valued by estate agents during the year, these valuations have been used in the accounts.

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 14 Fixed asset investments

	Listed investments	Unlisted investments (associated undertakings)	Cash in portfolio	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 6 April 2024	679,667	485,444	34,195	1,199,306
Additions	209,435	-	-	209,435
Valuation changes	(20,708)	-	-	(20,708)
Movement in cash at broker	-	-	767	767
Disposals	(190,503)	-	-	(190,503)
	<hr/>	<hr/>	<hr/>	<hr/>
At 5 April 2025	677,891	485,444	34,962	1,198,297
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>				
At 05 April 2025	677,891	485,444	34,962	1,198,297
	<hr/>	<hr/>	<hr/>	<hr/>
At 05 April 2024	679,667	485,444	34,195	1,199,306
	<hr/>	<hr/>	<hr/>	<hr/>

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2025

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#### 14 Fixed asset investments

(Continued)

All the fixed asset investments are held in the UK.

The listed UK investments are all managed funds and are listed on the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The Charity engages with investment advisers to assist with their investment policy to produce a balance on income and growth. The Charity has obtained investment advice in 2024/2025 from M M Wealth Ltd.

Part of the brought forward investment in an unlisted UK company was gifted to the Charity some years ago and the original acquisition value is unknown. It represents 75,000 ordinary £1 shares in J H Martin & Sons (Littleport) Ltd, which equates to 25.06% of the issued share capital. The shares were last valued by J H Martin & Sons (Littleport) Ltd in 2013 and this valuation is reflected in these accounts. No new valuation has been undertaken recently. The company's accounts to 31 December 2024 disclosed closing net assets of £5,062,075 (2023 - £5,116,269).

The remaining part of the brought forward unlisted investments comprises of 25.06% ownership in The Martin Grange Lane Partnership, which the charity received via a dividend in specie from J H Martin & Sons (Littleport) Ltd. The value of the partnership has been included based on the value of the assets it holds, which were valued by Brown & Co in 2022.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity is reliant on investment income to finance its work and this leads to a greater exposure to risk than holding funds in cash.

The construction of any investment portfolio and its continued maintenance is a very specialist and complex area, which is why the Trustees use professional advisers to assist with this aspect. Asset allocation is the practice of diversifying assets between different classes and is recognised as the most important part of the process of building a portfolio.

The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions. The Charity operates an investment policy that provides for a high degree of diversification of holdings within investment asset classes, including listed and unlisted investments as investment property. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

#### 15 Social Investments

Programme  
related  
investments  
£

At 6 April 2024 and at 5 April 2025

173,601

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# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

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### 16 Debtors

	2025	Unaudited 2024
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	-	466,397
Prepayments and accrued income	17,051	-
	<u>17,051</u>	<u>466,397</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	466,609	466,397
	<u>466,609</u>	<u>466,397</u>
<b>Total debtors</b>	<u>483,660</u>	<u>932,794</u>

Other debtors represent deferred consideration payments relating to the sale of land partially owned by the Charity. The remaining consideration is payable in 2027.

### 17 Current asset investments

	2025	Unaudited 2024
	£	£
Flagstone deposit account	350,002	132,635
	<u>350,002</u>	<u>132,635</u>

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

	2025	Unaudited 2024
	£	£
Accruals and deferred income	9,000	3,540
	<u>9,000</u>	<u>3,540</u>

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

### 19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 6 April 2024 Unaudited £	Incoming resources £	Resources expended £	Gains and losses £	At 5 April 2025 £
General funds	4,809,414	500,935	(553,322)	1,479,508	6,236,535
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 6 April 2023 Unaudited £</b>	<b>Incoming resources Unaudited £</b>	<b>Resources expended Unaudited £</b>	<b>Gains and losses Unaudited £</b>	<b>At 5 April 2024 Unaudited £</b>
General funds	5,058,507	248,498	(527,827)	30,236	4,809,414
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 20 Analysis of net assets between funds

	<b>Unrestricted funds 2025 £</b>
<b>At 5 April 2025:</b>	
Investment properties	3,219,422
Investments	1,198,297
Programme related assets	173,601
Current assets/(liabilities)	1,645,215
	<u>          </u>
	6,236,535
	<u>          </u>
	<b>Unrestricted funds Unaudited 2024 £</b>
<b>At 5 April 2024:</b>	
Investment properties	1,832,500
Investments	1,199,306
Programme related assets	173,601
Current assets/(liabilities)	1,604,007
	<u>          </u>
	4,809,414
	<u>          </u>

# THE FARTHING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 5 APRIL 2025*

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### 21 Related party transactions

The Charity considers its key management personnel to be the Trustees. All Trustees give their time and expertise freely with no remuneration or other benefit in kind, either directly or indirectly from the Charity. The following related party transactions arose during the year:

a) There were no Trustee's expenses paid by the Charity in either year. The Trustees have waived expenses relating to postage, which are minimal in monetary terms.

b) The Trustees are shareholders in J H Martin and Sons (Littleport) Limited. Mr J Martin is also a director of J H Martin & Sons (Littleport) Limited. Mrs J Martin and Mrs E Bell were directors of J H Martin & Sons (Littleport) Limited for part of the prior year. During the year, the Charity received a dividend of £105,000 (2024 - £187,500) from J H Martin & Sons (Littleport) Limited.

c) One property in which the Charity held a minority equitable interest was sold during the year. In the prior year, this was let to J H Martin and Sons (Littleport) Limited for the sum of £4,000 per annum.

d) The Charity holds a 7.32% interest in the Waterbeach Trust. Some Trustees of the Charity are also beneficiaries of the Waterbeach Trust. Included in these financial statements is the value of this Charity's share of the land held in Trust of £2,939,422 (2024 - £1,392,500) and is included in investment property. The Charity also receives an annual rent of £2,477 which is included in investment income.

e) During the year, a legacy of £343,958 was received from a parent of the Trustees of the Charity. There were no conditions attached to this legacy.

**THE FARTHING TRUST**

England & Wales - Charity number 268066

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# Accounts

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**THE FARTHING TRUST**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2024**

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**THE FARTHING TRUST**

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THE FARTHING TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 5 APRIL 2024

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<b>Trustees</b>	Mrs J Martin Mrs A White Mr J J Martin Ms E Bell
<b>Charity registered number</b>	268066
<b>Principal office</b>	PO Box 276 Newmarket CB8 1GW
<b>Accountants</b>	Whitings LLP Greenwood House Greenwood Court Skyliner Way Bury St Edmunds Suffolk IP32 7GY
<b>Bankers</b>	Lloyds Bank Plc Minister Place Ely Cambridge CB7 4EN
<b>Solicitors</b>	HCR Law 50 - 60 Station Road Cambridge CB1 2JH

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## THE FARTHING TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2024

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The Trustees present their annual report together with the financial statements of the Charity for the year ended 5 April 2024.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity was formed as a vehicle to meet charitable causes in any area of the world. Although all manner of charitable causes are supported, the main beneficiaries are in the areas of education, health and human rights and the reconciliation/promotion of religious or racial harmony/equality/diversity, as well as the relief of those in need.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Activities undertaken to achieve objectives**

The activities for the year are set out in the attached financial statements. The Trustees have reviewed each grant payment during the year in conjunction with the Charity Commission guidance on Public Benefit. Many grant payments are deemed to have been made to institutions or individuals that fulfil more than one charitable purpose.

##### **c. Grant donation making policies**

Some of the grants and donations awarded during the year are to individuals and organisations that are known or have become known to the Trustees personally or through their acquaintances. Smaller grants and donations have to be agreed by at least two Trustees, whilst larger payments must be approved by all Trustees. Other applications received are considered carefully by the Trustees, with references being sought where considered necessary in order to verify the nature of the application. There are no financial or geographical restrictions placed on grant applicants.

#### **Achievements and performance**

##### **a. Main achievements of the Charity**

During the year, the Charity received donations and gifts of £30 (2023 - £4,280) and investment income of £248,468 (2023 - £220,718). Grants payable during the year amounts to £512,814 (2023 - £355,256) with support and governance costs of £4,716 (2023 - £9,232). Outgoings on investment properties was £576 (2023 - £1,351) and costs for investment advisers and other charges was £9,721 (2023 - £9,814), leaving net expenditure of £279,329 (2023 - £150,655) before net gains on investments of £30,236 (2023 - net losses of £77,229).

Once again, numerous individual grant payments were made during the year and the nature of these payments is further explained in note 6 to the Financial Statements.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2024

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#### Achievements and performance (continued)

##### b. Investment policy and performance

The Charity's investments are chosen based on ethical considerations, as well as being invested with the intention of producing a balance of growth and income.

An area of land in Littleport, which the Charity had a 23% interest in, was sold for development during 2020. The Charity will receive £2,408,688 in total, part of which will not be received until 2025 and 2027. The delayed consideration has been included within other debtors (see note 13).

Further potential land sales are being negotiated, which will be reflected in the accounts for 2024/25 or future accounts, depending on the timing of the transactions.

The Trustees undertook a full review of the Charity's portfolio of investment land and property and these accounts reflect any changes to valuations deemed appropriate.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. Reserves policy

As at 5 April 2024 the Charity has free reserves (unrestricted funds excluding investments and debtors due outside one year) of £1,137,610 (2023 - £958,284).

The listed investments and investment properties held by the Charity are structured so as to produce income available to be drawn to further the charitable objects. The programme related social investments are structured to further the charitable aims themselves and are not primarily used to produce an income for the Charity.

At the end of the year, the Charity has net assets of £4,809,414 compared with £5,058,507 at the end of the previous year.

#### Structure, governance and management

##### a. Constitution

The Farthing Trust is unincorporated and was formed by a Trust deed, dated 24 June 1974.

The Trustees who served during the year were:

Mrs J Martin  
Mrs A White  
Mr J J Martin  
Ms E Bell

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2024

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#### Structure, governance and management (continued)

##### b. Methods of appointment or election of Trustees

The Trustees are recruited and appointed by the Board of Trustees and are not subject to periodical re-election.

##### c. Organisational structure and decision-making policies

The Trustees set out the general policy of the Charity. The day-to-day affairs of the Charity are run by Mrs A White, with responsibility for financial investments resting with Ms E Bell, investment assets with Mr J Martin and property with Mrs J Martin.

##### d. Related party relationships

The Trustees are also shareholders in J H Martin & Sons (Littleport) Limited. Related party transactions during the year are detailed in note 20.

