FARMS FOR CITY CHILDREN LIMITED

England & Wales · Charity number 325120

Details

Other names	F F C C, FFCC
Status	Registered
Legal form	Charitable company
Company number	01177239
Registered	1974-11-06
Register	View on the Charity Commission register

Contact

Address	Farms For City Children Nethercott House Iddesleigh Winkleigh Devon EX19 8SN
Phone	01392276381
Email	admin@farmsforcitychildren.org
Website	www.farmsforcitychildren.org

Activities

Objects: TO ADVANCE THE EDUCATION OF BOYS AND GIRLS FROM URBAN AREAS BY THE ESTABLISHMENT AND MAINTENANCE OF SUITABLE EDUCATIONAL STUDY CENTRES IN THE COUNTRYSIDE OF ENGLAND AND WALES.

Activities: Farms for City Children offers children from urban areas all over the country a unique opportunity to spend a week living and working together on a real farm in the heart of the countryside. The charity operates on three farms: in Devon, Gloucestershire and Pembrokeshire. The children visit as a school group, with their teachers and get involved as a team in all aspects of running a working farm.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science, Animals, Environment/conservation/heritage, Recreation
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£2,703,549	£2,767,757	£4,056,692	66
2024-08-31	£2,590,372	£2,546,496	£4,120,900	57
2023-08-31	£2,626,899	£2,407,110	£4,077,024	50
2022-08-31	£1,956,736	£2,186,639	£3,823,822	48
2021-08-31	£1,315,750	£1,220,452	£3,518,128	22

Trustees

Name	Role	Appointed
Rachel Goult	Chair	2021-07-19
Alexandra Hollingshead		2024-10-28
CLARE MORPURGO		
Jayne Copley		2024-05-22
Jonathan Bishop		2021-07-19
MICHAEL ANDREW BRIDGE MORPURGO MBE		
Mary Trussell		2023-03-11
Richard John Ash		2018-02-08
Rosanna Machado		2024-05-22
Rose O'Hagan		2024-07-03
Simom Whattler		2024-05-22

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FARMS FOR CITY CHILDREN LIMITED

England & Wales - Charity number 325120

Accounts

Farms for City Children Limited

(A charitable company limited by guarantee)

Annual Report and Financial Statements

Year ending 31 August 2025

Registered Charity Number: 325120

Registered Company Number: 01177239 (England and Wales)

Farms for City Children Limited
Report and Financial Statements for the year ended 31 August 2025

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Farms for City Children Limited

Reference and administrative details

Charity number:	325120
Company number:	01177239
Registered Office:	Unit 2 Huxham Barns, Huxham, Exeter, EX5 4EJ

Directors and Trustees

The Directors of the Charitable Company (Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chair	Rachel Goult	
Trustees	Sir Michael Morpurgo OBE	
	Lady Morpurgo MBE	
	Richard Ash	
	Andrew Bailey	(resigned 29 July 2025)
	Jonathan Bishop OBE	
	Jayne Copley	
	Rachel Goult	
	Rosanna Machado	
	Rose O'Hagan	
	Mary Trussell	
	Simon Whatler	
	Alexandra Hollingshead	(appointed 28 October 2024)
Secretary	Lady Morpurgo MBE	
Chief Executive	Corinna Csaky	
Auditors	Westcotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ	
Bankers	NatWest Bank plc 59 High Street Exeter Devon EX4 3DL	

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2025

The Trustees are pleased to present their Annual Trustees' Report together with the consolidated Financial Statements of the Charity and its subsidiary for the year ending 31 August 2025. The Report and Financial Statements are prepared to meet the Directors' Report and Accounts requirements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Report

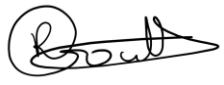
We are extremely proud of what we have achieved during the course of 2024-25. Despite ever-increasing pressures on school and household budgets, a record number of children and young people have been able to experience a transformative week at one of our farms. We have extended our reach to new schools and community groups, engaging young farmers aged 8 to 19 years of age from across England and Wales.

Aside from our beneficiaries, we were delighted to welcome hundreds of people from local communities to our farms through various events, and to host a very special visit from our patron, HRH the Princess Royal, at Lower Treginnis, our farm in Pembrokeshire.

Our commitment to nature-friendly farming and sustainable operating practices has seen us develop new habitats, increase biodiversity and make practical progress in reducing our consumption and impact.

This year we bade a fond farewell to our former Chief Executive Donna Edmonds and will begin 2025-26 welcoming her successor, Corinna Csaky, who joined us in September 2025. We are excited to see how Corinna's leadership will guide us into a new era of expansion and outreach, enabling even more children and young people to benefit from the life-changing experience of being farmers for a week.

Finally, none of the incredible outcomes you'll find in this report would be possible without the passion, commitment and support of our staff, volunteers, trustees and funders. We would like to extend a heartfelt thank you to you all.



Rachel Goult,
Chair of the Board of Trustees

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2025

Our purposes and activities

Farms for City Children exists to remove the barriers that prevent children and young people from having meaningful access to the natural world. Through our food, farming, and nature-connected wellbeing offer, we strive to empower the next generation to experience the countryside's physical and mental health benefits, and to see themselves as future custodians of the land.

During an immersive five-day residential stay on one of our stunning heritage farms in Devon, Gloucestershire, and Pembrokeshire, children and young people participate in seasonal farming tasks alongside experienced farm teams and partner Farmers. Quite simply, we "grow children". During a week in wellies our beneficiaries experience a profound connection to our animals and land, develop a sense of their own social and moral responsibility to be stewards of our planet, and leave us as more curious, courageous, and compassionate young people who are able to forge and sustain committed relationships with teachers and peers.

What do children learn?

Days start early on our immersive five-day residential and, whilst the cycle of the seasons and vagaries of the weather ensure that each day is different, there is a reassuring routine and structure to life on the farm. The days comprise a combination of physical farm and cooking tasks that anchor the young person to an understanding of the field > farm > fork journey. Farm tasks include compassionately tending to the animals and their welfare, as well as sowing or harvesting produce. A better understanding of where food comes improves food choices, increases the consumption of fresh, locally produced meat, fruit, and vegetables and can help young people to develop longer term commitments to leading a healthier life.

Our focus on nature nurture is delivered through wellbeing activities to induce greater nature connectedness, including long biodiversity walks, birdwatching on the coast and the riverside, beekeeping sessions, sustainable arts and crafts, mindfulness sessions, storytelling, poetry, and astronomy. Collaborating on tasks never previously attempted develops courage, confidence, and curiosity.

Children and young people learn to be mindful, empathetic, and to notice their environment. They learn to take responsibility for themselves, each other, and work in harmony with the animals and the land. Free from digital intrusion, their analogue imaginations are liberated, and they enjoy mental health respite from the pressures of a life lived online.
Being on the farm gives each child or young person that space to just be. With reduced stress levels, increased freedom and more meaningful interactions and connections, young people return home having developed greater resilience and attained an enormous sense of pride from being a "Farmer for a Week."

Farms for City Children knows that our week empowers active citizenship in our young people. Alumni contact us to report that their relationship with nature has been sustained from their visit on the farm as a child into adulthood. We know that the impact of providing these experiences in childhood means that we will give young people the agency to deal with the climate emergency and the loss of biodiversity. We are supporting them to 'grow up greener' and contribute to a sustainable future economy.

Our purposes and activities (continued)

In the short term, we know that children and young people return happy and fulfilled, walking a little taller with knowledge, skills, and expertise that they did not have when they set off from home. They will never forget the memories they make, the relationships they cultivated, or the way that they felt about themselves as they flourished through a week of "muck and magic" at Farms for City Children.

The Impact of our offer

Increased learning and engagement

Outdoor learning experiences provide a relevance and depth to the curriculum in ways that can be difficult to achieve in the classroom.

Learning in nature through hands-on tasks provides opportunities to be adventurous and creative. It gives children and young people the chance to step out of comfort zones and challenge themselves.

Our visiting farmers build knowledge and understanding alongside developing life skills that will serve them both inside the classroom and in their wider lives.

A week on one of our farms not only grows motivation for learning once children and young people have returned to school; it provides knowledge and experiences that will be remembered for a lifetime.

This year, thanks to support from the Ernest Cook Trust, we have forged new long-term partnerships with two schools with whom we work at greater depth. With this support, we have embedded food, farming and outdoor learning as part of a whole school approach.

Improved connections and wellbeing

Our visiting young farmers are given an invaluable opportunity to decompress from daily life, disconnect from the digital world and boost their physical and emotional health.

Farm tasks boost confidence, teamwork skills and resilience, creating opportunities to achieve outside the classroom. Natural crafts, nature walks and mindfulness sessions give children and young people the space to be in the moment, as well as tools to support their own wellbeing in the future.

Through having time to share experiences together, connections are renewed and deepened, supporting improved engagement and behaviour upon returning to the classroom.

Enhanced environmental citizenship

A week at one of our farms inspires children to engage with the natural world around them and connect with where their food comes from.

They learn through caring for livestock, planting and harvesting produce and enjoying tasty, nutritious food that they have helped to grow and prepare.

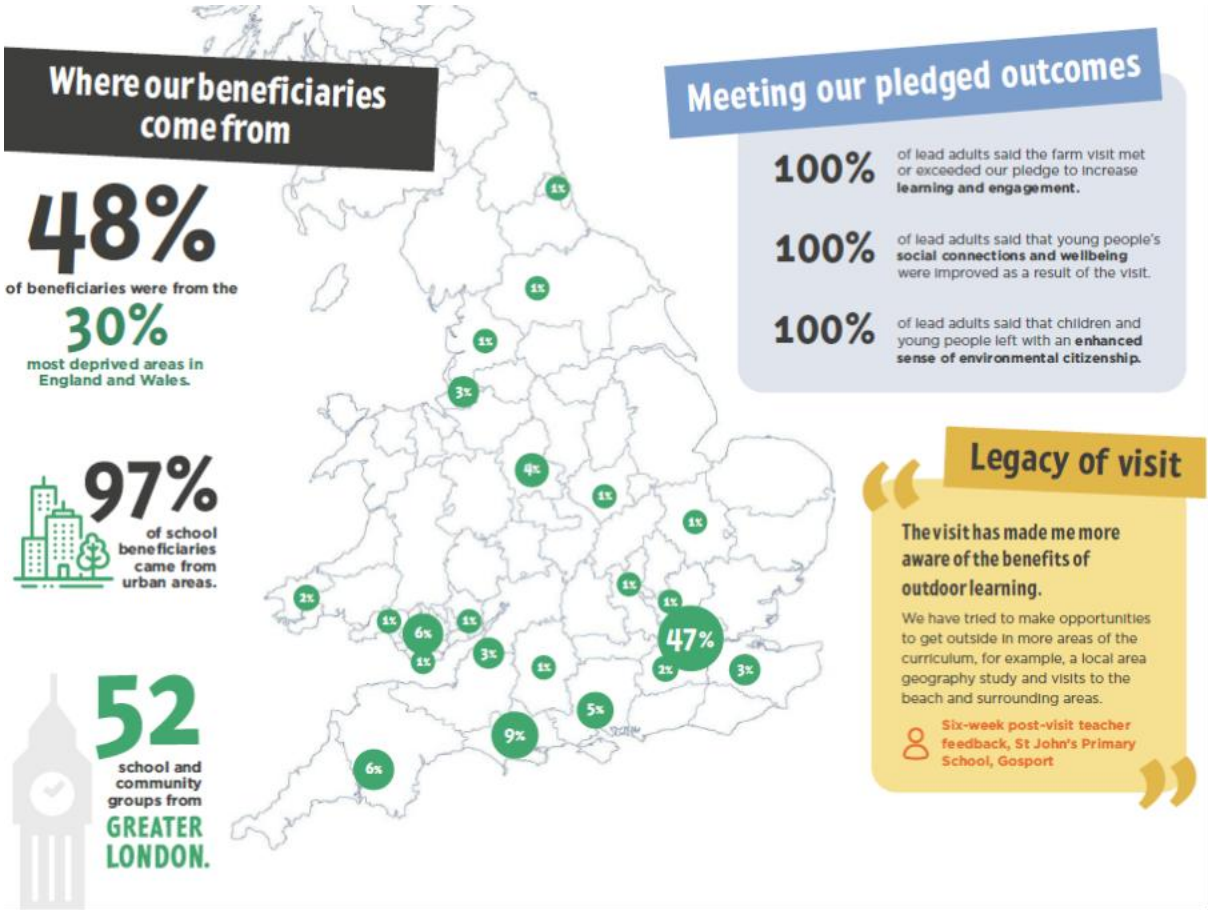
Our purposes and activities (continued)

By being actively involved in nature-friendly farming practices during their time on the farm, children and young people absorb vital knowledge about environmental conservation, biodiversity and climate protection.

