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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  
Cambs  
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 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**

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
		<b>230,464</b>	<b>5,550</b>	<b>236,014</b>	<b>44,555</b>
<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
		<b>200,139</b>	<b>5,125</b>	<b>205,264</b>	<b>213,657</b>
<b>Total expenditure</b>					
<b>Net income/(expenditure) before net gains on investments</b>		<b>30,325</b>	<b>425</b>	<b>30,750</b>	<b>(169,102)</b>
Net gains on investments	9	1,341,371	-	1,341,371	22,131
		<b>1,371,696</b>	<b>425</b>	<b>1,372,121</b>	<b>(146,971)</b>
<b>Net income/(expenditure)</b>					
Transfers between funds	14	425	(425)	-	-
		<b>1,372,121</b>	<b>-</b>	<b>1,372,121</b>	<b>(146,971)</b>
<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)
		<b>5,509,012</b>	<b>-</b>	<b>5,509,012</b>	<b>4,136,891</b>
<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.

**THE FARTHING TRUST**

**BALANCE SHEET  
AS AT 5 APRIL 2021**

	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**

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

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
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><b>180,464</b></u>	<u>37,276</u>
TOTAL 2020	<u>37,276</u>	<u>37,276</u>	

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

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
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><b>36,211</b></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
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL 2020	173,056	11,512	184,568	
	<u>          </u>	<u>          </u>	<u>          </u>	

ANALYSIS OF SUPPORT COSTS

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

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

	Freehold investment properties £
<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
At 5 April 2021	<u>2,012,500</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 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**

	Listed investments £	Unlisted UK investments (associated undertaking) £	Cash held within portfolio £	Total £
<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	<u>479,494</u>	<u>300,000</u>	<u>259,823</u>	<u>1,039,317</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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#### 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

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

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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 (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>	<u>4,283,862</u>	<u>7,178</u>	<u>(213,657)</u>	<u>-</u>	<u>22,131</u>	<u>4,136,891</u>

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>	<u>5,509,012</u>	<u><b>5,509,012</b></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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**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.