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Mrs A White**

Trustee

Date: 19 October 2024

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## THE FARTHING TRUST

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2024

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#### Independent examiner's report to the Trustees of The Farthing Trust ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2024.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 19 October 2024

Jaimie King ACA

**Whittings LLP**  
Greenwood House  
Greenwood Court  
Skyliner Way  
Bury St Edmunds  
Suffolk  
IP32 7GY

**THE FARTHING TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	3	30	30	4,280
Investments	4	248,468	248,468	220,718
<b>Total income</b>		<u>248,498</u>	<u>248,498</u>	<u>224,998</u>
<b>Expenditure on:</b>				
Raising funds	5	10,297	10,297	11,165
Charitable activities	7	517,530	517,530	364,488
<b>Total expenditure</b>		<u>527,827</u>	<u>527,827</u>	<u>375,653</u>
<b>Net expenditure before net gains/(losses) on investments</b>				
		(279,329)	(279,329)	(150,655)
Net gains/(losses) on investments		30,236	30,236	(77,229)
<b>Net movement in funds</b>		<u>(249,093)</u>	<u>(249,093)</u>	<u>(227,884)</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward		5,058,507	5,058,507	5,286,391
Net movement in funds		(249,093)	(249,093)	(227,884)
<b>Total funds carried forward</b>	16	<u>4,809,414</u>	<u>4,809,414</u>	<u>5,058,507</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 23 form part of these financial statements.

**THE FARTHING TRUST**

**BALANCE SHEET  
AS AT 5 APRIL 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investments	11	1,199,306	1,161,328
Social investments	12	173,601	173,601
Investment property	10	1,832,500	1,832,500
		<u>3,205,407</u>	<u>3,167,429</u>
<b>Current assets</b>			
Debtors	13	932,794	937,367
Cash at bank and in hand		674,753	958,001
		<u>1,607,547</u>	<u>1,895,368</u>
Creditors: amounts falling due within one year	14	(3,540)	(4,290)
		<u>1,604,007</u>	<u>1,891,078</u>
<b>Total assets less current liabilities</b>		<u>4,809,414</u>	<u>5,058,507</u>
<b>Total net assets</b>		<u>4,809,414</u>	<u>5,058,507</u>
<b>Charity funds</b>			
Restricted funds	16	-	-
Unrestricted funds	16	4,809,414	5,058,507
<b>Total funds</b>		<u>4,809,414</u>	<u>5,058,507</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mrs A White**  
Trustee  
Date: 19 October 2024

The notes on pages 8 to 23 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024

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**1. General information**

The Farthing Trust is an unincorporated charity, registered in England. The registered address is PO Box 276, Cambridge, CB8 1GW. The charity registration number is 268066.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements 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) published October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Farthing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by the Trustees in preparing these financial statements other than producing the valuation of investment properties and the Trustees valuation of the unlisted investments.

**2.2 Going concern**

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rent is included in the Statement of Financial Activities in the period to which it relates. Any outstanding rent at the year end is accrued for within debtors and any rent received in advance is carried forward as deferred income in creditors.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on investment advice and investment properties includes amounts payable to MM Wealth as the investment broker as well as legal fees and other costs in respect of the investment properties.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024

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**2. Accounting policies (continued)**

**2.5 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The notes to the accounts disclose the valuation bases used for investment properties and listed investments.

Programme related investments represent loans made in special circumstances to those in need, which are deemed to be made in furtherance of the Charity's charitable objectives. The terms may vary between the loans, from 0% interest and no fixed repayments to a 10 year term with a fixed interest rate of 2% per annum. The Trustees reserve the right to review and amend the interest rate during the term of the loan.

Detail of how the investments in associates are recognised is stated in note 11.

**2.6 Debtors**

Debtors are recognised at the settlement amount after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.9 Financial instruments**

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

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2024

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#### 2. Accounting policies (continued)

##### 2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

##### 2.11 Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

#### 3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	30	-	30	4,280
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2023	-	4,280	4,280	
	<hr/>	<hr/>	<hr/>	

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**4. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Rent receivable	15,917	<b>15,917</b>	15,917
Dividends receivable	203,745	<b>203,745</b>	198,295
Bank, building society and other interest	28,806	<b>28,806</b>	6,506
<b>Total 2024</b>	<u>248,468</u>	<u><b>248,468</b></u>	<u>220,718</u>
<i>Total 2023</i>	<u>220,718</u>	<u>220,718</u>	

**5. Investment management costs**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Outgoings on property investments	576	<b>576</b>	1,351
Investment management fees	9,721	<b>9,721</b>	9,814
<b>Total 2024</b>	<u>10,297</u>	<u><b>10,297</b></u>	<u>11,165</u>
<i>Total 2023</i>	<u>11,165</u>	<u>11,165</u>	

**6. Analysis of grants**

	<b>Grants to Institutions 2024 £</b>	<b>Grants to Individuals 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Grants payable	<u>470,140</u>	<u>42,674</u>	<u><b>512,814</b></u>	<u>355,256</u>
<i>Total 2023</i>	<u>299,700</u>	<u>55,556</u>	<u>355,256</u>	

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**6. Analysis of grants (continued)**

The Charity has made the following grants to institutions during the year:

	<b>2024</b>	<b>2023</b>
	£	£
Need - UK Organisation	<b>91,500</b>	67,000
Need - Local	<b>8,000</b>	8,000
Need - International Organisation	<b>61,000</b>	66,000
Education - International Organisation	<b>80,500</b>	19,000
Education - UK Organisation	<b>5,640</b>	2,000
Religion - Local	<b>1,200</b>	1,200
Religion - UK Organisation	-	10,280
Emergency Services - UK Organisation	-	500
Human Rights - UK Organisation	<b>6,000</b>	7,000
Human Rights - International Organisation	<b>15,000</b>	-
Health - International Organisation	<b>45,000</b>	9,000
Communtiy Development - Local	<b>5,000</b>	15,000
Community Development - UK Organisation	<b>35,000</b>	29,000
Community Development - International Organisation	<b>106,300</b>	63,720
Enviromental - UK Organisation	-	2,000
Enviromental - International Organisation	<b>10,000</b>	-
	<b>470,140</b>	299,700

The Charity has made the following grants to individuals during the year:

	<b>2024</b>	<b>2023</b>
	£	£
Need - UK Individual	<b>33,874</b>	46,756
Need - International Individual	<b>4,800</b>	4,800
Religion - International Individual	<b>4,000</b>	4,000
	<b>42,674</b>	55,556

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Charitable activities	517,530	-	<b>517,530</b>	364,488
<i>Total 2023</i>	<i>360,208</i>	<i>4,280</i>	<i>364,488</i>	

**8. Analysis of expenditure by activities**

	<b>Grant funding of activities (note 6) 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Charitable activities	512,814	4,716	<b>517,530</b>	364,488
<i>Total 2023</i>	<i>355,256</i>	<i>9,232</i>	<i>364,488</i>	

**Analysis of support costs**

	<b>Activities 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Sundry expenditure	396	<b>396</b>	378
Accountancy fees (governance)	3,150	<b>3,150</b>	2,740
Independent Examiner's fees (governance)	570	<b>570</b>	500
Legal fees	600	<b>600</b>	5,614
<b>Total 2024</b>	<b>4,716</b>	<b>4,716</b>	<b>9,232</b>
<i>Total 2023</i>	<i>9,232</i>	<i>9,232</i>	

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

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**9. Independent examiner's remuneration**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>570</b>	<b>500</b>
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<b>3,150</b>	<b>2,740</b>
	<u><b>3,150</b></u>	<u><b>2,740</b></u>

**10. Investment property**

	<b>Freehold investment properties £</b>
<b>Valuation</b>	
At 6 April 2023	<b>1,832,500</b>
At 5 April 2024	<u><b>1,832,500</b></u>

The market value is based on the Trustees' best estimate of their respective values in the absence of professional valuations, or where appropriate, may be based on information from professional valuations relating to parcels of land within which the Charity has a partial interest. When properties are valued by estate agents during the year, these valuations have been used in the accounts.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**11. Fixed asset investments**

	Listed investments £	Unlisted UK investments (associated undertaking) £	Cash held within portfolio £	Total £
<b>Cost or valuation</b>				
At 6 April 2023	647,669	485,444	28,215	1,161,328
Additions	120,225	-	-	120,225
Disposals/movement in cash at broker	(117,886)	-	5,979	(111,907)
Revaluations	29,659	-	-	29,659
At 5 April 2024	<u>679,667</u>	<u>485,444</u>	<u>34,195</u>	<u>1,199,306</u>
<b>Net book value</b>				
At 5 April 2024	<u>679,667</u>	<u>485,444</u>	<u>34,195</u>	<u>1,199,306</u>
At 5 April 2023	<u>647,669</u>	<u>485,444</u>	<u>28,215</u>	<u>1,161,328</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024

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**11. Fixed asset investments (continued)**

All the fixed asset investments are held in the UK.

The listed UK investments are all managed funds and are listed on the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The Charity engages with investment advisers to assist with their investment policy to produce a balance on income and growth. The Charity has obtained investment advice in 2023/2024 from M M Wealth Ltd.

The brought forward investment in an unlisted UK company was gifted to the Charity some years ago and the original acquisition value is unknown. It represents 75,000 ordinary £1 shares in J H Martin & Sons (Littleport) Ltd, which equates to 25.06% of the issued share capital. The shares were last valued by J H Martin & Sons (Littleport) Ltd in 2013 and this valuation is reflected in these accounts. No new valuation has been undertaken recently. The company's accounts to 31 December 2023 disclosed closing net assets of £5,116,269 (2022 - £5,788,443).

During the prior year, the Charity received 25.06% ownership in The Martin Grange Lane Partnership via a dividend in specie from J H Martin & Sons (Littleport) Ltd. The value of the partnership has been included based on the value of the assets it holds, which were valued by Brown & Co in 2022.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity is reliant on investment income to finance its work and this leads to a greater exposure to risk than holding funds in cash.

The construction of any investment portfolio and its continued maintenance is a very specialist and complex area, which is why the Trustees use professional advisers to assist with this aspect. Asset allocation is the practice of diversifying assets between different classes and is recognised as the most important part of the process of building a portfolio.

The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions. The Charity operates an investment policy that provides for a high degree of diversification of holdings within investment asset classes, including listed and unlisted investments as investment property. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**12. Social investments**

	<b>Programme related investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 6 April 2023	173,601	173,601
	173,601	173,601
	173,601	173,601
<b>Net book value</b>		
At 5 April 2024	173,601	173,601
	173,601	173,601
At 5 April 2023	173,601	173,601

**13. Debtors**

	<b>2024 £</b>	<b>2023 £</b>
<b>Due after more than one year</b>		
Other debtors	466,397	932,794
	466,397	932,794
<b>Due within one year</b>		
Other debtors	466,397	-
Tax recoverable	-	4,573
	932,794	937,367
	932,794	937,367

Other debtors represent deferred consideration payments relating to the sale of land partially owned by the Charity. The remaining consideration is payable in two tranches in 2025 and 2027.