Children and young people leave our farms with an enhanced feeling of connection to the natural world, a greater sense of its value and a clear understanding of the role they play in caring for it.

Achievements and performance

Achievements and performance (continued)



Nethercott House

2024-25 has been a very fruitful year at Nethercott House with so many children experiencing life on a farm and some exciting new developments to our offer.

As well as residential visits for primary and secondary schools, we have welcomed back young people from NESCOT college and two new cohorts of Duke of Edinburgh participants. It has been wonderful to see young farmers of all ages thriving during their week of practical farm to fork learning and time in nature.

Support from the Countryside Stewardship Scheme has also enabled us to host day visits for younger pupils from local schools, offering them a practical and fun introduction to nature-friendly farming.

Achievements and performance (continued)

We have made operational improvements at Burrow Farm as a result of a generous grant from the Phoebe Wortley-Talbot Charitable Trust. This funding also supported the creation of a new wetland habitat and traditional orchard, boosting biodiversity and further enriching the learning experiences we offer.

The farm has provided a venue for the Woodland Trust and members of the Devon Wildlife Trust to undertake training in agroforestry and nature-friendly farming practices respectively. Our volunteers continue to provide invaluable support to the farm team, helping us produce fruit and vegetables for the house as well as preparing tasks for visiting children for the week ahead.

Once again, our annual Christmas Tree Festival Festive Feast and Open Garden events have offered a wonderful opportunity to welcome supporters and members of our local community. We have also been able to take the farm out into the local area, proudly showcasing our produce and native breed Dartmoor sheep at produce and livestock shows.

Lower Treginnis

We have enjoyed a productive and rewarding year at Lower Treginnis, hosting 42 weeks of bookings and making exciting developments to our farm and nature education offer.

Our activity programme has been enhanced by the introduction of birdwatching, with a focus on building observation and listening skills, alongside nature- connection. Local partners continued to enrich the experience of visiting children and young people, including sessions from Cân-y-Môr - the UK's first community-owned seaweed and shellfish farm, illustrator Jackie Morris and Children's Laureate for Wales, Nicola Davies.

The number of Welsh schools visiting the farm increased again this year, supported by our collaboration with the Ernest Cook Trust's outdoor learning programme and our local fundraisers, the Friends of Treginnis.

As well as our traditional school groups, we have welcomed children and young people from a diverse range of community groups and programmes. This summer saw our first Duke of Edinburgh Gold Award residential, with 17 young people making an invaluable contribution to vital farm maintenance projects.

We have begun working in partnership with the National Trust to explore ways that we can create richer habitats and boost biodiversity on our land.

Finally, this year has seen some memorable events, including a very special visit from the charity's patron, Her Royal Highness the Princess Royal. In June, we were delighted to open our gates for Open Farm Sunday for the first time in several years, giving over a hundred visitors from the surrounding community a taste of the magic of the Farms for City Children experience.

Achievements and performance (continued)

Wick Court

We are proud to report another year of growth at Wick Court, increasing our reach and enriching our programme offer to support an increasingly diverse range of beneficiaries.

We have extended a warm welcome to more children and young people from the north of England, with schools visiting us from West Yorkshire, Lancashire and Sunderland. Our youth group and secondary school offer has been developed to maximise the benefits of time on the farm for older and harder- to-engage young people.

With support from the Ernest Cook Trust's outdoor learning programme, we have also been able to deliver outreach activities at a new partner school, for those who could not attend the residential week itself.

Our work to protect and enhance our natural environment has included native hedge planting and splitting the size of grazing fields to increase biodiversity. We have developed our produce room to help us minimise garden waste alongside reducing use of plastics and moving to more environmentally friendly cleaning products in our house and kitchen.

2024-25 has been a strong year for volunteering at Wick Court, thanks to the combination of the expansion of our regular long-term volunteer team plus fourteen days of volunteer working parties from the charity's corporate partners.

Our annual Open Farm Sunday event in June was another great success, with over 450 members of the public enjoying a day on our farm achieving a record amount of fundraising income. Away from the farm, we have been actively engaging with the NFU AgriFutures Challenge Events to support improved diversity in the wider agricultural sector, with learning proving invaluable to the charity's Inclusion, Diversity, Equity and Accessibility (IDEA) work.

Fundraising

Through its fundraising Farms for City Children subsidises every visit to its farms by 54% to ensure affordability and accessibility for all children and young people regardless of their background.
The fundraising team remains stable and at its full complement of two grant fundraisers, an individual giving and legacy manager, a corporate partnerships manager, our Head of Fundraising and our Supporter and Database Administrator.

Key income streams remain as, grants from a variety of trusts and foundations, individual giving and corporate support. This last year has seen a growth in major individual gifts and in-memory donations. Whilst income in some areas has grown, we have continued to be challenged by the ever-changing grants sector, meaning that we fell £27k short of budget and that we must continue to diversify our fundraising and grow other sources of income.

Through consistency and stewardship of supporters, that we pride ourselves in, the charity successfully raised over £1.483 million for delivery and core costs, capital projects, and additional school/group financial support for visits, known internally as access funds.
Our sincere thanks go to every supporter; we are encouraged by our loyal donors and grateful for those who are new to the work of Farms for City Children. The support received in the year has helped us meet the ever-increasing need for high quality access to food, farming, and outdoor learning for today's children and young people.

As our expenditures grows with increases in staffing and running costs of the farms and our programme there comes a greater demand on our fundraising and earned income.

Trusts and Foundations
Grant support from trusts and foundations makes up two thirds of our fundraised income. Multi-year and unrestricted support play a vital role in future planning and delivery of our programme.
We are pleased to have maintained the support of numerous loyal grant funders and delighted to have welcomed new funders to the charity.
We pride ourselves on excellent stewardship and extend our gratitude to the small and medium grant makers who are integral to our programme each year alongside grant funders who have entrusted us with large and multi-year gifts which make a significant difference to our strategic planning and financial security.

We are pleased to acknowledge some of our long-standing grant funders including the Garfield Weston Foundation, the Nineveh Charitable Trust, NFU Mutual Charitable Trust, the Underwood Trust and the Ashley Family Foundation for their support of our Welsh farm. We also welcomed the Health Lottery Foundation as a new grant funder.

Most of our access funding to provide additional support for schools and groups is sourced from grant income including with thanks from the Eveson Trust and the John Horseman Trust.
Individual Giving Alongside our regular giving programme we ran two successful match funding campaigns.

Fundraising (continued)

The Big Give Christmas Challenge 2024 and The Childhood Trust Champions for Children 2025 both of which exceeded target raising more than £85,000, engaged new supporters and re-engaged lapsed donors.

We have also seen a growth in supporters fundraising in aid of the charity through a variety of means including the London Marathon and a South West Coast Path Challenge. For 2025/26 we have partnered with Ultra Challenges and Run for Charity to help grow this further in our 50th year.

Corporate
Corporate support this year has grown as planned. We have seen new partnerships develop and existing supporters continue and increase their donations. We have carefully aligned the charity with organisations of similar values and have hosted productive volunteer days with several partners on the farms. Several of our partners organised their own challenge events to raise funds including a London to Paris cycle event, abseiling and a ploughing match!

Legacy and In-memory
FfCC continued its partnership with Octopus Legacy to promote the benefits of leaving gifts in wills to the charity. Legacy pledges are of course income for the future, this source of income continues to be a key area for future growth, and we will retain our partnership with Octopus Legacy in 2025/26.
In-memory giving and fundraising saw a rise in donation value this year. The charity was a grateful recipient of significant in-memory fundraising for a very special young lady through of variety of events throughout the year.

Community
Community fundraised income is valued and appreciated by Farms for City Children. Wherever possible the charity supports events and fundraisers, in person, online, and with relevant materials. Across the three farms and beyond we have generous community groups raising funds in aid of FfCC to support the costs of farm residentials. Fundraising takes the form of concerts, fetes, talks and presentations, school fundraisers and much more.

Major Gifts
Major gift support over the year grew beyond our target, this was achieved largely by reallocating team time and prioritising work streams. This is an area we wish to continue growing by maintaining our valuable existing relationships whilst engaging with prospective new donors in our 50th year.

We are grateful to our major gift donors including an invaluable multi-year gift to our access fund.

Capital projects
The fully funded capital projects ‘Burrow’ at Nethercott House (£76,000) and the barn at Wick Court (£62,000) are now complete. In the year several small gifts were made towards specific projects.

Fundraising (continued)

Looking ahead

We acknowledge that the fundraising environment will continue to be challenging, particularly in the grants' sector, and that we must raise significant funds to enable even more children and young people to benefit from food, farming, and outdoor learning activities and to safeguard the charity for the future.

2026 will see the Charity reach a milestone – it's 50th year and with this comes a renewed sense of ambition and the opportunity to raise funds for the future.
The fundraising team will continue to work closely with the Charity's Chief Executive and Marketing and Communications Manager to realise the potential of all income streams, grow engagement and raise the profile of Farms for City Children.

In 2025/26 opportunities and efforts for income growth will focus on corporate and individual support and growing our major donor and legacy portfolios, whilst maintaining grant awards, community support.

Fundraising in practice

Farms for City Children is registered with the Fundraising Regulator and adheres to the standards set out in the Fundraising Code of Practice. The charity is committed to legal, open, honest, and respectful practice as detailed in its own Principles of Fundraising document and carries out relevant due diligence to record and justify decisions. We have not experienced any compliance issues.

Due to the nature of our work safeguarding is a key aspect in everything that we do, we always consider vulnerable people when undertaking fundraising to ensure they are respected and protected in all that we do. We do not share or sell donor data. We work closely with commercial partners to ensure that they operate to our expected standards. Our fundraising team is directly employed by Farms for City Children, and we do not employ third party fundraisers to operate on our behalf.