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

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**14. Creditors: Amounts falling due within one year**

	<b>2024</b>	<i>2023</i>
	£	£
Accruals and deferred income	<b>3,540</b>	<i>4,290</i>

**15. Financial instruments**

	<b>2024</b>	<i>2023</i>
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>1,199,306</b>	<i>1,161,328</i>

Financial assets measured at fair value through income and expenditure comprise of fixed asset investments.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**16. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 6 April 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 5 April 2024</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	<b>5,058,507</b>	<b>248,498</b>	<b>(527,827)</b>	<b>30,236</b>	<b>4,809,414</b>

**Statement of funds - prior year**

	<i>Balance at 6 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 5 April 2023</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	5,286,391	220,718	(371,373)	(77,229)	5,058,507
<b>Restricted funds</b>					
Norwich Reformed Church	-	4,280	(4,280)	-	-
<b>Total of funds</b>	<b>5,286,391</b>	<b>224,998</b>	<b>(375,653)</b>	<b>(77,229)</b>	<b>5,058,507</b>

The restricted funds represent monies collected specifically for and paid over to the NRC.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

**17. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 6 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 5 April 2024 £</b>
General funds	<u>5,058,507</u>	<u>248,498</u>	<u>(527,827)</u>	<u>30,236</u>	<u>4,809,414</u>

**Summary of funds - prior year**

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 5 April 2023 £</i>
General funds	5,286,391	220,718	(371,373)	(77,229)	5,058,507
Restricted funds	-	4,280	(4,280)	-	-
	<u>5,286,391</u>	<u>224,998</u>	<u>(375,653)</u>	<u>(77,229)</u>	<u>5,058,507</u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Fixed asset investments	1,199,306	<b>1,199,306</b>
Investment property	1,832,500	<b>1,832,500</b>
Social investments	173,601	<b>173,601</b>
Debtors due after more than one year	466,397	<b>466,397</b>
Current assets	1,141,150	<b>1,141,150</b>
Creditors due within one year	(3,540)	<b>(3,540)</b>
<b>Total</b>	<u>4,809,414</u>	<u><b>4,809,414</b></u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024**

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**18. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Fixed asset investments	1,161,328	1,161,328
Investment property	1,832,500	1,832,500
Social investments	173,601	173,601
Debtors due after more than one year	932,794	932,794
Current assets	962,574	962,574
Creditors due within one year	(4,290)	(4,290)
<b>Total</b>	<u><u>5,058,507</u></u>	<u><u>5,058,507</u></u>

**19. Contingent liabilities**

The Charity has a possible obligation to pay grants within the following categories:

Local charities - £3,000 per annum potentially for an indefinite period.

This possible obligation does not have sufficient certainty for the Trustees to include them as a commitment in these accounts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2024

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**20. Related party transactions**

The Charity considers its key management personnel to be the Trustees. All Trustees give their time and expertise freely with no remuneration or other benefit in kind, either directly or indirectly from the Charity. The following related party transactions arose during the year:

- a) There were no Trustee's expenses paid by the Charity in either year. The Trustees have waived expenses relating to postage, which are minimal in monetary terms.
- b) The Trustees are shareholders in J H Martin and Sons (Littleport) Limited. Mr J Martin is also a director of J H Martin & Sons (Littleport) Limited. Mrs J Martin and Mrs E Bell were directors of J H Martin & Sons (Littleport) Limited for part of the year. During the year, the Charity received a dividend of £187,500 from J H Martin & Sons (Littleport) Limited. During the prior year the Charity received a dividend in specie from the company of £185,444, which is recognised in fixed asset investments and further details are disclosed in note 11.
- c) One property in which the Charity holds a minority equitable interest is let to J H Martin and Sons (Littleport) Limited for the sum of £4,000 per annum.
- d) The Charity holds a 7.32% interest in the Waterbeach Trust. Some Trustees of the Charity are also beneficiaries of the Waterbeach Trust. Included in these financial statements is the value of this Charity's share of the land held in Trust of £1,392,500 and is included in investment property. The Charity also receives an annual rent of £2,477 which is included in investment income.

**THE FARTHING TRUST**

England & Wales - Charity number 268066

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# Accounts

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**THE FARTHING TRUST**  
**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2023**

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**THE FARTHING TRUST**

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THE FARTHING TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 5 APRIL 2023

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<b>Trustees</b>	Mrs J Martin Mrs A White Mr J J Martin Ms E Bell
<b>Charity registered number</b>	268066
<b>Principal office</b>	PO Box 276 Newmarket CB8 1GW
<b>Accountants</b>	Whitings LLP Greenwood House Greenwood Court Skyliner Way Bury St Edmunds Suffolk IP32 7GY
<b>Bankers</b>	Lloyds Bank Plc Minister Place Ely Cambridge CB7 4EN
<b>Solicitors</b>	HCR Law 50 - 60 Station Road Cambridge CB1 2JH

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## THE FARTHING TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2023

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The Trustees present their annual report together with the financial statements of the Charity for the year ended 5 April 2023.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity was formed as a vehicle to meet charitable causes in any area of the world. Although all manner of charitable causes are supported, the main beneficiaries are in the areas of education, health and human rights and the reconciliation/promotion of religious or racial harmony/equality/diversity, as well as the relief of those in need.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Activities undertaken to achieve objectives**

The activities for the year are set out in the attached financial statements. The Trustees have reviewed each grant payment during the year in conjunction with the Charity Commission guidance on Public Benefit. Many grant payments are deemed to have been made to institutions or individuals that fulfil more than one charitable purpose.

##### **c. Grant donation making policies**

Some of the grants and donations awarded during the year are to individuals and organisations that are known or have become known to the Trustees personally or through their acquaintances. Smaller grants and donations have to be agreed by at least two Trustees, whilst larger payments must be approved by all Trustees. Other applications received are considered carefully by the Trustees, with references being sought where considered necessary in order to verify the nature of the application. There are no financial or geographical restrictions placed on grant applicants.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

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#### Achievements and performance

##### a. Main achievements of the Charity

During the year, the Charity received donations and gifts of £4,280 (2022 - £26,784) and investment income of £220,718 (2022 - £29,355). Grants payable during the year amounts to £355,256 (2022 - £342,384) with support and governance costs of £9,232 (2022 - £6,321). Outgoings on investment properties was £1,351 (2022 - £1,707) and costs for investment advisers and other charges was £9,814 (2022 - £9,854), leaving net expenditure of £150,655 (2022 - of £304,126) before net losses on investments of £77,229 (2022 - net gains £81,505).

Once again, numerous individual grant payments were made during the year and the nature of these payments is further explained in note 6 to the Financial Statements.

##### b. Investment policy and performance

The Charity's investments are chosen based on ethical considerations, as well as being invested with the intention of producing a balance of growth and income.

An area of land in Littleport, which the Charity had a 23% interest in, was sold for development during 2020. The Charity will receive £2,408,688 in total, part of which will not be received until 2025 and 2027. The delayed consideration has been included within other debtors (see note 13).

Further potential land sales are being negotiated, which will be reflected in the accounts for 2023/24 or future accounts, depending on the timing of the transactions.

The Trustees undertook a full review of the Charity's portfolio of investment land and property and these accounts reflect any changes to valuations deemed appropriate.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. Reserves policy

As at 5 April 2023 the Charity has free reserves (unrestricted funds excluding investments and debtors due outside one year) of £958,284 (2022 - £1,015,335).

The listed investments and investment properties held by the Charity are structured so as to produce income available to be drawn to further the charitable objects. The programme related social investments are structured to further the charitable aims themselves and are not primarily used to produce an income for the Charity.

At the end of the year, the Charity has net assets of £5,058,507 compared with £5,286,391 at the end of the previous year.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

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#### **Structure, governance and management**

##### **a. Constitution**

The Farthing Trust is unincorporated and was formed by a Trust deed, dated 24 June 1974.

The Trustees who served during the year were:

Mrs J Martin  
Mrs A White  
Mr J J Martin  
Ms E Bell

##### **b. Methods of appointment or election of Trustees**

The Trustees are recruited and appointed by the Board of Trustees and are not subject to periodical re-election.

##### **c. Organisational structure and decision-making policies**

The Trustees set out the general policy of the Charity. The day-to-day affairs of the Charity are run by Mrs A White, with responsibility for financial investments resting with Ms E Bell, investment assets with Mr J Martin and property with Mrs J Martin.

##### **d. Related party relationships**

The Trustees are also shareholders in J H Martin & Sons (Littleport) Limited. Related party transactions during the year are detailed in note 19.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

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#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Mrs A White**

Trustee

Date: 15 October 2023

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## THE FARTHING TRUST

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2023

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#### Independent examiner's report to the Trustees of The Farthing Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2023.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 15 October 2023

Jaimie King ACA

Whitings LLP  
Greenwood House  
Greenwood Court  
Skyliner Way  
Bury St Edmunds  
Suffolk IP32 7GY

**THE FARTHING TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	3	-	4,280	4,280	26,784
Investments	4	220,718	-	220,718	29,355
<b>Total income</b>		<u>220,718</u>	<u>4,280</u>	<u>224,998</u>	<u>56,139</u>
<b>Expenditure on:</b>					
Raising funds	5	11,165	-	11,165	11,561
Charitable activities	7	360,208	4,280	364,488	348,704
<b>Total expenditure</b>		<u>371,373</u>	<u>4,280</u>	<u>375,653</u>	<u>360,265</u>
<b>Net expenditure before net (losses)/gains on investments</b>		<u>(150,655)</u>	-	<u>(150,655)</u>	<u>(304,126)</u>
Net (losses)/gains on investments		(77,229)	-	(77,229)	81,505
<b>Net movement in funds</b>		<u>(227,884)</u>	-	<u>(227,884)</u>	<u>(222,621)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,286,391	-	5,286,391	5,509,012
Net movement in funds		(227,884)	-	(227,884)	(222,621)
<b>Total funds carried forward</b>	15	<u>5,058,507</u>	-	<u>5,058,507</u>	<u>5,286,391</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 9 to 24 form part of these financial statements.

**THE FARTHING TRUST**

**BALANCE SHEET  
AS AT 5 APRIL 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	11	1,161,328	1,041,084
Social investments	12	173,601	204,840
Investment property	10	1,832,500	2,092,500
		<u>3,167,429</u>	<u>3,338,424</u>
<b>Current assets</b>			
Debtors	13	937,367	1,403,448
Cash at bank and in hand		958,001	547,759
		<u>1,895,368</u>	<u>1,951,207</u>
Creditors: amounts falling due within one year	14	(4,290)	(3,240)
		<u>1,891,078</u>	<u>1,947,967</u>
<b>Total assets less current liabilities</b>		<u>5,058,507</u>	<u>5,286,391</u>
<b>Total net assets</b>		<u>5,058,507</u>	<u>5,286,391</u>
<b>Charity funds</b>			
Restricted funds	15	-	-
Unrestricted funds	15	5,058,507	5,286,391
<b>Total funds</b>		<u>5,058,507</u>	<u>5,286,391</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mrs A White**

Trustee

Date: 15 October 2023

The notes on pages 9 to 24 form part of these financial statements.

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

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#### 1. General information

The Farthing Trust is an unincorporated charity, registered in England. The registered address is PO Box 276, Cambridge, CB7 9DE. The charity registration number is 268066.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements 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) (published October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Farthing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by the Trustees in preparing these financial statements other than producing the valuation of investment properties and the Trustees valuation of the unlisted investments.

##### 2.2 Going concern

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023

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**2. Accounting policies (continued)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rent is included in the Statement of Financial Activities in the period to which it relates. Any outstanding rent at the year end is accrued for within debtors and any rent received in advance is carried forward as deferred income in creditors.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on investment advice and investment properties includes amounts payable to MM Wealth as the investment broker as well as legal fees and other costs in respect of the investment properties.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023

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**2. Accounting policies (continued)**

**2.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The notes to the accounts disclose the valuation bases used for investment properties and listed investments.

Programme related investments represent loans made in special circumstances to those in need, which are deemed to be made in furtherance of the Charity's charitable objectives. The terms may vary between the loans, from 0% interest and no fixed repayments to a 10 year term with a fixed interest rate of 2% per annum. The Trustees reserve the right to review and amend the interest rate during the term of the loan.

**2.7 Debtors**

Debtors are recognised at the settlement amount after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.10 Financial instruments**

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

**2.11 Gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**3. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	-	4,280	<b>4,280</b>	26,784
<i>Total 2022</i>	<u>22,504</u>	<u>4,280</u>	<u>26,784</u>	

In the prior year, an unrestricted donation of £18,000 relates to loans written off by trustees. Further information is available in note 19.

**4. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Rents receivable	15,917	<b>15,917</b>	18,517
Dividends receivable	198,295	<b>198,295</b>	10,116
Bank, building society and other interest	6,506	<b>6,506</b>	722
	<u>220,718</u>	<u>220,718</u>	<u>29,355</u>
<i>Total 2022</i>	<u>29,355</u>	<u>29,355</u>	

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THE FARTHING TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023

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5. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Outgoings on property investments	1,351	<b>1,351</b>	1,707
Investment management fees	9,814	<b>9,814</b>	9,854
	<u>11,165</u>	<u><b>11,165</b></u>	<u>11,561</u>
<i>Total 2022</i>	<u>11,561</u>	<u>11,561</u>	

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**6. Analysis of grants**

	<b>Grants to Institutions 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Grants payable	355,256	<b>355,256</b>	342,384

The Charity has made the following grants to institutions during the year:

	<b>2023 £</b>	<i>2022 £</i>
<b>Grants payable</b>		
Need - UK Individual	<b>46,756</b>	45,116
Need - UK Organisation	<b>67,000</b>	51,775
Need - Local	<b>8,000</b>	7,000
Need - International Individual	<b>4,800</b>	4,800
Need - International Organisation	<b>66,000</b>	77,500
Education - International Organisation	<b>19,000</b>	4,000
Education - UK Organisation	<b>2,000</b>	2,800
Religion - International Individual	<b>4,000</b>	4,000
Religion - Local	<b>1,200</b>	1,200
Religion - UK Organisation	<b>10,280</b>	12,019
Emergency Services - UK Organisation	<b>500</b>	500
Human Rights - UK Organisation	<b>7,000</b>	6,000
Health - International Organisation	<b>9,000</b>	13,000
Health - UK Organisation	-	1,000
Community Development - Local	<b>15,000</b>	9,500
Community Development - UK Organisation	<b>29,000</b>	30,500
Community Development - International Organisation	<b>63,720</b>	71,674
Environment - Organisation UK	<b>2,000</b>	-
	<b>355,256</b>	342,384

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>	<i>Total 2022 £</i>
Charitable activities	360,208	4,280	<b>364,488</b>	348,704
<i>Total 2022</i>	<u>344,685</u>	<u>4,019</u>	<u>348,704</u>	

**8. Analysis of expenditure by activities**

	<b>Grant funding of activities (note 6) 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Charitable activities	355,256	9,232	<b>364,488</b>	348,705
<i>Total 2022</i>	<u>342,384</u>	<u>6,321</u>	<u>348,705</u>	

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Sundry expenditure	<b>378</b>	380
Travel and secretarial expenses	-	45
Accountancy fees (governance)	<b>2,740</b>	2,770
Independent Examiner's fees (governance)	<b>500</b>	500
Legal fees	<b>5,614</b>	2,626
	<u><b>9,232</b></u>	<u>6,321</u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

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**9. Independent examiner's remuneration**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>500</b>	<i>500</i>
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<b>2,740</b>	<i>2,770</i>
	<u><b>2,740</b></u>	<u><i>2,770</i></u>

**10. Investment property**

	<b>Freehold investment properties £</b>
<b>Valuation</b>	
At 6 April 2022	<b>2,092,500</b>
Disposals	<b>(260,000)</b>
	<u><b>1,832,500</b></u>
At 5 April 2023	<u><b>1,832,500</b></u>

The market value is based on the Trustees' best estimate of their respective values in the absence of professional valuations, or where appropriate, may be based on information from professional valuations relating to parcels of land within which the Charity has a partial interest. When properties are valued by estate agents during the year, these valuations have been used in the accounts.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**11. Fixed asset investments**

	Listed investments £	Unlisted UK investments (associated undertaking) £	Cash held within portfolio £	Total £
<b>Cost or valuation</b>				
At 6 April 2022	708,864	300,000	32,219	1,041,083
Additions	183,957	185,444	-	369,401
Disposals / movement in cash at broker	(217,908)	-	(4,004)	(221,912)
Revaluations	(27,244)	-	-	(27,244)
At 5 April 2023	<u>647,669</u>	<u>485,444</u>	<u>28,215</u>	<u>1,161,328</u>
<b>Net book value</b>				
At 5 April 2023	<u>647,669</u>	<u>485,444</u>	<u>28,215</u>	<u>1,161,328</u>
At 5 April 2022	<u>708,864</u>	<u>300,000</u>	<u>32,219</u>	<u>1,041,083</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023

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**11. Fixed asset investments (continued)**

All the fixed asset investments are held in the UK.

The listed UK investments are all managed funds and are listed on the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The Charity engages with investment advisers to assist with their investment policy to produce a balance on income and growth. The Charity has obtained investment advice in 2022/2023 from M M Wealth Ltd.

The brought forward investment in an unlisted UK company was gifted to the Charity some years ago and the original acquisition value is unknown. It represents 75,000 ordinary £1 shares in J H Martin & Sons (Littleport) Ltd, which equates to 25.06% of the issued share capital. The shares were last valued by J H Martin & Sons (Littleport) Ltd in 2013 and this valuation is reflected in these accounts. No new valuation has been undertaken recently. The company's accounts to 31 December 2022 disclosed closing net assets of £5,788,443 (2021 - £6,786,315).

During the year, the Charity received 25.06% ownership in The Martin Grange Lane Partnership via a dividend in specie from J H Martin & Sons (Littleport) Ltd. The value of the partnership has been included based on the value of the assets it holds, which were valued by Brown & Co in 2022.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity is reliant on investment income to finance its work and this leads to a greater exposure to risk than holding funds in cash.

The construction of any investment portfolio and its continued maintenance is a very specialist and complex area, which is why the Trustees use professional advisers to assist with this aspect. Asset allocation is the practice of diversifying assets between different classes and is recognised as the most important part of the process of building a portfolio.

The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions. The Charity operates an investment policy that provides for a high degree of diversification of holdings within investment asset classes, including listed and unlisted investments as investment property. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**12. Social investments**

	<b>Programme related investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 6 April 2022	204,840	204,840
Interest charges	519	519
Loan repayments	(31,758)	(31,758)
	<b>173,601</b>	<b>173,601</b>
<b>Net book value</b>		
At 5 April 2023	<b>173,601</b>	<b>173,601</b>
At 5 April 2022	<b>204,840</b>	<b>204,840</b>

**13. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Due after more than one year</b>		
Other debtors	932,794	932,632
<b>Due within one year</b>		
Other debtors	-	466,316
Tax recoverable	4,573	4,500
	<b>937,367</b>	<b>1,403,448</b>

Other debtors represent deferred consideration payments relating to the sale of land partially owned by the Charity. The remaining consideration is payable in two tranches in 2025 and 2027.

**14. Creditors: Amounts falling due within one year**

	<b>2023 £</b>	<b>2022 £</b>
Accruals and deferred income	4,290	3,240
	<b>4,290</b>	<b>3,240</b>

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 6 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2023 £
<b>Unrestricted funds</b>						
General Funds	5,286,391	220,718	(371,373)	-	(77,229)	5,058,507
<b>Restricted funds</b>						
Norwich Reformed Church	-	4,280	(4,280)	-	-	-
<b>Total of funds</b>	<b>5,286,391</b>	<b>224,998</b>	<b>(375,653)</b>	<b>-</b>	<b>(77,229)</b>	<b>5,058,507</b>

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**15. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 6 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 5 April 2022 £</i>
<b>Unrestricted funds</b>						
General Funds	5,509,012	51,859	(356,246)	261	81,505	5,286,391
<b>Restricted funds</b>						
Norwich Reformed Church	-	4,280	(4,019)	(261)	-	-
<b>Total of funds</b>	<u>5,509,012</u>	<u>56,139</u>	<u>(360,265)</u>	<u>-</u>	<u>81,505</u>	<u>5,286,391</u>

The restricted funds represent monies collected specifically for and paid over to the NRC.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

**16. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 6 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 5 April 2023</b>
	£	£	£	£	£
General funds	5,286,391	220,718	(371,373)	(77,229)	5,058,507
Restricted funds	-	4,280	(4,280)	-	-
	<u>5,286,391</u>	<u>224,998</u>	<u>(375,653)</u>	<u>(77,229)</u>	<u>5,058,507</u>

**Summary of funds - prior year**

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 5 April 2022</i>
	£	£	£	£	£	£
General funds	5,509,012	51,859	(356,246)	261	81,505	5,286,391
Restricted funds	-	4,280	(4,019)	(261)	-	-
	<u>5,509,012</u>	<u>56,139</u>	<u>(360,265)</u>	<u>-</u>	<u>81,505</u>	<u>5,286,391</u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2023</b>	<b>Total funds 2023</b>
	£	£
Fixed asset investments	1,161,328	1,161,328
Investment property	1,832,500	1,832,500
Social investments	173,600	173,600
Debtors due after more than one year	932,794	932,794
Current assets	962,575	962,575
Creditors due within one year	(4,290)	(4,290)
<b>Total</b>	<u>5,058,507</u>	<u>5,058,507</u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023**

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**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fixed asset investments	1,041,084	1,041,084
Investment property	2,092,500	2,092,500
Social investments	204,840	204,840
Debtors due after more than one year	932,632	932,632
Current assets	1,018,575	1,018,575
Creditors due within one year	(3,240)	(3,240)
<b>Total</b>	<u><u>5,286,391</u></u>	<u><u>5,286,391</u></u>

**18. Contingent liabilities**

The Charity has a possible obligation to pay grants within the following categories:

Local charities - £3,000 per annum potentially for an indefinite period.