In the financial year we received no complaints relating to our fundraising activities. Any complaints received would be managed appropriately, by listening to the complainant, and responding with consideration and honesty in a timely manner as per our Complaints Policy which is available on our website.

Financial review

Farms for City Children Limited recorded a deficit of £64,208 in the year 2024-25 (2024: £43,876 surplus). This meant that total group funds at 31 August 2025 were £4,056,692 (2024: £4,120,900). Income from residentials in the year ended 31 August 2025 was £1,050,295 (2024: £1,010,519). Whilst the number of residential weeks was higher in 2024-25 the average income was slightly lower due to funding provided by our fundraising and access funds.

In 2024-25 54% of all income was fundraised, with the main sources being grants, donations, and legacies. This external funding supports the additional costs of funding residential visits plus our support costs. The direct costs of running our farms were around £1.9m (2024: 1.5m) and so we needed to support approximately half these costs from elsewhere. Income from grants and donations amounted to £1,482,573 which was a 5.5% increase from 2024 (2024: £1,404,892). We received grants for capital purchases totalling £141,507 (2024: £148,510) enabling us to equip our farms to best support our service users.

Income from the sale of merchandise and letting out of farms amounted to £47,593 (2024: £73,755). This decrease is entirely attributable to a reduction in lettings income from 2024. This activity is operated by the wholly owned trading subsidiary, FFCC Enterprises Limited. In the year £51,798 (2024: 24,783) was gift aided from the trading subsidiary to the charity.

Investment income was £41,469 (2024: £41,123) and is as a result of £750,000 being put aside in long term and notice cash deposit accounts in the previous year.

Costs of charitable activities were £2,339,217 for the year which represents a notable increase to the prior year (2024: £2,168,663), the majority of which is attributable to staff cost increases. Costs of raising funds saw a substantial increase of 13% in 2024 to £428,541 (2024: £377,833).

Investment powers and policy

The Trustees, having regard to the liquidity requirements of running Farms for City Children Limited, have kept available funds in several interest-bearing deposit accounts and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. There are currently no plans to invest anywhere other than in cash deposits.

Reserves policy

At 31 August 2025, total reserves were £4,056,692 (2024: £4,120,900). Of this £3,030,743 were fixed asset reserves (2024: £2,960,077). Reserves restricted in their use at 31 August 2025 amounted to £2,717,561 (2024: £2,662,790). These are split between fixed assets and income funds. Restricted income funds are largely to support future residential visits.

Financial review (continued)

Trustees reserves policy is to maintain between 3 and 6 months operating costs in free reserves. Whilst the Trustees would ideally aim to have 6 months free reserves they recognise that this is a longer-term goal. At 31 August 2025 free reserves (unrestricted reserves less unrestricted fixed assets) of the group were within this policy and stood at £761,023 (2024: £905,505) which represents 3.3 months' operating costs at the balance sheet date.

Going concern

The 3-year business plan from 2024 to 2027 was approved in April 2024 and includes a 3-year budgetary forecast which gives financial stability whilst ensuring free reserves remain in excess of 3-months at the end of the 2027. The plan sets out the key goal to ensure financial stability which remains achievable. The Trustees therefore believe it is appropriate to prepare the Financial Statements on the going concern basis.

Plans for future periods

We look ahead to 2025-26 with great excitement, not least because it will see us celebrating a major milestone for Farms for City Children; our 50th anniversary.

Since the charity was founded by Clare and Michael Morpurgo in 1976, 104,500 children and young people have experienced a life-changing week on one of our farms.

We will ensure that 2026 provides a springboard into fifty more successful years and beyond by making the most of the opportunity to raise our profile and increase our fundraising income, together with setting out an inspirational vision for our future.

Our bookings for the year ahead are already close to capacity but we remain hugely cognisant of the financial challenges faced by the schools and community groups we serve. It is more important than ever to ensure that the experience we offer remains accessible to those who need it most.

We will do this alongside continuing to protect and enhance the natural environments on our farms and ensuring we lead by example with sustainable farming and operational practices.

There is no doubt that 2025–26 will bring both celebrations and challenges, but we remain committed to working energetically and collaboratively to ensure that more children and young people than ever before are able to take home the benefits of being farmers for a week.

Structure, Governance and Management

Governing Document

Farms for City Children Limited is a registered charity (No 325120) and a company (No 01177239) limited by guarantee. The governing document of Farms for City Children Limited is its Articles of Association dated 13th July 2021. The company was incorporated on 12 July 1974 and registered as a charity on 6 November 1974. The Trustees of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Appointment, induction, and training of trustees

Trustees are recruited for their expertise, experience, and skills in a variety of relevant fields. All Trustees undertake a skills audit, and any gaps in skills are proactively considered in recruiting new Trustees. Prospective Trustees are interviewed by a nominations committee made up of the Chair of the Board and two other Trustees. Their appointment is dependent on a unanimous election by the Board. New Trustees are provided with an induction pack of reading material and an induction plan to assist them in familiarising themselves with the work, value, and ethos of the Charity. Trustees are encouraged to visit all three of the farms, and to attend any relevant events alongside their attendance at quarterly meetings. Board wide training is arranged as required. Trustees serve a 3-year term and are eligible for two further 3-year terms up to a maximum of 9 years. As Founders, Sir Michael and Lady Morpurgo are not subject to a maximum term of office as Trustees. In 2025 Andrew Bailey stepped down from his Trustee position, and we thank him for his commitment to FfCC. During the year, as part of a successful recruitment campaign in 2024 we welcomed Alexandra Hollingshead to the Board in October 2024.

The Trustee Board uses the Charity Governance Code as the basis for the development of the Charity's governance structures and ongoing monitoring of its governance systems and processes. The Board of Trustees undergo regular training and professional development to ensure they remain abreast of current developments, changes in statutes and best practice.

The Trustees ensure the accuracy and timeliness of all financial reporting information through the Finance & Resources Committee, which reviews all financial information and progress on income generation and fundraising strategies. The Finance & Resources Committee, which meets on a quarterly basis, develops, and monitors the Charity's Financial Procedures and Risk Register.

In addition, it reviews operational risks in relation to employment issues as well as keeping abreast of changes in employment law and developing relevant policies. The Finance & Resources Committee also reviews the Health & Safety Policy prior to consideration and approval by the full Board.

The Board routinely meets on a quarterly basis to review the Charity's performance, consider the financial reports and reports from the Senior Leadership Team, and to decide other matters of governance and policy, as advised by the Chief Executive.

Structure, Governance and Management (continued)

There are three farms – Nethercott House, Lower Treginnis and Wick Court. We also have an office outside Exeter, Huxham Barns, which is used by our support teams. As many of our support team are now remotely based, this substantially reduced office space is on a lease which ends in 2027 with no plans to renew. Each farm is managed by the Farm School Manager with the support of a Farm Operations Manager and a team of staff who provide the sessions for the children, manage the accommodation, and care for the livestock.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as Trustees with the Charity. Related party relationships are monitored, and a Trustees' Register of Interests maintained and checked annually. Any updates to the Register of Interests or potential conflicts due to the items shown on the agenda are recorded at the start of every Board meeting.

Pay policy for senior staff

The Directors, who are the Charity's Trustees, consider themselves, the Senior Leadership Team, and the Farm School Managers to be the key management personnel in charge of directing and controlling, running, and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration for being a Director/Trustee in the year. Details of related party transactions are disclosed in note 15 to the accounts.

The Finance & Resources Committee meet in the Spring to review all salaries, including those of the Chief Executive and Senior Leadership Team. In their decisions they are informed by the recommendations of the Chief Executive (except in the case of their own salary) and by the Charity's pay policy and scales, which are benchmarked and reviewed every three years.

Risk management

The Trustees review the objectives, services, management, and funding of the organisation as part of an ongoing planning and review process. The Finance & Resources Committee reviews the risk process, reviewing the Risk Register quarterly. There are also routes for any additional areas of concern highlighted through routine reports or arising through changes in external circumstances, new activities, or changes in the law. The risk is assessed, and any further action is identified, and parameters are agreed. The Senior Leadership Team assesses day to day risks using the Risk Register as a management tool to ensure the constant mitigation of potential risks.

The Trustees have reviewed the major risks that could impact on Farms for City Children. These are:

Risk	Mitigation
Financial: The charity relies heavily on two primary sources of income (payments from visiting school groups and charitable donations) and has a high fixed cost base which is subject to inflationary pressures.	Investment in fundraising to further develop diversity of fundraising income and diversify income streams, increasing operational weeks to 120 weeks and maximizing occupancy levels to maximize residentials income and increase investment income by ensuring capital is working as effectively as possible.
Financial pressures for our beneficiaries: Parents and schools may be unable to afford a residential visit.	Offering more funding to reduce the cost of a farm visit for the children most in need.
Health and Safety: There are considerable health & safety risks associated with farming and with children working in a farm environment.	Following best practice in terms of children working on a farm, and work alongside health & safety advisers to ensure action plans are appropriate and effected.
Child protection and safeguarding: There are inherent child protection and safeguarding risks in any residential setting.	Ensure up to date safeguarding policy and procedures are working effectively. Trustees with particular specialty in safeguarding.

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the Directors of the Farms for City Children Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that Farms for City Children will continue in business.

Trustees' responsibilities in relation to the Financial Statements (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Farms for City Children and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Farms for City Children and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Farms for City Children's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

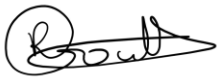
Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which Farms for City Children's auditor is unaware, and
- the Trustees, having made enquiries of fellow Trustees and Farms for City Children's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small companies provision statement

- This report has been prepared in accordance with the small companies regime under the Companies Act 2006.



By order of the Board of Trustees
Rachel Goult (Chair)

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2025

Opinion

We have audited the Financial Statements of Farms for City Children Limited "the charitable parent company" and its subsidiaries (the "group") for the year ended 31 August 2025, which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2025 and of its incoming resources and application of resources profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original Financial Statements were 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.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2025

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 (who are also the Directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Trustees' report.

We have nothing to report to you in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2025

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts of disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group members 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 charitable parent company and its members as a body for our audit work, for this report, or for the opinions we have formed.

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2025

Catherine Williams FCA DChA

Senior Statutory Auditor
For and on behalf of
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date:

Farms for City Children Limited
Consolidated Statement of Financial Activities
(including consolidated Income and Expenditure Account)
for the year ending 31 August 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income					
Donations and legacies					
Donations and legacies	3	788,326	142,269	930,595	939,945
Income from charitable activities:					
Charitable activities	4	1,122,095	551,978	1,674,073	1,523,980
Income from other trading activities:					
Trading operations	5	57,412		57,412	85,324
Investment income	6	41,469		41,469	41,123
Total income		**2,009,302**	**694,247**	**2,703,549**	**2,590,372**
Expenditure					
Costs of raising funds	7	428,541		428,541	377,833
Expenditure on charitable activities:					
Charitable activities	8	1,697,358	641,860	2,339,217	2,168,663
Total expenditure		**2,125,897**	**641,860**	**2,767,757**	**2,546,496**
Gain/(loss) on sale of fixed assets					-
Transfer between funds		**(2,384)**	**2,384**	**0**	-
Net (expenditure)/income and net movement in funds for the year	10	**(118,979)**	**54,771**	**(64,208)**	**43,876**
Reconciliation of funds					
Total Funds brought forward		1,458,112	2,662,788	4,120,900	4,077,024
Total funds carried forward		**1,339,133**	**2,717,559**	**4,056,692**	**4,120,900**

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

All income and expenditure derive from continuing activities.