This possible obligation does not have sufficient certainty for the Trustees to include them as a commitment in these accounts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2023

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**19. Related party transactions**

The Charity considers its key management personnel to be the Trustees. All Trustees give their time and expertise freely with no remuneration or other benefit in kind, either directly or indirectly from the Charity. The following related party transactions arose during the year:

a) Trustees' expenses - During the year, £nil was paid to one Trustee (2022 - £45) in connection with secretarial and travel expenses. The Trustees have waived expenses relating to postage, which are minimal in monetary terms.

b) The Trustees are shareholders in J H Martin and Sons (Littleport) Limited. Mrs J Martin, Mr J Martin and Mrs E Bell are also directors of J H Martin & Sons (Littleport) Limited. During the year the Charity received a dividend in specie from the company of £185,444 (2022 - £nil), which is recognised in fixed asset investments and further details are disclosed in note 11.

c) One property in which the Charity holds a minority equitable interest is let to J H Martin and Sons (Littleport) Limited for the sum of £4,000 per annum.

d) In the prior year, £1 was paid to J H Martin & Sons (Littleport) Ltd for rent of the Highbridge site.

e) In 2021 Mrs J Martin and Mr R White (Husband of Mrs A White, trustee) made loans to the Charity totalling £18,000. These loans were interest free and had no repayment date. During the prior year, the loans were gifted to the charity. They have been included in donations in the prior year through the Statement of Financial Activities.

f) The Charity holds a 7.32% interest in the Waterbeach Trust. Some Trustees of the Charity are also beneficiaries of the Waterbeach Trust. Included in these financial statements is the value of this Charity's share of the land held in Trust of £1,392,500 and is included in investment property. The Charity also receives an annual rent of £2,477 which is included in investment income.

**THE FARTHING TRUST**

England & Wales - Charity number 268066

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# Accounts

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**THE FARTHING TRUST**  
**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2022**

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**THE FARTHING TRUST**

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THE FARTHING TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 5 APRIL 2022

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<b>Trustees</b>	Mrs J Martin Mrs A White Mr J J Martin Ms E Bell
<b>Charity registered number</b>	268066
<b>Principal office</b>	PO Box 277 Cambridge CB7 9DE
<b>Accountants</b>	Whitings LLP Greenwood House Greenwood Court Skyliner Way Bury St Edmunds Suffolk IP32 7GY
<b>Bankers</b>	Lloyds Bank Plc Minister Place Ely Cambridge CB7 4EN
<b>Solicitors</b>	HCR Law 50 - 60 Station Road Cambridge CB1 2JH

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## THE FARTHING TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2022

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The Trustees present their annual report together with the financial statements of the Charity for the year ended 5 April 2022.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity was formed as a vehicle to meet charitable causes in any area of the world. Although all manner of charitable causes are supported, the main beneficiaries are in the areas of education, health and human rights and the reconciliation/promotion of religious or racial harmony/equality/diversity, as well as the relief of those in need.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Activities undertaken to achieve objectives**

The activities for the year are set out in the attached financial statements. The Trustees have reviewed each grant payment during the year in conjunction with the Charity Commission guidance on Public Benefit. Many grant payments are deemed to have been made to institutions or individuals that fulfil more than one charitable purpose.

##### **c. Grant donation making policies**

Some of the grants and donations awarded during the year are to individuals and organisations that are known or have become known to the Trustees personally or through their acquaintances. Smaller grants and donations have to be agreed by at least two Trustees, whilst larger payments must be approved by all Trustees. Other applications received are considered carefully by the Trustees, with references being sought where considered necessary in order to verify the nature of the application. There are no financial or geographical restrictions placed on grant applicants.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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#### Achievements and performance

##### a. Main achievements of the Charity

During the year, the Charity received donations and gifts of £26,784 (2021 - £55,550) and investment income of £29,355 (2021 - £180,464). Grants payable during the year amounts to £342,384 (2021 - £162,288) with support and governance costs of £6,321 (2021 - £6,765). Outgoings on investment properties was £1,707 (2021 - £27,936) and costs for investment advisers and other charges was £9,854 (2021 - £8,275), leaving net expenditure of £304,126 (2021 - net income of £30,750) before net gains on investments of £81,505 (2021 - £1,341,371).

Once again, numerous individual grant payments were made during the year and the nature of these payments is further explained in note 6 to the Financial Statements.

##### b. Investment policy and performance

The Charity's investments are chosen based on ethical considerations, as well as being invested with the intention of producing a balance of growth and income.

An area of land in Littleport, which the Charity had a 23% interest in, was sold for development during 2020. The Charity will receive £2,408,688 in total, part of which will not be received until 2023, 2025 and 2027. The delayed consideration has been included within other debtors (see note 13).

Further potential land sales are being negotiated, which will be reflected in the accounts for 2022/23 or future accounts, depending on the timing of the transactions.

The Trustees undertook a full review of the Charity's portfolio of investment land and property and these accounts reflect any changes to valuations deemed appropriate.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. Reserves policy

As at 5 April 2022 the Charity has free reserves (unrestricted funds excluding investments and debtors due outside one year) of £1,015,335 (2021 - £849,314).

The listed investments and investment properties held by the Charity are structured so as to produce income available to be drawn to further the charitable objects. The programme related social investments are structured to further the charitable aims themselves and are not primarily used to produce an income for the Charity.

At the end of the year, the Charity has net assets of £5,286,391 compared with £5,509,012 at the end of the previous year.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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#### **Structure, governance and management**

##### **a. Constitution**

The Farthing Trust is unincorporated and was formed by a Trust deed, dated 24 June 1974.

The Trustees who served during the year were:

Mrs J Martin  
Mrs A White  
Mr J J Martin  
Ms E Bell

##### **b. Methods of appointment or election of Trustees**

The Trustees are recruited and appointed by the Board of Trustees and are not subject to periodical re-election.

##### **c. Organisational structure and decision-making policies**

The Trustees set out the general policy of the Charity. The day-to-day affairs of the Charity are run by Mrs A White, with responsibility for financial investments resting with Ms E Bell, investment assets with Mr J Martin and property with Mrs J Martin.

##### **d. Related party relationships**

The Trustees are also shareholders in J H Martin & Sons (Littleport) Limited. Related party transactions during the year are detailed in note 20.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Mrs A White**

Trustee

Date: 1 December 2022

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## THE FARTHING TRUST

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2022

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#### **Independent examiner's report to the Trustees of The Farthing Trust ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2022.

#### **Responsibilities and basis of report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 1 December 2022

Jonathan Moore FCCA

Whitings LLP  
Greenwood House  
Greenwood Court  
Skyliner Way  
Bury St Edmunds  
Suffolk IP32 7GY

**THE FARTHING TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	22,504	4,280	26,784	55,550
Investments	4	29,355	-	29,355	180,464
<b>Total income</b>		<b>51,859</b>	<b>4,280</b>	<b>56,139</b>	<b>236,014</b>
<b>Expenditure on:</b>					
Raising funds	5	11,561	-	11,561	36,211
Charitable activities	7	344,685	4,019	348,704	169,053
<b>Total expenditure</b>		<b>356,246</b>	<b>4,019</b>	<b>360,265</b>	<b>205,264</b>
<b>Net (expenditure)/income before net gains on investments</b>		<b>(304,387)</b>	<b>261</b>	<b>(304,126)</b>	<b>30,750</b>
Net gains on investments		81,505	-	81,505	1,341,371
<b>Net (expenditure)/income</b>		<b>(222,882)</b>	<b>261</b>	<b>(222,621)</b>	<b>1,372,121</b>
Transfers between funds	16	261	(261)	-	-
<b>Net movement in funds</b>		<b>(222,621)</b>	<b>-</b>	<b>(222,621)</b>	<b>1,372,121</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,509,012	-	5,509,012	4,136,891
Net movement in funds		(222,621)	-	(222,621)	1,372,121
<b>Total funds carried forward</b>	16	<b>5,286,391</b>	<b>-</b>	<b>5,286,391</b>	<b>5,509,012</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 9 to 25 form part of these financial statements.

**THE FARTHING TRUST**

**BALANCE SHEET  
AS AT 5 APRIL 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	11	1,041,084	1,039,317
Social investments	12	204,840	208,933
Investment property	10	2,092,500	2,012,500
		<u>3,338,424</u>	<u>3,260,750</u>
<b>Current assets</b>			
Debtors	13	1,403,448	1,400,058
Cash at bank and in hand		547,759	873,825
		<u>1,951,207</u>	<u>2,273,883</u>
Creditors: amounts falling due within one year	14	(3,240)	(7,621)
		<u>1,947,967</u>	<u>2,266,262</u>
<b>Net current assets</b>			
		<u>1,947,967</u>	<u>2,266,262</u>
<b>Total assets less current liabilities</b>			
		<u>5,286,391</u>	<u>5,527,012</u>
Creditors: amounts falling due after more than one year	15	-	(18,000)
		<u>5,286,391</u>	<u>5,509,012</u>
<b>Total net assets</b>			
		<u><u>5,286,391</u></u>	<u><u>5,509,012</u></u>
<b>Charity funds</b>			
Restricted funds	16	-	-
Unrestricted funds	16	5,286,391	5,509,012
		<u>5,286,391</u>	<u>5,509,012</u>
<b>Total funds</b>			
		<u><u>5,286,391</u></u>	<u><u>5,509,012</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mrs A White**

Trustee

Date: 1 December 2022

The notes on pages 9 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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**1. General information**

The Farthing Trust is an unincorporated charity, registered in England. The registered address is PO Box 277, Cambridge, CB7 9DE. The charity registration number is 268066.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Farthing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by the Trustees in preparing these financial statements other than producing the valuation of investment properties and the Trustees valuation of the unlisted investments.

**2.2 Going concern**

The Trustees have reviewed the financial position of the Charity including the impact of COVID-19 and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

**2.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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**2. Accounting policies (continued)**

**2.4 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rent is included in the Statement of Financial Activities in the period to which it relates. Any outstanding rent at the year end is accrued for within debtors and any rent received in advance is carried forward as deferred income in creditors.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on investment advice and investment properties includes amounts payable to MM Wealth as the investment broker as well as legal fees and other costs in respect of the investment properties.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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**2. Accounting policies (continued)**

**2.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The notes to the accounts disclose the valuation bases used for investment properties and listed investments.