The prior year Consolidated Statement of Financial Activities is provided in note 27.

The notes on pages 26 to 45 form an integral part of the Financial Statements.

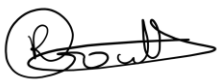
Farms for City Children Limited
Consolidated Balance Sheet as at 31 August 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Tangible assets	18	3,030,744	2,960,077	3,030,744	2,960,077
Investment	11	0	-	1	1
Total Fixed Assets		**3,030,744**	**2,960,077**	**3,030,745**	**2,960,078**
Current assets					
Stock	19	52,740	47,877	41,023	38,651
Debtors	20	139,948	101,225	163,797	120,561
Cash at bank and in hand	21	1,482,991	1,578,127	1,422,769	1,496,698
Total Current Assets		**1,675,678**	**1,727,229**	**1,627,589**	**1,655,910**
Liabilities					
Creditors falling due within one year	22	(649,730)	(566,406)	(649,497)	(566,374)
Net Current assets		**1,025,949**	**1,160,823**	**978,092**	**1,089,536**
Net assets		**4,056,692**	**4,120,900**	**4,008,837**	**4,049,614**
The funds of the Group:	23				
Unrestricted funds					
Income		761,024	905,506	713,167	834,220
Fixed assets		578,107	552,606	578,107	552,606
Total		*1,339,131*	*1,458,112*	*1,291,276*	*1,386,826*
Restricted funds					
Income		264,925	255,317	264,925	255,317
Fixed assets		2,452,636	2,407,471	2,452,636	2,407,471
Total		*2,717,561*	*2,662,788*	*2,717,561*	*2,662,788*
Total group funds		**4,056,692**	**4,120,900**	**4,008,837**	**4,049,614**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the Board authorised for issue on the 28th January 2026 and are signed on their behalf by:

Signed



Rachel Goult, Chair of Board on behalf of the Trustees

The notes on pages 26 to 45 form an integral part of the Financial Statements.

Farms for City Children Limited
Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 August 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash generated by/(used in) operating activities	26	**29,337**	**182,245**	**50,544**	**155,543**
Cash flows (used in)/generated by investing activities					
Interest income		41,469	41,123	41,469	41,123
Repayment of investment from FFCC Enterprises Ltd		-	-		-
Sale of tangible fixed assets		-	1,750	-	1,750
Purchase of tangible fixed assets		(165,943)	(127,667)	(165,943)	(127,667)
Cash (used in) investing activities		**(124,474)**	**(84,794)**	**(124,474)**	**(84,794)**
Cash (used in) financing activities		**-**	**-**	**-**	**-**
Increase/(decrease) in cash and cash equivalents in the year		(95,137)	97,451	(73,929)	70,749
Cash and cash equivalents at the beginning of the year		1,578,127	1,480,676	1,496,698	1,425,949
Total cash and cash equivalents at the end of the year		**1,482,990**	**1,578,127**	**1,422,769**	**1,496,698**

The notes at pages 29 to 48 form an integral part of the Financial Statements.

Farms for City Children Limited

Notes to the accounts for the year ending 31 August 2025

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Farms for City Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

b) Group financial statements

The financial statements consolidate the accounts of the charity Farms for City Children Ltd, company number 01177239, and its wholly owned subsidiary FFCC Enterprises Ltd, company number 03804473, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The deficit for the Charity for the year was £40,788.

c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items is required.

d) Judgements and key accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Accounting Policies (continued)

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance or charitable use of the asset.
- Determination of whether leases entered into by the Charity as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Trustees the debt is not fully recoverable.

e) Preparation of the accounts on a going concern basis

As explained in the Trustees' Annual Report, the Trustees have approved a detailed budget for 2025-26, based on the all-year round operating model with plans for investment in fundraising for future income growth. Having taken into consideration the availability of cash and the level of forecast reserves the Trustees believe it is appropriate to prepare the Financial Statements on the going concern basis.

f) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the Charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income from residential visits is accounted for when a school visits one of the charity's three farms. Payments received in advance of the visit are deferred until the criteria for income recognition are met.

Other trading activities are accounted for in the accounting period to which the income relates.

1. Accounting Policies (continued)

g) Donated services and facilities

Donated services or facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The value of goods and services donated in kind in the year and included in donations is £nil (2024: £5,355).

h) Interest receivable

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.

i) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of trading and their associated support costs and fundraising support costs.
- Expenditure on charitable activities includes the costs of the provision of services and activities undertaken to further the purposes of the Charity and their associated support costs.
- Farms for City Children is not registered for VAT and cannot recover VAT on any of its purchases. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1. Accounting Policies (continued)

k) Allocation of support costs

Support costs relate to those functions that assist the Charity's work but do not directly undertake charitable activities. Support costs include back-office costs, finance, HR, payroll and governance costs which support the work of the Charity. The bases on which support costs have been allocated are set out in note 8.

l) Operating leases

The Charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight-line basis over the term of the lease.

The Charity leases offices at Huxham Barns, Huxham, Exeter and this is classified as an operating lease.

The Charity leases land from the National Trust at Lower Treginnis which is also classified as an operating lease.

The Charity classifies the letting of land at Nethercott House, Lower Treginnis and Wick Court under Farming Business Tenancy agreements as operating leases; the title to the land remains with the charity as lessor. All agreements currently have an end date of 31 August 2026, but either party to each lease may terminate the lease by giving 12 months' notice. The total annual rent receivable is £9,819 (2024: £9,819).

1. Accounting Policies (continued)

m) Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life, as follows:

Asset Category	**Depreciation Rate**
Freehold buildings and improvements	
Nethercott House	50 years
Leasehold improvements	
Lower Treginnis	60 years
Wick Court	99 years
Plant and machinery	5 to 25 years
Furniture and equipment	5 years

Freehold land is not depreciated.

Donated fixed assets are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Assets with a value below £2,000 or a life span of less than 1 year are not capitalised within the Financial Statements but expensed to the SOFA.

n) Stock

Trading stock is included at the lower of cost and net realisable value. Net realisable value is based on selling price less any future costs expected to be incurred to completion and disposal.

Animal stocks are included at deemed cost or net realisable value. Feed and resale stock is included at cost.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash 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. Accounting Policies (continued)

q) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) 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. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

s) Pensions

The Charity contributes to an auto enrolment compliant group money purchase defined contribution pension scheme operated by NEST. New and existing employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme operated by NEST contract directly with the insurance company. The Charity makes a matching contribution of 6% (2024: 6%) of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions.

2. Legal status of the Charity

Farms for City Children is a company limited by guarantee, incorporated in England & Wales, and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is Unit 2, Huxham Barns, Huxham, Exeter, EX5 4EJ.

3. Income from donations and legacies

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Donations				
Legacies	772,061	142,269	914,330	923,545
	16,265	-	16,265	16,400
	788,326	**142,269**	**930,595**	**939,945**

Income from donations includes Gift Aid. From time to time Farms for City Children benefits from the involvement and support of volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not recognised in the accounts. Included in unrestricted donations is an amount £nil (2024: £5,355) which is the economic value of goods donated in kind.

4. Income from Charitable Activities

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Residential visits	1,050,295		1,050,295	1,010,519
Day visits			-	-
Grants – capital		141,507	141,507	148,510
Grants – revenue		410,471	410,471	316,437
Farm produce sales	43,054		43,054	37,858
Farm livestock sales	18,821		18,821	2,838
Rural Payments Agency grants	9,925		9,925	7,818
	1,122,095	**551,978**	**1,674,073**	**1,523,980**

5. Income earned from trading activities

The wholly owned trading subsidiary FFCC Enterprises Ltd is incorporated in the United Kingdom (company number 03804473) and pays all of its profits to the Charity under the gift aid scheme. FFCC Enterprises income arises from short term letting of residential accommodation on the farms and the sale of gifts, books, and cards.

A summary of the trading results is shown below.

	2025 £	2024 £
Rent received	9,819	9,819
Holiday lets	14,017	43,884
Sales of gifts, books and cards	33,576	29,871
Miscellaneous income	-	1,750
	57,412	**85,324**

The summary financial performance of the subsidiary alone is:

	2025 £	2024 £
Turnover	47,593	73,755
Cost of sales & administration costs	(19,251)	(21,957)
Net profit/(loss)	28,378	51,798
Amount gift aided to the Charity	(51,798)	(24,783)
Retained in subsidiary	(23,420)	27,015
The assets and liabilities of the subsidiary were:		
Current assets	71,939	90,821
Current liabilities	(24,083)	(19,539)
Total net assets	47,856	71,282
Aggregate share capital & reserves	**47,856**	**71,282**

6. Investment income

All of the group's investment income arises from money held in interest bearing deposit accounts.

7. Analysis of costs of raising funds

	2025 £	2024 £
Fundraising costs	433,287	323,528
Trading costs	(4,746)	54,305
	428,541	**377,833**

8. Analysis of expenditure on charitable activities

	2025 £	2024 £
Operation of farms		
Cost of residentials	117,224	153,731
Direct costs of farms	189,430	157,417
Premises costs	212,431	232,304
Depreciation	95,277	98,760
Other costs	437,542	107,590
Staff costs	1,274,105	1,407,028
Governance costs (see note 8)		
Audit & accountancy	10,740	7,720
Board costs	2,468	2,760
Staff costs	-	1,355
	2,339,217	**2,168,663**

Of the £2,339,217 expenditure in 2024-25 (2024: £2,168,572), £1,681,493 was charged to unrestricted funds (2025: £1,510,446) and £641,860 to restricted funds (2024: £658,126).

9. Analysis of governance and support costs

Farms for City Children initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned between the charitable activities, the cost of raising funds and governance.

	Analysis of support and governance costs				
	General support £	**Governance function £**	**Total 2025 £**	**Total 2024 £**	**Basis of apportionment**
Salaries, wages & related costs	297,125	-	297,125	284,644	Staff time
General office costs	248,641	2,467	251,108	211,417	% of costs
Legal fees	9,439	-	9,439	1,481	% of costs
Audit fees	-	10,740	10,740	7,720	% of costs
Total	**555,205**	**13,207**	**568,412**	**507,569**	

10. Net income/(expenditure) for the year

This is stated after charging/(crediting):	**2025 £**	**2024 £**
Operating leases	32,626	29,100
Depreciation	95,277	98,757
(Profit)/Loss on disposal of fixed assets	-	(1,750)
Audit & tax fees	10,740	7,720

11. Investments

The Charity owns the sole £1 share issued by FFCC Enterprises Limited (registration number 03804473) which was incorporated to operate the charity's trading activities and began trading again from 1 September 2022 following a period when it was dormant. The registered office of FFCC Enterprises Limited is the same as that of Farms for City Children shown in the Trustees' Report. The activities and results of this company are summarised in note 5. Related party transactions are excluded as they are eliminated on consolidation.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2025 £	2024 £
Salaries and wages	1,602,814	1,472,241
Social security costs	163,994	129,709
Pension costs	91,631	80,109
Other wages costs (including subcontractors & recruitment)	33,105	26,245
	1,891,544	**1,708,304**

One employee had employee benefits in excess of £60,000 and in band £60,000 to £70,000 (2024: 1, £70,000 to £80,000). Pension costs are allocated to activities in proportion to the related staffing costs incurred. There were no redundancy or termination costs in the year (2024: none).

The pension costs charged represent contributions payable by the Charity to schemes for the year.

The key management personnel of Farms for City Children comprise the Chief Executive, the Head of Fundraising, the Head of Operations, the Head of Finance (2024: the same roles + the three Farm School Managers). The total employee benefits (salary and pension contributions) of the key management personnel were £220,519 – 5 people (2024: £354,599 – 8 people).

The Trustees were not paid or received any other benefits from employment with Farms for City Children in the year (2024: £nil). Three trustees were reimbursed expenses to the value of £1,930 for attending meetings in the year (2024: £2,029).

13. Staff Numbers

The average monthly number of employees (including casual and part time staff) analysed by function during the year was as follows:

	2025 Number	2024 Number
Management, Fundraising & Administration	19	19
Education, domestic & agricultural	47	38
	66	**57**

14. Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents employer contributions payable by the charity to the scheme and amounted to £91,631 (2024: £80,109).

Employee and employer contributions totalling £9,906 (2024: £20,346) were payable to the scheme at the end of the year and are included in creditors.

15. Related party transactions

Donations from Trustees amounted to £23,602 in the year (2024: £20,481).

16. Corporation Taxation

Farms for City Children is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

17. Transfer between funds

There was 1 transfer from Unrestricted Funds to Restricted Funds in the year amounting to £2,384 (2024: £3,600). This was an accounting adjustment to appropriately restrict funds related to the car park works at Nethercott House.

18.Tangible fixed assets – charity (also comprising that of the group)

	Freehold Property	Leasehold Property	Plant & Machinery	Furniture & Equipment	Total
	£	£	£	£	£
Cost:					
As at 1 September 2024	1,085,470	2,795,491	545,569	110,544	**4,537,074**
Additions	50,460	99,409	16,074		**165,943**
Disposals	-	-	-	-	**-**
As at 31 August 2025	1,135,930	2,894,902	561,643	110,544	**4,703,020**
Depreciation:					
As at 1 September 2024	219,200	862,954	385,888	108,955	**1,576,977**
Disposals	-	-	-	-	**-**
Charge for the year	17,521	36,725	39,440	1,589	**95,277**
As at 31 August 2025	236,720	899,681	425,330	110,544	**1,672,276**
Net book value					
As at 1 September 2024	866,270	1,932,537	159,681	1,589	2,960,077
As at 31 August 2025	**899,210**	**1,995,221**	**136,314**	**-**	**3,030,744**

19.Stock

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Animals and goods for resale	37,683	35,391	25,966	26,165
Non animal stock used in operating farms	15,057	12,486	15,057	12,485
	52,740	**47,877**	**41,023**	**38,650**

20. Debtors

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Trade debtors	58,619	57,239	58,619	57,083
Prepayments and accrued income	81,329	43,986	81,329	43,986
Intercompany		-	23,849	19,502
	139,948	**101,225**	**163,797**	**120,561**

21.Cash at bank and in hand

The cash figure includes £471,020 (2024: £400,047) relating to deposits and final balances received for residential visits and holiday lets invoiced in advance.

22. Creditors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	79,687	75,590	79,454	72,557
Other creditors and accruals	55,918	42,168	55,918	42,168
Deferred income (residential visits & holiday lets to 31 August 2024)	471,020	400,047	471,020	400,047
Taxation and social security	43,105	51,601	43,105	51,601
	649,730		649,497	
	79,687	**566,406**	**79,454**	**566,373**

The movement on this income invoiced in advance is as follows:

	2025 £	2024 £
Deferred income at 1 September 2024	400,047	368,172
Resources deferred in the year	1,332,861	1,046,455
Amounts released in the year	(1,261,888)	(1,014,580)
Deferred Income at 31 August 2025	**471,020**	**400,047**

Deferred income comprises deposits and balances received for residential visits and holiday lets.

23. Analysis of charitable funds

Analysis of movements in unrestricted funds

a) Year ending 31 August 2025

	Balance 1 September 2024 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2025 £
Unrestricted fixed asset funds	552,606	25,501	-	-	578,107
Unrestricted income funds	905,506	1,983,801	(2,125,897)	(2,384)	761,024
General fund	**1,458,112**	**2,009,302**	**(2,125,897)**	**(2,384)**	**1,339,133**

b) Year ending 31 August 2024

	Balance 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2024 £
Unrestricted fixed asset funds	563,855	9,072	(20,321)	-	552,606
Unrestricted income funds	889,715	1,887,440	(1,868,049)	(3,600)	905,506
General fund	1,453,570	1,896,512	(1,888,370)	(3,600)	1,458,112

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	Unrestricted funds used at the discretion of the Trustees to further any of the Charity's purposes. The Trustees' policy is to maintain the general fund at an appropriate level, planning for adverse economic conditions and other potential threats, safeguarding the long-term future of the charity and providing assurance to schools, staff and supporters. Unrestricted fixed asset funds represents the net book value of fixed assets purchased with unrestricted funds. Those purchased with restricted funds are held as restricted fixed asset funds.

23. Analysis of movements in restricted funds (continued)

a) Year Ending 31 August 2024

	Balance 1 September 2024 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2025 £
Income funds					
Geographically restricted beneficiaries	200,050	477,673	482,946	-	194,777
Access Funds	31,926	40,750	53,175	-	19,501
Burrow Farm	21,528	75,960	13,623	(58,865)	25,000
Farm equipment	1,814	63,000	2,378	(61,958)	479
Other costs	-	25,168	2,384	2,384	25,168
	200,050	477,673	482,946	-	194,777
	255,318	682,551	554,506	(118,439)	264,925
Fixed Assets Funds					
Nethercott House	600,260	4,677	29,057	58,865	634,745
Lower Treginnis	470,856	4,916	27,752	-	448,020
Wick Court	1,336,355	2,103	30,545	61,958	
					1,369,872
	2,407,472	11,696	87,354	120,823	2,452,636
Total funds	**2,662,788**	**694,247**	**641,860**	**2,384**	**2,717,559**

Name of restricted fund	Description, nature and purposes of the fund
Geographically restricted child places	Donations received to support children from specific geographical areas of the UK or specific schools.
Access Funds	Funding received from which was allocated to support schools that would not be able to visit our farms without additional financial support.
Residential visits (all farms)	Funding received from various funders to support residential visits.
Farm equipment	Funds received to support the purchase of farm equipment including tractors.
Burrow Farm	Income received to develop part of the site at Burrow Farm, Nethercott House.
Own use Property (all farms)	The restricted capital fund balances for Nethercott House, Lower Treginnis and Wick Court include funds received for specific capital developments, and assets including land, property values and major plant.

23. Analysis of charitable funds (continued)

b) Year Ending 31 August 2024

	Balance 1 September 2023 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2024 £
Income funds					
Geographically restricted beneficiaries	60,395	474,140	(334,485)	-	200,050
Access Funds	172,360	61,000	(201,434)	-	31,926
Farm equipment	23,387	78,413	(41,462)	(58,525)	1,813
Burrow Farm		78,000	-	(56,472)	21,528
Other costs		2,307	(2,307)	-	-
	256,142	693,860	(579,688)	(114,997)	255,317
Fixed Assets Funds					
Nethercott House	547,630	-	(22,336)	74,966	600,260
Lower Treginnis	454,960	-	(25,713)	41,609	470,856
Wick Court	1,364,722	-	(30,389)	2,022	1,336,355
	2,367,312	-	(78,438)	118,597	2,407,471
Total funds	**2,623,454**	**693,860**	**(658,126)**	**3,600**	**2,662,788**

24. Analysis of net assets between funds

a) Year ending 31 August 2025

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	578,107	2,452,636	3,030,744
Current assets	1,410,753	264,925	1,675,678
Current liabilities	(649,730)		(649,730)
Total	1,339,131	2,717,561	4,056,692

b) Year ending 31 August 2024

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	552,605	2,407,472	2,960,077
Current assets	1,471,913	255,316	1,727,229
Current liabilities	(566,406)	-	(566,406)
Total	**1,458,112**	**2,662,788**	**4,120,900**

25. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Not later than 1 year	19,254	19,726
Later than 1 year and not later than 5 years	30,464	35,966
Later than 5 years	87,300	60,800
	137,018	**116,492**

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Net movement in funds	(64,208)	43,876	(40,788)	16,860
Add back depreciation charge	95,277	98,757	95,277	98,757
Deduct interest income shown in investing activities	(41,469)	(41,123)	(41,469)	(41,123)
Loss/(profit) on disposal of fixed assets	-	(1,750)	-	(1,750)
Decrease/(increase) in stock	(4,863)	1,947	(2,362)	1,895
(Increase)/decrease in debtors	(38,723)	51,462	(43,237)	45,274
Increase/(decrease) in creditors	83,324	29,076	83,123	35,630
Net cash used in operating activities	29,337	**182,245**	50,544	**155,543**

27. Capital Commitments

Farms for City Children has future commitments for the following projects and expects these commitments to be contracted within the next year and financed by cash reserves and grants.

	2025 £	2024 £
Capital expenditure that has been contracted but has not been provided for in the Financial Statements	-	-

28. Prior Year Consolidated Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Income			
Donations and legacies			
Donations and legacies	711,032	228,913	939,945
Income from charitable activities:			
Charitable activities	1,059,033	464,947	1,523,980
Income from other trading activities:			
Trading operations	85,324	-	85,324
Investment income	41,123	-	41,123
Other income			
Total income	**1,896,512**	**693,860**	**2,590,372**
Expenditure			
Costs of raising funds:	377,833	-	377,833
Trading operations			
Fundraising support costs	1,510,537	658,126	2,168,663
Expenditure on charitable activities:			
Charitable activities	**1,888,370**	**658,126**	**2,546,496**
Total expenditure			
	-	**-**	**-**
Gain/(loss) on sale of fixed assets	**(3,600)**	**3,600**	**-**
Net (expenditure)/income and net movement in funds for the year	**4,542**	**39,334**	**43,876**
Reconciliation of funds			
Total Funds brought forward	1,453,570	2,623,454	4,077,024
Total funds carried forward	**1,458,112**	**2,662,788**	**4,120,900**

FARMS FOR CITY CHILDREN LIMITED

England & Wales - Charity number 325120

Accounts

Farms for City Children Limited

(A charitable company limited by guarantee)

Report and Financial Statements

Year ending 31 August 2024

Registered Charity Number: 325120

Registered Company Number: 01177239 (England and Wales)

Farms for City Children Limited
Report and Financial Statements for the year ended 31 August 2024

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Farms for City Children Limited

Reference and administrative details

Charity number:	325120
Company number:	01177239
Registered Office:	Unit 2 Huxham Barns, Huxham, Exeter, EX5 4EJ

Directors and Trustees

The Directors of the Charitable Company (Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chair	Rachel Goult	
Trustees	Sir Michael Morpurgo OBE	
	Lady Morpurgo MBE	
	Frances Harris	(resigned 8 June 2024)
	Rosanna Machado	(appointed 22 May 2024)
	Jayne Copley	(appointed 22 May 2024)
	Richard Ash	
	Andrew Bailey	
	Jonathan Bishop	
	Rachel Goult	
	Simon Gregory	(resigned 8 June 2024)
	Rose O'Hagan	(appointed 3 July 2024)
	Mary Trussell	
	Simon Whatler	(appointed 22 May 2024)
	Alexandra Hollingshead	(appointed 28 October 2024)
Secretary	Lady Morpurgo MBE	
Chief Executive	Donna Marie Edmonds	
Auditors	Westcotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ	
Bankers	NatWest Bank plc 59 High Street Exeter Devon EX4 3DL	

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2024

The Trustees are pleased to present their Annual Trustees' Report together with the consolidated Financial Statements of the Charity and its subsidiary for the year ending 31 August 2024. The Report and Financial Statements are prepared to meet the Directors' Report and Accounts requirements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Report

2023-2024 has been an incredible year for Farms for City Children, touching and changing the lives of more children and young people than ever before in the charity's long 48-year history.