Programme related investments represent loans made in special circumstances to those in need, which are deemed to be made in furtherance of the Charity's charitable objectives. The terms may vary between the loans, from 0% interest and no fixed repayments to a 10 year term with a fixed interest rate of 2% per annum. The Trustees reserve the right to review and amend the interest rate during the term of the loan.

**2.7 Debtors**

Debtors are recognised at the settlement amount after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.10 Financial instruments**

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

**2.11 Gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**3. Income from donations and legacies**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Donations	22,504	4,280	<b>26,784</b>	55,550
<i>Total 2021</i>	<u>50,000</u>	<u>5,550</u>	<u>55,550</u>	

An unrestricted donation of £18,000 relates to loans written off by trustees. Further information is available in note 20.

**4. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Rents receivable	18,517	<b>18,517</b>	17,423
Dividends receivable	10,116	<b>10,116</b>	162,204
Bank, building society and other interest	722	<b>722</b>	837
	<u>29,355</u>	<u>29,355</u>	<u>180,464</u>
<i>Total 2021</i>	<u>180,464</u>	<u>180,464</u>	

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THE FARTHING TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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5. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Outgoings on property investments	1,707	<b>1,707</b>	27,936
Investment management fees	9,854	<b>9,854</b>	8,275
	<u>11,561</u>	<u><b>11,561</b></u>	<u>36,211</u>
<i>Total 2021</i>	<u>36,211</u>	<u>36,211</u>	

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**6. Analysis of grants**

	<b>Grants to Institutions 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Grants payable	342,384	<b>342,384</b>	162,288

The Charity has made the following material grants to institutions during the year:

	<b>2022 £</b>	<i>2021 £</i>
<b>Grants payable</b>		
Need - UK Individual	<b>45,116</b>	38,398
Need - UK Organisation	<b>51,775</b>	7,000
Need - Local	<b>7,000</b>	4,000
Need - International Individual	<b>4,800</b>	4,800
Need - International Organisation	<b>77,500</b>	18,000
Education - International Organisation	<b>4,000</b>	-
Education - UK Organisation	<b>2,800</b>	-
Religion - International Individual	<b>4,000</b>	14,000
Religion - Local	<b>1,200</b>	400
Religion - UK Organisation	<b>12,019</b>	28,690
Emergency Services - UK Organisation	<b>500</b>	500
Human Rights - UK Organisation	<b>6,000</b>	18,000
Health - International Organisation	<b>13,000</b>	1,500
Health - UK Organisation	<b>1,000</b>	-
Community Development - Local	<b>9,500</b>	5,000
Community Development - UK Organisation	<b>30,500</b>	16,000
Community Development - International Organisation	<b>71,674</b>	6,000
	<b>342,384</b>	162,288

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Charitable activities	344,685	4,019	<b>348,704</b>	169,053
<i>Total 2021</i>	<u>163,928</u>	<u>5,125</u>	<u>169,053</u>	

**8. Analysis of expenditure by activities**

	<b>Grant funding of activities (note 6) 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Charitable activities	342,384	6,321	<b>348,705</b>	169,053
<i>Total 2021</i>	<u>162,288</u>	<u>6,765</u>	<u>169,053</u>	

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Sundry expenditure	<b>380</b>	1,201
Travel and secretarial expenses	<b>45</b>	360
Accountancy fees (governance)	<b>2,770</b>	2,404
Independent Examiner's fees (governance)	<b>500</b>	500
Legal fees	<b>2,626</b>	2,300
	<u><b>6,321</b></u>	<u>6,765</u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

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**9. Independent examiner's remuneration**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>500</b>	<i>500</i>
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<b>2,386</b>	<i>2,404</i>
	<u><b>2,386</b></u>	<u><i>2,404</i></u>

**10. Investment property**

	<b>Freehold investment properties £</b>
<b>Valuation</b>	
At 6 April 2021	<b>2,012,500</b>
Surplus on revaluation	<b>80,000</b>
	<u><b>2,092,500</b></u>
At 5 April 2022	<u><b>2,092,500</b></u>

The market value is based on the Trustees' best estimate of their respective values in the absence of professional valuations, or where appropriate, may be based on information from professional valuations relating to parcels of land within which the Charity has a partial interest. When properties are valued by estate agents during the year, these valuations have been used in the accounts.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**11. Fixed asset investments**

	Listed investments £	Unlisted UK investments (associated undertaking) £	Cash held within portfolio £	Total £
<b>Cost or valuation</b>				
At 6 April 2021	479,494	300,000	259,823	1,039,317
Additions	261,941	-	-	261,941
Disposals / movement in cash at broker	(29,972)	-	(227,604)	(257,576)
Revaluations	(2,599)	-	-	(2,599)
At 5 April 2022	<u>708,864</u>	<u>300,000</u>	<u>32,219</u>	<u>1,041,083</u>
<b>Net book value</b>				
At 5 April 2022	<u>708,864</u>	<u>300,000</u>	<u>32,219</u>	<u>1,041,083</u>
At 5 April 2021	<u>479,494</u>	<u>300,000</u>	<u>259,823</u>	<u>1,039,317</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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**11. Fixed asset investments (continued)**

All the fixed asset investments are held in the UK.

The listed UK investments are all managed funds and are listed on the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The Charity engages with investment advisers to assist with their investment policy to produce a balance on income and growth. The Charity has obtained investment advice in 2021/2022 from M M Wealth Ltd.

The investment in an unlisted UK company was gifted to the Charity some years ago and the original acquisition value is unknown. It represents 75,000 ordinary £1 shares in J H Martin & Sons (Littleport) Ltd, which equates to 25% of the issued share capital. The shares were last valued by J H Martin & Sons (Littleport) Ltd in 2013 and this valuation is reflected in these accounts. No new valuation has been undertaken recently. The company's accounts to 31 December 2021 disclosed closing net assets of £6,786,315.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity is reliant on investment income to finance its work and this leads to a greater exposure to risk than holding funds in cash.

The construction of any investment portfolio and its continued maintenance is a very specialist and complex area, which is why the Trustees use professional advisers to assist with this aspect. Asset allocation is the practice of diversifying assets between different classes and is recognised as the most important part of the process of building a portfolio.

The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions. The Charity operates an investment policy that provides for a high degree of diversification of holdings within investment asset classes, including listed and unlisted investments as investment property. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**12. Social investments**

	<b>Programme related investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 6 April 2021	<b>208,933</b>	<i>208,933</i>
Interest charges	<b>707</b>	<i>707</i>
Loan repayments	<b>(4,800)</b>	<i>(4,800)</i>
	<b>204,840</b>	<i>204,840</i>
	<b>204,840</b>	<i>204,840</i>
<b>Net book value</b>		
At 5 April 2022	<b>204,840</b>	<i>204,840</i>
At 5 April 2021	<b>208,933</b>	<i>208,933</i>
	<b>208,933</b>	<i>208,933</i>

**13. Debtors**

	<b>2022 £</b>	<b>2021 £</b>
<b>Due after more than one year</b>		
Other debtors	<b>932,632</b>	<i>1,398,948</i>
<b>Due within one year</b>		
Other debtors	<b>466,316</b>	<i>-</i>
Tax recoverable	<b>4,500</b>	<i>1,110</i>
	<b>1,403,448</b>	<i>1,400,058</i>
	<b>1,403,448</b>	<i>1,400,058</i>

Other debtors represent deferred consideration payments relating to the sale of land partially owned by the Charity. The consideration is payable in three tranches in 2023, 2025 and 2027.

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

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**14. Creditors: Amounts falling due within one year**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Other creditors	-	2,240
Accruals and deferred income	<b>3,240</b>	5,381
	<u><b>3,240</b></u>	<u>7,621</u>

**15. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Other loans	-	18,000
	<u>-</u>	<u>18,000</u>

In 2021 two loans were made to the Charity, these were interest free and had no fixed repayment dates. During the year, these amounts were gifted to the charity. Further details are provided in note 20.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 6 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2022 £
<b>Unrestricted funds</b>						
General Funds	5,509,012	51,859	(356,246)	261	81,505	5,286,391
<b>Restricted funds</b>						
Norwich Reformed Church	-	4,280	(4,019)	(261)	-	-
<b>Total of funds</b>	<b>5,509,012</b>	<b>56,139</b>	<b>(360,265)</b>	<b>-</b>	<b>81,505</b>	<b>5,286,391</b>

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 6 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 5 April 2021 £</i>
<b>Unrestricted funds</b>						
General Funds	4,136,891	230,464	(200,139)	425	1,341,371	5,509,012
<b>Restricted funds</b>						
Norwich Reformed Church	-	5,550	(5,125)	(425)	-	-
<b>Total of funds</b>	<u>4,136,891</u>	<u>236,014</u>	<u>(205,264)</u>	<u>-</u>	<u>1,341,371</u>	<u>5,509,012</u>

The restricted funds represent monies collected specifically for and paid over to the NRC.

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

**17. Summary of funds**

**Summary of funds - current year**

	Balance at 6 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2022 £
General funds	5,509,012	51,859	(356,246)	261	81,505	5,286,391
Restricted funds	-	4,280	(4,019)	(261)	-	-
	<u>5,509,012</u>	<u>56,139</u>	<u>(360,265)</u>	<u>-</u>	<u>81,505</u>	<u>5,286,391</u>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2021 £
General funds	4,136,891	230,464	(200,139)	425	1,341,371	5,509,012
Restricted funds	-	5,550	(5,125)	(425)	-	-
	<u>4,136,891</u>	<u>236,014</u>	<u>(205,264)</u>	<u>-</u>	<u>1,341,371</u>	<u>5,509,012</u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	1,041,084	1,041,084
Investment property	2,092,500	2,092,500
Social investments	204,840	204,840
Debtors due after more than one year	932,632	932,632
Current assets	1,018,575	1,018,575
Creditors due within one year	(3,240)	(3,240)
<b>Total</b>	<u>5,286,391</u>	<u>5,286,391</u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022**

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**18. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	1,039,317	1,039,317
Investment property	2,012,500	2,012,500
Social investments	208,933	208,933
Debtors due after more than one year	1,398,948	1,398,948
Current assets	874,935	874,935
Creditors due within one year	(7,621)	(7,621)
Creditors due in more than one year	(18,000)	(18,000)
<b>Total</b>	<u><u>5,509,012</u></u>	<u><u>5,509,012</u></u>

**19. Contingent liabilities**

The Charity has a possible obligation to pay grants within the following categories:

Local charities - £3,000 per annum potentially for an indefinite period.