The clarity of our mission has been enhanced by our Theory of Change, which clearly lays out the route to achieving our three pledges for our beneficiaries: i) Increased Learning & Engagement, ii) Improved Connections & Wellbeing, and iii) Enhanced Environmental Citizenship.

The impact data laid out in this report demonstrates that we are excelling in the delivery of our goals, and we will strive to do even better in the years ahead. None of this would be possible without the unwavering support and energy of our all our staff, volunteers, trustees and, of course, funders. A huge 'Thank You' to each and every one of you.

With the framework of our new 2024-2027 Business Plan, we are hugely excited for what the future will bring to our charity over the next 3-years, and beyond. Bookings for 2024-2025 are already at near-full capacity, and we will focus our efforts on increased fundraising so that we can continue to reach even more beneficiaries.

The cost-of-living crisis is having a profound impact on so many of our schools and community groups, so it is vital that we do all we can to ensure our product offering is affordable to all. We are also looking ahead to 2026, a year in which we will celebrate our 50th Anniversary milestone with a collection of exciting events. Our wish is to raise the profile of Farms for City Children, and increase income through funding, so that we, just like our beneficiaries, are resilient to what lies ahead.

Rachel Goult,
Chair of the Board of Trustees

Our purposes and activities

Farms for City Children exists to remove the barriers that prevent children and young people having meaningful access to the natural world. Through our food, farming, and nature-connected wellbeing offer, we strive to empower the next generation to experience the physical and mental health benefits of being in the countryside, and to see themselves as the custodians of our landscape for generations to come.

During an immersive five-day residential stay on one of our stunning heritage farms in Devon, Gloucestershire, and Pembrokeshire, children and young people participate in seasonal farming tasks alongside experienced farm teams and partner Farmers. Quite simply, we "grow children". During a week in wellies our beneficiaries experience a profound connection to our animals and land, develop a sense of their own social and moral responsibility to be stewards of our planet, and leave us as more curious, courageous, and compassionate young people able to forge and sustain committed relationships with teachers and peers.

2023-24 was an incredible year for Farms for City Children with more weeks of activity on the farms than ever before in our almost 50-year history. The diversity of our beneficiaries continued to grow with new partnerships across maintained primary and schools, FE colleges, community associations, Scouts, and Gold award Duke of Edinburgh participants. 83 loyal returning schools were joined by 16 new schools from 20 counties across England and Wales, and 16 London boroughs. In June, with donors, partners, teachers and our beneficiaries, the charity celebrated a Festival of Learning at the Butchers' Hall in central London, in a farm take-over that saw us bring all three farms into the square mile to showcase the work that we do. This was a joyous occasion, made even more celebratory by the attendance of the Worshipful Company of Butchers livery, an array of VIP guests and ambassadors, and of course, our incredible Patron, HRH the Princess Royal.

With the charity going from strength-to-strength every year, we eagerly await 2024/25 and all the wonderful experiences that we will deliver for our children and young people.

What do children learn?

Days start early on our immersive five-day residential and, whilst the cycle of the seasons and vagaries of the weather ensure that each day is different, there is a reassuring routine and structure to life on the farm.

A combination of physical farm tasks in compassionately tending to the animals and their welfare and maintaining the farms is combined with sowing, harvesting, and cooking tasks that anchor the young person to an understanding of the field > farm > fork journey. This improves food choices, increases the consumption of fresh, locally produced meat, fruit, and vegetables, which can help young people to develop longer term commitments to leading a healthier life.

Our focus on nature nurture is delivered through wellbeing activities to induce greater nature connectedness from long biodiversity walks, birdwatching on the coast and the riverside, beekeeping sessions, sustainable arts and crafts, mindfulness sessions, storytelling, poetry, and astronomy. Collaborating on tasks never previously attempted develops courage, confidence, and curiosity.

Our purposes and activities (continued)

Children and young people learn to be mindful, empathetic, and to notice their environment. They learn to take responsibility for themselves, each other, and work in harmony with the animals and the land. Free from digital intrusion, their analogue imaginations are liberated, and they enjoy mental health respite from the pressures of a life lived online.

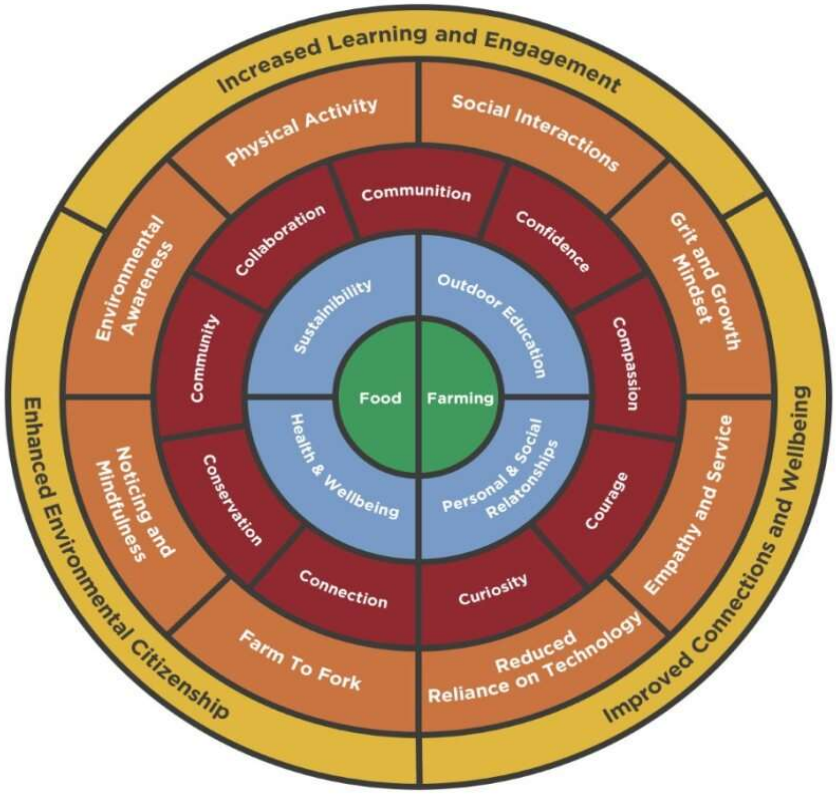
Being on the farm gives each child or young person that space to just be. With reduced stress levels, increased freedom and more meaningful interactions and connections, young people return home having developed greater resilience and attained an enormous sense of pride from being a "Farmer for a Week."

Farms for City Children knows that our week empowers active citizenship in our young people. Alumni contact us to report that their relationship with nature has been sustained from their visit on the farm as a child into adulthood. We know that the impact of providing these experiences in childhood means that we will give young people the agency to deal with the climate emergency and the loss of biodiversity. We are supporting them to 'grow up greener' and contribute to a sustainable future economy.

In the short term, we know that children and young people return happy and fulfilled, walking a little taller with knowledge, skills, and expertise that they did not have when they set off from home. They will never forget the memories they make, the relationships they cultivated, or the way that they felt about themselves as they flourished through a week of "muck and magic" at Farms for City Children.

Our purposes and activities (continued)

The Impact of our offer



Increased Learning and Engagement

"Strengthening relationships between the teacher and children, particularly a child who struggles to learn in a 'traditional way".

Learning outdoors enhances engagement and promotes active learning, helping young people make links between curriculum lessons and real - life scenarios.

".. this boy really excelled at the farm, and it showed staff that he needs to learn in a more 'hands on' way and that he isn't being oppositional, more he can't necessarily access the learning in the same ways as most children." *(Lead Teacher Reflection).*

Positive outcomes include practical experience of a variety of subject areas, collaborative working, greater motivation and improved behaviour.

100% of our school and group leaders said that their farm residential had an outstanding or good impact on young people's physical activity.

Our purposes and activities (continued)

"A huge experience, learning how to farm and about the animals, and where our food comes from. How important farm animals are. How hard farmers' work." (Year 6 pupil, St George and St Teresa Catholic Primary School, Solihull).

A week on one of our farms exposes young people to a breadth of farming tasks and wellbeing activities which enable our beneficiaries to grow in mindset, build resilience, and develop transferable skills such as communication and curiosity.

95% of our school and group leaders said that their farm residential had an outstanding or good impact on their young people's development of a grit and growth mindset.

From applying literacy and numeracy knowledge to real-work problems, to seeing practical applications of STEM subject knowledge in tasks across the farm, children and young people gain an introduction to the world of work through hands on activities where they are responsible for the livestock and each other.

"***The practical and hands on nature of the tasks meant they were really engaged, more than in the classroom setting"***

"Around the farm it was stunning. I met the staff, and they made me smile. I love the jobs they gave us. On the last day you will see how much fun you have had and how good the food is and how you have overcome your fears." (Pupil, West Borough Primary School, London)

Improved Connections and Wellbeing

"The core value of compassion is most important to us. We feel that this is the behaviour that our children (this year group especially) struggle with so much in school. They find it hard to have empathy with others, but we have seen some lovely examples of care between the children." (Lead teacher, John Donne School)."

In 2023, 20.3% of 8 – 16 year olds had a probable mental health issue". (digital.nhs.uk), that's 5 or more children in every classroom. Children and young people, and the teachers who care for them, need the opportunity to come together outside of the classroom and invest in health, wellbeing, and relationships.

100% of our school and group leaders said that their farm residential had an outstanding or good impact on their young people's social connections.

The chance to work and play in nature, tell stories, to build dens and create campfires, offers both the children and their teachers a time to decompress from the stresses of life and reduce our modern reliance on technology.

"You can do other things to make you happy than go on a screen or use technology" (Year 6 pupil, St George and St Teresa Catholic Primary School, Solihull).

Our purposes and activities (continued)

Living on the farm for the week liberates imaginations, and children and their teachers talk to each other, share discoveries and build connections that change behaviour and engagement upon return to school.

99% of our school and group leaders said that their farm residential had an outstanding or good impact on reducing their young people's reliance on technology and digital devices.

"*I am proud of waking up early and getting on with things that don't involve a piece of technology."* (Year 5 pupil, Goodrich Community Primary, Southwark, London)

The self-esteem built from conquering challenging farm tasks is complemented by the space to just 'be' during nature sessions, on coastal or biodiversity walks, trying natural arts and crafts or from mindfulness sessions.

"Honestly, I can't even begin to tell you how much of an impact everyone at FfCC had on my life. I hadn't ever felt as 'myself' as I did in that week. Everyone was so inclusive, and I felt appreciated for just existing as I am." (Duke of Edinburgh Gold Award Alumni)

Enhanced Environmental Citizenship

"The staff were all so knowledgeable and passionate about the environment, the children came away with a great understanding of their place within the environment, and their responsibilities as citizens." (Lead teacher, Holton Primary School)

The Natural History Museum's Biodiversity Index places the UK in the bottom 10% of 240 nations for original nature preservation. This means that we live in "one of the most nature depleted countries on Earth" (2). Little wonder that out of 14 nations surveyed, the UK ranks bottom in Europe for nature connectedness and wellbeing.

"*Being outdoors makes me feel free. I've realised that when I'm outside I have more fun them being inside on my electronics all day. This trip has made me more of an outside type of person and I really want to come again!*" (Year 5 pupil, Portway Primary School, Newham, London)

100% of our school and group leaders said that their farm residential had an outstanding or good impact on their young people's awareness of nature.

"Stress, anxiety and depression are positively moderated by connection to nature." (3)
A week at Farms for City Children explicitly teaches young people and their teachers how to be the future stewards of the countryside and how to connect more meaningfully with nature as it exists in their home locations.

"The children have never experienced a world like this. It has opened their eyes to new opportunities and the children have a greater understanding of their responsibility to the world around them." (Lead teacher, Harris Primary Crystal Palace)

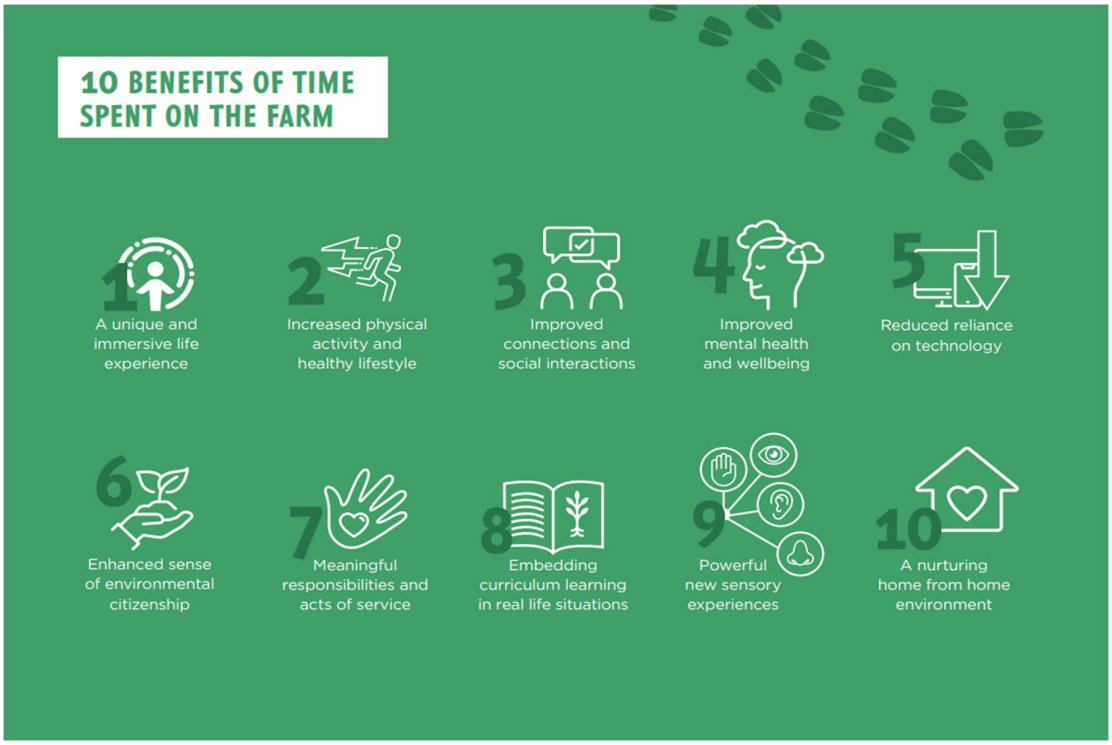
Our purposes and activities (continued)

Learning about sustainable farming and its links to climate protection, about biodiversity and securing species and habitats, and linking children and young people to where their food comes from is a key outcome of the work of the charity. Growing, harvesting, preparing, and cooking their own food improves children's food choices, increases consumption of locally sourced fresh products and highlights the benefits for health around good eating habits.

98% of our school and group leaders said that their farm residential had an outstanding or good impact on their young people's understanding of the farm to fork journey.

Children return home, knowing that even back in the city there are choices they can make to protect our planet.

"*I am excited to be able to know how the world works and how to take care of animals that I didn't know before*."(Year 6 pupil, Keyham Barton Catholic Primary, Plymouth)



Achievements and performance

2023-24 was a very successful year for Farms for City Children. Moving closer to full occupancy of 120 weeks across the year we had visits from 106 schools and groups. Across the 3 farms we worked with a total of 3,188 young people alongside 442 accompanying adults. This amounted to 2,552 hours of activities being provided to children and young people.

As we focus on our core beneficiaries we are able to say that 55% came from locations which are some of the 30% deprived areas of England and Wales. Whilst we continue to grow the schools we work with to ensure as many young people as possible can access our offer, we also work with young people from community groups, across all areas of England and Wales, and with a focus on those who would not otherwise have access with 96% of beneficiaries coming from urban areas. Our beneficiaries came from 20 counties across England and Wales and 37% are entitled to Free School Meals.

As we expand the number of weeks we have available for residential visits we have been able to increase the schools and groups visiting. We were delighted to welcome 16 new schools alongside 83 returning schools in 2023-24. In addition to our schools we expanded the number of community youth groups visiting to help fill the weeks that are less accessible to schools. We had 7 community groups visiting in 2023-24 including 3 groups who were completely new to Farms for City Children.

Across the year we had 116 weeks booked of our 120 weeks target for maximum occupancy with 10 commercial lets. This represents nearly 97% occupancy.

Nethercott House

This year, we have provided residentials for 1058 young beneficiaries and 147 accompanying adults. They have come from 31 schools, 3 groups and an FE college drawn, geographically, from the Midlands, London and the South East, the South and South West of England.

Since taking back approximately 40 acres of land at Burrow Farm, we have been proud to work alongside other agencies to benefit from nature rich farming. Our wood pasture creation project (funded by The Woodland Trust) comprises of circular 'roundels' which have been planted up by a mix of local groups and visiting schools across autumn and into early winter. These 14 fenced, circular enclosures are like 30 metre diameter stepping stones for nature with a central, large canopy tree surrounded by native shrub. In time, the wood pasture will help provide shelter and forage for our livestock, opportunities for wildlife and help manage water runoff from the farm which will benefit our two local rivers. It was a pleasure to hear how passionately our young people from North East Surrey College of Technology described their experience of tree planting to HRH Princess Anne at The Festival of Learning and hear from the children of various primary schools in both radio interviews and video links. The experience will stay with them for a lifetime and benefit the landscape for years to come.

Two small ponds or 'scrapes' have also been created, funded by The Devon Wildlife Trust. These will help collect water at the lower end of the farm in periods of high rainfall. Like the tree planting, these will help manage the water flowing off the farm to benefit the river and provide opportunities for wildlife. Visiting children enjoyed watching them take shape and they will hopefully provide a great place to spot wildlife in years to come.

Achievements and performance (continued)

We were excited to bale our first cut from the new hay meadow (also funded by the Devon Wildlife Trust) ready for the children to feed our rare breed cattle in the sheds during winter when they can't be out in the fields. By increasing the native grasses and wildflowers grown in the meadow the nutritional content for our livestock will be improved and the land will benefit from butterflies, bees and other insects when it grows again in spring. It has been exciting to share the development of the land with the visiting young people, involving them and sharing what we do as they connect with the nature around them and understand the connections we are making.

Lower Treginnis

This year, we have hosted 34 groups at Lower Treginnis, serving 1,060 children and young people and 102 teachers. A third of our beneficiaries visit us from Welsh schools, allowing us to impact not only those children from an urban setting, but those from rural and coastal areas that, despite their setting, sadly share those barriers that prevent children and young people from having meaningful access to the natural world.

We continue to work with the Ernest Cook Trust's Outdoor Week of Learning (OWL) collaboration to address the needs of deprived communities in the Vale of Glamorgan, and are ever grateful to our local fundraisers – the Friends of Treginnis – who ensure that local Pembrokeshire schools have access to a week of muck and magic on the farm.

In addition to our traditional school visits, we continue to serve other groups as part of our commitment to providing transformative educational experiences for all. In July, we hosted a group of children from military families and welcomed a group of 37 children and young people from the Redditch District Scouts to our farm in April. The young people particularly enjoyed going out into the sheep fields with our partner farmer Aled, and those who were lucky enough to witness him assisting with a live lambing have since said it was a "once in a lifetime opportunity" that "we will probably never get to see again".

Such visits from a more varied group of beneficiaries have helped us explore different perspectives on the farm's educational scope and consequently broadening the horizons of our visiting children and young people. This has allowed us to experiment with a more bespoke itinerary which has included: beach cleans for a local sustainability community group, evening storytelling sessions led by the amazing British writers and illustrators Jackie Morris and Nicola Davies, as well as an opportunity to work alongside Cân-y-Môr, the UK's first community-owned seaweed and shellfish farm. This collaboration introduces visiting children to the innovative field of aquaculture, with children observing the seaweed farm on their coastal walk, participating in workshops about seaweed farming and identifying and harvesting seaweed during their time on the beach.

Wick Court

This year Wick Court has delivered 38 weeks of farming to 1071 young people and 157 adults; hosting 34 primary schools, one secondary school, one FE college and two youth groups, and welcomed over a thousand additional guests to the farm. A large proportion of our beneficiary groups returned from

London, and we also welcomed new groups from northern cities, including Liverpool and Manchester. Thanks to funding through the OWL Project, we hosted three Gloucester schools. These schools are

Achievements and performance (continued)

located within one of the most socio-economically deprived areas of the country and we have never been more convinced that there is a need right on our doorstep. We are pleased to extend this offer to four local schools next year.

The weeks without groups in residence have also proven productive during in this busy year. As tradition defines, we held our Wick Court Wassail in January and, in June we held the increasingly popular, Open Farm Sunday. This is becoming an annual staple within the community, but we are also seeing more visitors from further afield, like Cheltenham and the Forest of Dean. We offered house tours, craft activities, storytelling and den building, attracting an impressive 718 people and, in the same month, Wick Court Farm School Manager, Stevie Edge - McKee, alongside Nethercott House Farm School Leader Sophie Khayat gave a presentation to 200 attendees at the 6th University of Derby Nature Connection Conference. We focussed on the role of online learning as a scaffold to engagement within on-farm beekeeping sessions and young people's wider connection to invertebrates.