This possible obligation does not have sufficient certainty for the Trustees to include them as a commitment in these accounts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022

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**20. Related party transactions**

The Charity considers its key management personnel to be the Trustees. All Trustees give their time and expertise freely with no remuneration or other benefit in kind, either directly or indirectly from the Charity. The following related party transactions arose during the year:

- a) Trustees' expenses - During the year, £45 was paid to one Trustee (2021 - £nil) in connection with secretarial and travel expenses. The Trustees have waived expenses relating to postage, which are minimal in monetary terms.
- b) The Trustees are shareholders in J H Martin and Sons (Littleport) Limited. Mrs J Martin, Mr J Martin and Mrs E Bell are also directors of J H Martin & Sons (Littleport) Limited. During the year the Charity received a dividend from the company of £nil (2021 - £157,500).
- c) One property in which the Charity holds a minority equitable interest is let to J H Martin and Sons (Littleport) Limited for the sum of £4,000 per annum.
- d) £1 was paid to J H Martin & Sons (Littleport) Ltd for rent of the Highbridge site.
- e) In 2021 Mrs J Martin and Mr R White (Husband of Mrs A White, trustee) made loans to the Charity totalling £18,000. These loans were interest free and had no repayment date. During the year, the loans were gifted to the charity. They have been included in donations in the year through the Statement of Financial Activities.
- f) The Charity holds a 7.32% interest in the Waterbeach Trust. Some Trustees of the Charity are also beneficiaries of the Waterbeach Trust. Included in these financial statements is the value of this Charity's share of the land held in Trust of £1,392,500 and is included in investment property. The Charity also receives an annual rent of £2,477 which is included in investment income.

**THE FARTHING TRUST**

England & Wales - Charity number 268066

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# Accounts

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**THE FARTHING TRUST**

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 5 APRIL 2021**

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## THE FARTHING TRUST

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## THE FARTHING TRUST

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2021

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#### **Trustees**

Mrs J Martin  
Mrs A White  
Ms E Bell  
Mr JJ Martin

#### **Charity registered number**

268066

#### **Principal office**

PO Box 277  
Cambridge  
CB7 9DE

#### **Independent Examiner**

Mrs K Bretherick FCA  
Peters Elworthy & Moore  
Chartered Accountants  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

#### **Bankers**

Lloyds Bank plc  
Minster Place  
Ely  
Cams  
CB7 4EN

#### **Solicitors**

Hewitsons LLP  
Shakespeare House  
42 Newmarket Road  
Cambridge  
CB5 8EP

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## THE FARTHING TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

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The Trustees present their annual report together with the financial statements of The Farthing Trust for the period 6 April 2020 to 5 April 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Account and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition of the charities SORP (FRS102) October 2019, effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### a. POLICIES AND OBJECTIVES

The Trust was formed as a vehicle to meet charitable causes in any area of the world. Although all manner of charitable causes are supported, the main beneficiaries are in the areas of the advancement of religion, education, health and human rights and the reconciliation/promotion of religious or racial harmony/equality/diversity, as well as the relief of those in need.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### b. ACTIVITIES UNDERTAKEN TO ACHIEVE OBJECTIVES

The activities for the year are set out in the attached financial statements. The Trustees have reviewed each grant payment made during the year in conjunction with the Charity Commission guidance on Public Benefit. Many grant payments are deemed to have been made to institutions or individuals that fulfil more than one charitable purpose.

##### c. GRANT DONATION MAKING POLICIES

Some of the grants and donations awarded during the year are to individuals and organisations that are known or have become known to the Trustees personally or through their acquaintances. Smaller grants and donations have to be agreed by at least two Trustees, whilst larger payments must be approved by all Trustees. Other applications received are considered carefully by the Trustees, with references being sought where considered necessary in order to verify the nature of the application. There are no financial or geographical restrictions placed on grant applicants.

#### ACHIEVEMENTS AND PERFORMANCE

##### a. REVIEW OF ACTIVITIES AND FINANCIAL REVIEW

During the year the Trust received donations and gifts of £55,550 (2020: £7,279), investment income of £177,987 (2020: £32,619) and trading income amounted to £2,477 (2020: £4,657). Grants payable during the year amounted to £162,288 (2020: £173,056) with support and governance costs of £6,765 (2020: £11,512). Outgoings on investment properties was £27,936 (2020: £24,673) and costs for investment advisers and other charges was £8,275 (2020: £4,416), leaving net income of £30,750 (2020: net expenditure of £169,102) before net gains on investments of £1,341,371 (2020: gain £22,131).

Once again, numerous individual grant payments were made during the year and the nature of these payments is further explained in note 6 to the Financial Statements.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

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#### ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

##### b. INVESTMENT POLICY AND PERFORMANCE

The charity's investments are chosen based on ethical considerations as well as being invested with the intention of producing a balance of growth and income.

An area of land in Littleport, which the Trust had a 23% interest in was sold for development during 2020. The Trust will receive £2,408,688 in total, part of which will not be received until 2023, 2025 and 2027. The land was previously valued at £1,800,000 in these accounts and the realised gain of £608,688 is reflected in the Statement of Financial Activities. The delayed consideration has been included within debtors due outside one year (see note 11).

Further potential land sales are being negotiated, which will be reflected in the accounts in 2021/2022 or later years depending on the timing of the transactions.

The Trustees undertook a full review of the Trust's portfolio of investment land and property and these accounts reflect any changes to valuations deemed appropriate.

#### FINANCIAL REVIEW

##### a. IMPACT OF COVID-19 AND GOING CONCERN

Due to the global pandemic the trustees have discussed this issue.

The Trustees are aware the initial reduction in the valuation of investments has already been recovered.

The Trustees are confident that there are enough funds to support the objectives of the Trust in the next year.

The Trustees are aware that the hardship caused by the pandemic means that the Trust needs to be able to respond in a timely manner in order to support those in need and have adjusted cashflow accordingly.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. RESERVES POLICY

As at 5 April 2020 the charity had free reserves (unrestricted funds excluding investments and debtors due outside one year) of £849,314 (2020: no free reserves) due to recent disposals of investment properties. As at 5 April 2021 the Trustees were making decisions about the best way to utilise these funds.

The listed investments, investment properties and the programme related investments held by the charity are structured so as to produce income available to be drawn to further the charitable objects.

At the end of the year the Trust had net assets of £5,509,012 compared with £4,136,891 at the end of the previous year.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### a. CONSTITUTION

The charity is unincorporated and was formed by a Trust Deed dated 24 June 1974.

The Trustees who served during the year were:

Mrs J Martin  
Mrs A White  
Mr J J Martin  
Ms E Bell

There have been no changes in the objectives since the last annual report.

##### b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Trustees are recruited and appointed by the Board of Trustees and are not subject to periodical re-election.

##### c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees set out the general policy of the charity. The day-to-day affairs of the charity are run by Mrs A White, with responsibility for financial investments resting with Ms E Bell, investment assets with Mr J Martin and property with Mrs J Martin.

##### d. RELATED PARTY RELATIONSHIPS

The Trustees are also shareholders in J H Martin & Sons (Littleport) Limited and the charity is a partner in the Waterbeach Farming Partnership. The transactions undertaken with these parties during the year are detailed in note 17.

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## THE FARTHING TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....  
**Mrs A White**

Date: 17 October 2021

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## THE FARTHING TRUST

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2021

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#### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE FARTHING TRUST ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2021.

#### RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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**THE FARTHING TRUST**

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**INDEPENDENT EXAMINER'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 5 APRIL 2021**

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This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 19 October 2021

Mrs K Bretherick FCA  
Peters Elworthy & Moore  
Chartered Accountants

Cambridge

**THE FARTHING TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations	2	50,000	5,550	55,550	7,279
Investments	3	180,464	-	180,464	37,276
		<u>230,464</u>	<u>5,550</u>	<u>236,014</u>	<u>44,555</u>
<b>Total income</b>					
<b>Expenditure on:</b>					
Expenditure on investment advice and investment properties	4	36,211	-	36,211	29,089
Charitable activities	5	163,928	5,125	169,053	184,568
		<u>200,139</u>	<u>5,125</u>	<u>205,264</u>	<u>213,657</u>
<b>Total expenditure</b>					
<b>Net income/(expenditure) before net gains on investments</b>					
		30,325	425	30,750	(169,102)
Net gains on investments	9	1,341,371	-	1,341,371	22,131
		<u>1,371,696</u>	<u>425</u>	<u>1,372,121</u>	<u>(146,971)</u>
<b>Net income/(expenditure)</b>					
Transfers between funds	14	425	(425)	-	-
		<u>1,372,121</u>	<u>-</u>	<u>1,372,121</u>	<u>(146,971)</u>
<b>Net movement in funds</b>					
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,136,891	-	4,136,891	4,283,862
Net movement in funds		1,372,121	-	1,372,121	(146,971)
		<u>5,509,012</u>	<u>-</u>	<u>5,509,012</u>	<u>4,136,891</u>
<b>Total funds carried forward</b>					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 10 to 22 form part of these financial statements.

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THE FARTHING TRUST

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BALANCE SHEET  
AS AT 5 APRIL 2021

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	9	1,039,317	573,805
Social investments	10	208,933	212,933
Investment property	8	2,012,500	3,409,000
		<u>3,260,750</u>	<u>4,195,738</u>
<b>Current assets</b>			
Debtors	11	1,400,058	1,455
Cash at bank and in hand		873,825	197,821
		<u>2,273,883</u>	<u>199,276</u>
Creditors: amounts falling due within one year	12	(7,621)	(258,123)
<b>Net current assets / liabilities</b>		<u>2,266,262</u>	<u>(58,847)</u>
<b>Total assets less current liabilities</b>		<u>5,527,012</u>	<u>4,136,891</u>
Creditors: amounts falling due after more than one year	13	(18,000)	-
<b>Total net assets</b>		<u><u>5,509,012</u></u>	<u><u>4,136,891</u></u>
<b>Charity funds</b>			
Restricted funds	14	-	-
Unrestricted funds	14	5,509,012	4,136,891
<b>Total funds</b>		<u><u>5,509,012</u></u>	<u><u>4,136,891</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Mrs A White**

Date: 17 October 2021

The notes on pages 10 to 22 form part of these financial statements.

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Farthing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by the Trustees in preparing these financial statements other than producing the valuation of investment properties and the Trustees' valuation of the unlisted investments.

##### 1.2 GOING CONCERN

The Trustees have reviewed the financial position of the charity including the impact of COVID-19 on the Trust and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

##### 1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rent is included in the Statement of Financial Activities in the period to which it relates. Any outstanding rent at the year end is accrued for within debtors and any rent received in advance is carried forward as deferred income in creditors.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### 1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on investment advice and investment properties includes amounts payable to MM Wealth as the investment broker as well as legal fees and other costs in respect of the investment properties.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.6 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. The notes to the accounts disclose the valuation bases used for investment properties and listed investments.

Programme related investments represent loans made in special circumstances to those in need, which are deemed to be made in furtherance of the Trust's charitable objectives. The terms may vary between the loans, from 0% interest and no fixed repayments to a 10 year term with a fixed interest rate of 2% per annum. The Trustees reserve the right to review and amend the interest rate during the term of the loan.

##### 1.7 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.10 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 1.11 GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities. Cumulative unrealised gains are included in a fair value reserve.

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021**

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**2. INCOME FROM DONATIONS**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations	50,000	5,550	<b>55,550</b>	7,279
	<u>50,000</u>	<u>5,550</u>	<u>55,550</u>	<u>7,279</u>
TOTAL 2020	<u>101</u>	<u>7,178</u>	<u>7,279</u>	

The unrestricted donation of £50,000 above relates to an investment property that was donated to the Trust during 2020/2021. The property has been included as an addition to investments in note 9.

**3. INVESTMENT INCOME**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Rents receivable	17,423	<b>17,423</b>	31,012
Dividends receivable	162,204	<b>162,204</b>	5,450
Bank, building society and other interest	837	<b>837</b>	814
	<u>180,464</u>	<u>180,464</u>	<u>37,276</u>
TOTAL 2020	<u>37,276</u>	<u>37,276</u>	

**4. EXPENDITURE ON INVESTMENT ADVICE AND INVESTMENT PROPERTIES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Outgoings on property investments	27,936	<b>27,936</b>	24,673
Investment management fees	8,275	<b>8,275</b>	4,416
	<u>36,211</u>	<u>36,211</u>	<u>29,089</u>
TOTAL 2020	<u>29,089</u>	<u>29,089</u>	

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THE FARTHING TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021

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5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities (note 7) 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	162,288	6,765	<b>169,053</b>	184,568
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL 2020	173,056	11,512	184,568	
	<hr/>	<hr/>	<hr/>	

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Sundry expenditure	1,201	342
Travel and secretarial expenses	360	163
Accountancy fees (governance)	2,404	2,320
Independent Examiner's fees (governance)	500	500
Legal fees	2,300	8,187
	<hr/>	<hr/>
	<b>6,765</b>	11,512
	<hr/>	<hr/>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021**

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**6. ANALYSIS OF GRANTS**

	<b>Grants to Institutions 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Grants payable	162,288	<b>162,288</b>	173,056
TOTAL 2020	<u>173,056</u>	<u>173,056</u>	

The Charity has made the following material grants to institutions during the year:

	<b>2021 £</b>	2020 £
<b>Grants payable</b>		
Education (Overseas)	<b>6,000</b>	5,000
Education (UK)	-	1,000
UK Churches	<b>22,525</b>	21,142
UK Christian Causes	<b>8,000</b>	13,000
UK General Causes	<b>23,500</b>	12,500
Local	<b>26,000</b>	23,270
Christ's Servants (Active £25,400 and Retired £17,300)	<b>42,700</b>	53,100
Individual in Need (UK)	<b>16,063</b>	15,444
Overseas Christian Causes	<b>17,500</b>	17,000
Overseas General Charities	-	11,600
	<u><b>162,288</b></u>	<u>173,056</u>

**7. INDEPENDENT EXAMINER'S REMUNERATION**

	<b>2021 £</b>	2020 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>500</b>	500
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<u><b>2,404</b></u>	<u>2,320</u>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021**

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**8. INVESTMENT PROPERTY**

	<b>Freehold investment properties £</b>
<b>VALUATION</b>	
At 6 April 2020	3,409,000
Additions	50,000
Disposals at opening market value (proceeds £2,718,788, realised gain £612,788)	(2,106,000)
Surplus on revaluation	659,500
	2,012,500
At 5 April 2021	2,012,500

The market value is based on the Trustees' best estimate of their respective values in the absence of professional valuations, or where appropriate may be based on information from professional valuations relating to parcels of land within which the trust has a partial interest. When properties are valued by estate agents during the year these valuations have been used in the accounts.

The addition to investment properties of £50,000 in 2020/2021 represents a donated property. Equivalent income has been included in the Statement of Financial Activities as shown in note 2.

**9. FIXED ASSET INVESTMENTS**

	<b>Listed investments £</b>	<b>Unlisted UK investments (associated undertaking) £</b>	<b>Cash held within portfolio £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 6 April 2020	239,923	300,000	33,882	573,805
Additions	282,682	-	-	282,682
Disposals / Movement in cash at broker	(96,890)	-	225,941	129,051
Revaluations	53,779	-	-	53,779
AT 5 APRIL 2021	479,494	300,000	259,823	1,039,317

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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#### 9. FIXED ASSET INVESTMENTS (CONTINUED)

All the fixed asset investments are held in the UK.

The listed UK investments are all managed funds and are listed on the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The Trust engages with investment advisers to assist with their investment policy to produce a balance on income and growth. The Trust have obtained investment advice in 2020/2021 from M M Wealth Ltd.

The investment in an unlisted UK company was gifted to the Trust some years ago and the original acquisition value is unknown. It represents 75,000 ordinary £1 shares in J H Martin & Sons (Littleport) Ltd, which equates to 25% of the issued share capital. The shares were last valued by J H Martin & Sons (Littleport) Ltd in 2013 and this valuation is reflected in these accounts. No new valuation has been undertaken recently. The company's accounts to 31 December 2020 disclosed closing net assets of £6,219,598.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Trust from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Trust is reliant on investment income to finance its work and this leads to a greater exposure to risk than holding funds in cash.

The construction of any investment portfolio and its continued maintenance is a very specialist and complex area, which is why the Trustees use professional advisers to assist with this aspect. Asset allocation is the practice of diversifying assets between different classes and is recognised as the most important part of the process of building a portfolio.

The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions. The Trust operate an investment policy that provides for a high degree of diversification of holdings within investment asset classes, including listed and unlisted investments as investment property. The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

#### 10. SOCIAL INVESTMENTS - PROGRAMME RELATED INVESTMENTS

	<b>Programme related investments £</b>
<b>COST OR VALUATION</b>	
Loan advances	212,933
Loan repayments	(4,000)
	<u>208,933</u>
<b>NET BOOK VALUE</b>	
At 5 April 2021	<u>208,933</u>
At 5 April 2020	<u>-</u>

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THE FARTHING TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021

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11. DEBTORS

	2021 £	2020 £
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Other debtors	1,398,948	-
	<u>1,398,948</u>	<u>-</u>
<b>DUE WITHIN ONE YEAR</b>		
Tax recoverable	1,110	1,455
	<u>1,400,058</u>	<u>1,455</u>

Debtors due after more than one year represent deferred consideration payments relating to the sale of land partially owned by the Trust. The consideration is payable in three tranches in 2023, 2025 and 2027.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans	-	250,000
Other creditors	2,240	5,303
Accruals and deferred income	5,381	2,820
	<u>7,621</u>	<u>258,123</u>

  

	2021 £	2020 £
Resources deferred during the year (rent for 2021/2022)	<u>2,477</u>	<u>-</u>

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

	2021 £	2020 £
Other loans	<u>18,000</u>	<u>-</u>

Two loans were made to the Trust during 2020/2021, neither of which has a fixed repayment date and no interest will be levied on either loan.

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THE FARTHING TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021

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14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 6 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2021 £
<b>UNRESTRICTED FUNDS</b>						
General Funds - all funds	4,136,891	230,464	(200,139)	425	1,341,371	5,509,012
<b>RESTRICTED FUNDS</b>						
Norwich Reformed Church	-	5,550	(5,125)	(425)	-	-
<b>TOTAL OF FUNDS</b>	<b>4,136,891</b>	<b>236,014</b>	<b>(205,264)</b>	<b>-</b>	<b>1,341,371</b>	<b>5,509,012</b>

**THE FARTHING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021**

**14. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds - all funds	4,283,862	37,377	(206,515)	36	22,131	4,136,891
<b>RESTRICTED FUNDS</b>						
Norwich Reformed Church	-	7,178	(7,142)	(36)	-	-
<b>TOTAL OF FUNDS</b>	<b>4,283,862</b>	<b>7,178</b>	<b>(213,657)</b>	<b>-</b>	<b>22,131</b>	<b>4,136,891</b>

The restricted funds represents monies collected specifically for and paid over to the Norwich Reformed Church. Where specific funds received are more/less than the grant/donation paid over a transfer is made between funds. In 2020/2021 the Trust paid a donation of £6,000 (2020: £6,000) to Norwich Reformed Church in addition to collecting funds from individuals.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Fixed asset investments	1,039,317	<b>1,039,317</b>
Investment property	2,012,500	<b>2,012,500</b>
Social investments	208,933	<b>208,933</b>
Debtors due after more than one year	1,398,948	<b>1,398,948</b>
Current assets	874,935	<b>874,935</b>
Creditors due within one year	(7,621)	<b>(7,621)</b>
Creditors due in more than one year	(18,000)	<b>(18,000)</b>
<b>TOTAL</b>	<b>5,509,012</b>	<b>5,509,012</b>

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**THE FARTHING TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2021**

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**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	573,805	573,805
Investment property	3,409,000	3,409,000
Social investments	212,933	212,933
Current assets	199,276	199,276
Creditors due within one year	(258,123)	(258,123)
<b>TOTAL</b>	<u>4,136,891</u>	<u>4,136,891</u>

**16. CONTINGENT LIABILITIES**

The Trust has a possible obligation to pay grants within the following categories:

Local charities - £3,000 per annum potentially for an indefinite period.

This possible obligation does not have sufficient certainty for the Trustees to include them as a commitment in these accounts.

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## THE FARTHING TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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#### 17. RELATED PARTY TRANSACTIONS

The Trust considers its key management personnel to be the Trustees. All Trustees give their time and expertise freely with no remuneration or other benefit in kind, either directly or indirectly from the Trust. The following related party transactions arose during the year:

- a) Trustees' expenses - During 2020/2021, £Nil was paid to the Trustees (2019/2020: one Trustee £163) in connection with secretarial and travel expenses. The Trustees have waived expenses relating to postage, which is minimal in monetary terms.
- b) The Trustees are shareholders in J H Martin and Sons (Littleport) Limited. Mrs J Martin, Mr J Martin and Mrs E Bell are also directors of J H Martin & Sons (Littleport) Limited (see note 9). During the year the Trust received a dividend from the company amounting to £157,500 (2020: £Nil). In addition, during 2020/2021 J H Martin & Sons (Littleport) Limited gifted a property with a value of £50,000 to the Trust.
- c) One property in which the Trust holds a minority equitable interest is let to J H Martin and Sons (Littleport) Limited for the sum of £4,000 per annum.
- d) £1 was paid to J H Martin & Sons (Littleport) Ltd for rent of the Highbridge site.
- e) During the previous year Mr C H Martin, one of the founding Trustees who has since resigned, made a loan to the Trust of £250,000. That loan was repaid during 2020/2021 and no interest was payable.
- f) During the year Mrs J Martin and Mr R White (husband of Mrs A White, trustee) made loans to the Trust totalling £18,000. No interest will be levied and the loans have no fixed repayment date. These have been disclosed as creditors due after more than one year.