Out on the farm we have welcomed lots of new additions including Dorset and Ryland Gloucester calves and Old Spot piglets. We continue to supply meat into our local farm shop, *Eastington*, and to award-winning CIC pay-what- you-can restaurant *The Long Table*. We continue to welcome back consistent numbers of rare bats in the roost in the attic and enjoy sharing information about these fascinating mammals with our young beneficiaries.

Importantly we are pleased to report a bumper year for fruit production, and that the perry pears Wick Court are known for, were processed by the young people into tasty juice served. In April we worked with poet James Crowden to create work inspired by orchard blossom for permanent display in the house. In May we held our first Orchard Blossom Day; with a focus on environmentally themed family activities. The day enabled us to work with partners including Tyler Grange and Gloucestershire Wildlife Trust. Following this we have given special attention to the Wick Court Produce Room. With new floors and ceiling, we hope to extend juicing into the winter months thanks to a 5-star hygiene rating and the kind donation of two new chest freezers. We are also celebrating a bumper year of honey, eggs and vegetables!

Outdoor Week of Learning (Ernest Cook Trust)

We are proud to collaborate with the Ernest Cook Trust Outdoor Week of Learning (OWL), which this year enabled ten residential weeks for children in South and West Wales and Gloucestershire. Alongside delivering outdoor learning, partners in this collaboration share best practice, training opportunities, and use joint evaluation techniques. In 24/25 Farms for City Children will work with the Ernest Cook Trust to ensure that more children and young people benefit from our food, farming, and outdoor learning offer, and we look forward to complementing visits through OWL Nest which will support schools to embed outdoor learning in the school setting.

Achievements and performance (continued)

Friends of Treginnis

Our wonderful Friends of Treginnis fundraise tirelessly year-round to enable children living in Pembrokeshire to benefit from a week at Lower Treginnis. Their support means that we can welcome children from rural areas, where we know many children and young people face similar challenges to those who live in urban areas coupled with rural isolation.

Fundraising

Through its fundraising Farms for City Children subsidises every visit to its farms by 54% to ensure affordability and accessibility for all children and young people regardless of their background.

Building on 22/23 the fundraising team is now at its full complement of four fundraisers, a Head of Fundraising and a Database Administrator. Providing the capacity and skills needed to deliver our strategy to meet income targets.

Key income streams remain as, Trusts and Foundations, Individual Giving and Corporate support complemented with Community support, Major Gifts, Legacy, and In-Memorium donations.

The environment we find ourselves operating in continues to be challenging placing greater emphasis on the need to diversify income streams and prioritise efforts of the team.

Despite the challenges faced with building the team and the fundraising environment, the charity successfully raised over £1.4 million for delivery and core costs, capital projects, and additional school/group financial support for visits, known internally as access funds.

Our sincere thanks go to every supporter, we are encouraged by the on-going and new support received in the year, to help us meet the ever-increasing need for high quality access to food, farming, and outdoor learning for today's young people.

Trusts and Foundations

The charity is proud of the relationships it holds with the Trusts and Foundations that continue to support our work and children and young people, from some of the most deprived and underserved communities of England and Wales.

The Trusts and Foundations team saw a new Grants Development Manager join the charity in March when our previous role holder moved into the role of Head of Fundraising.

We pride ourselves on the high level of stewardship and relationship building this team provides and extend our gratitude to the small and medium grant makers who are integral to our programme each year alongside grant funders who have entrusted larger and multi-year gifts which make a significant difference to future planning and financial security.

Achievements and performance (continued)

Individual Giving
We are delighted to have exceeded our annual target for individual giving. The charity participated in two match funding appeals, the Big Give Christmas Challenge and The Childhood Trust Champions for Children with both campaigns surpassing target and engaging new supporters. Our regular donors provide much needed on-going support, and this year we are pleased to have experienced some growth in this area.

Corporate
Our Corporate Fundraising Manager joined the charity in January 2024. They have built relationships with existing corporate supporters, some of whom went that extra mile by taking on adventurous challenges to raise funds. We have also begun our strategic journey to grow corporate support with organisations aligned with Farms for City Children's values and mission and are delighted to welcome new supporters to the Farms for City Children family.

Legacy
FfCC continued its partnership with Octopus Legacy (formerly Guardian Angel) to promote the benefits of leaving gifts in wills to the charity. This work and the support given by legacy pledgers is very much viewed as income for the future and is a key area for future growth.

Community
Community fundraised income is valued and appreciated by Farms for City Children. Wherever possible the charity supports events and fundraisers, in person, online, and with relevant materials. Across the three farms and beyond we have generous community groups raising funds in aid of FfCC to support the costs of farm residentials.

Major Donors
This is an income stream where capacity has been restricted, however the ambition is to grow our major donor supporter base now the team is resourced. We are grateful to our existing major donors who have supported match funding campaigns and capital appeals.

Capital projects
Alongside raising funds to deliver farm residentials the charity was successful in securing significant funds for improvement projects at Nethercott's Burrow Farm, for Wick Court to replace a barn, and for not one but two tractors.

Looking ahead
2023/24 focused on building a strong team of fundraisers to deliver the fundraising pillar of the strategic business plan 2024-27. We acknowledge that the fundraising environment will continue to be challenging, particularly in the grants' sector, and that we must raise significant funds to enable even more children and young people to benefit from food, farming, and outdoor learning activities and to safeguard the charity for the future.

Achievements and performance (continued)

Looking ahead the team will work with the newly appointed Marketing and Communications Manager to strengthen engagement and to grow our digital fundraising skills and profile. In 24/25 opportunities and efforts for income growth will focus on corporate support and growing our major donor and legacy portfolios, whilst maintaining grant awards, individual giving, and community support.

Fundraising in practice

Farms for City Children is registered with the Fundraising Regulator and adheres to the standards set out in the Fundraising Code of Practice. The charity is committed to legal, open, honest, and respectful practice as detailed in its own Principles of Fundraising and carries out relevant due diligence to record and justify decisions.

Due to the nature of our work safeguarding is a key aspect in everything that we do, we always consider vulnerable people when undertaking fundraising to ensure that they are respected and protected in all that we do. We do not share or sell donor data. We work closely with commercial partners to ensure that they operate to our expected standards. Our fundraising team is directly employed by Farms for City Children, and we do not employ third party fundraisers to operate on our behalf.

In the financial year we received no complaints relating to our fundraising activities. Any complaints received would be managed appropriately, by listening to the complainant, and responding with consideration and honesty in a timely manner.

Financial review

Farms for City Children Limited had a surplus of £43,876 in the year 2023-24 (2023: £233,789). This meant that total group funds at 31 August 2024 were £4,120,900 (2023: £4,077,024). Income from residentials in the year ended 31 August 2024 was £1,010,519 (2023: £952,497). Whilst the number of residential weeks was higher in 2023-24 the average income was slightly lower due to funding provided by our fundraising and access funds.

In 2023-24 just over 53% of all income was received from grants, donations, and legacies. This funding supports the additional costs of funding residential visits and our support costs. The direct costs of running our farms was around £1.5m and so we need to support these costs from elsewhere by around one third. Income from grants and donations amounted to £1,404,892 which was a 9.6% increase from 2023 (2023: £1,291,345). Investment has been made in the fundraising team in 2023-24 increasing staff numbers from 3 to 6 in the year. We received grants for capital purchases totalling £148,510 (2023: £59,924) which enabled us to purchase a new tractor and mower at Lower Treginnis, a washing machine at Wick Court, polytunnel at Nethercott House and to commence the next stage of the development of the Burrow at Nethercott House including the purchase of an electric UTV buggy.

Financial review (Continued)

Income from the sale of merchandise and letting out of farms amounted to £73,755 (2023: £40,270). This increase was largely as a result of lettings which amounted to £43,884 (£11,219) from 10 weeks. This has been achieved by setting aside weeks that would otherwise not be filled due to the school holidays. This activity is operated by the wholly owned trading subsidiary, FFCC Enterprises Limited. In the year £24,783 (2023: nil) was gift aided from the trading subsidiary to the charity. We took the decision to let the farms on a commercial basis for selected weeks throughout the year which we were unable to fill with schools or non-school groups.

Investment income was substantially higher in 2024 at £41,123 (2023: £13,485) and is as a result of £750,000 being put aside in long term and notice cash deposit accounts over the course of the year. This income will continue to grow with a further £200,000 set aside on 35 day notice with our bank towards the end of the year.

Costs of charitable activities were £2,168,663 for the year which is very similar to the 2023 level (2023: £2,168,572). Despite substantial cost pressures due the rise in the cost of living the farm teams were able to make some cost savings. Delays in recruitment of some staff also enabled cost savings. Despite cost pressure Trustees were able to address the increase in the national living wage and provide comparatively positive increase for the majority of staff in year. Costs of raising funds saw a substantial increase from £238,538 in 2023 to £377,833 in 2024 due to the increase in staffing numbers within the fundraising team and the costs associated with increased trading activities through the trading subsidiary.

At the end of the year £3,600 was transferred from unrestricted funds to restricted funds to cover the additional costs associated with the purchase of a tractor at Lower Treginnis which was very kindly largely funded by a donor.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of running Farms for City Children Limited, have kept available funds in several interest-bearing deposit accounts and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. There are currently no plans to invest anywhere other than in cash deposits.

Reserves policy

At 31 August 2024, total reserves were £4,120,900 (2023: £4,077,024). Of this £2,960,077 were fixed asset reserves (2023: £2,931,167). Reserves restricted in their use at 31 August 2024 amounted to £2,662,790 (2023: £2,623,454). These are split between fixed assets and income funds. Restricted income funds are largely to support future residential visits.

Financial review (Continued)

Trustees reserves policy is to maintain between 3 and 6 months operating costs in free reserves. Whilst the Trustees would ideally aim to have 6 months free reserves they recognise that as the charity continues to recover from the pandemic and the effects of the cost of living crisis on bookings this is a longer term goal. At 31 August 2024 free reserves (unrestricted reserves less unrestricted fixed assets) of the group were within this policy and stood at £905,505 (2022: £889,715) which represents 3.7 months' operating costs at the balance sheet date.

Going concern

The 3 year business plan from 2024 to 2027 was approved in April 2024 and includes a 3 year budgetary forecast which gives financial stability whilst ensuring free reserves remain in excess of 3 months at the end of the 2027. The plan sets out the key goal to ensure financial stability which remains achievable. The Trustees therefore believe it is appropriate to prepare the Financial Statements on the going concern basis.

Plans for future periods

The charity enters the year 2024-25 with a sense of great hope and optimism. Our three-year strategic business plan 2024 to 2027 came into effect on 1 September 2024 and sees the charity project ambitions for a more sustainable financial future and a renewed commitment to inclusion by maintaining year-round operations that welcome increasingly diverse beneficiaries to experience our offer. This strategic plan is based on 4 pillars: fundraising, communication, operations and people.

During 2023-24 we substantially increased our fundraising team and so are expecting a significant increase in our fundraising income at the same time as continuing to diversify our funding over the next 3 years. We also plan to work to grow individual, corporate and legacy giving.

We will strive to deliver strategic communications that build awareness of Farms for City Children Limited's education rich offer and strive to grow our number of visits by beneficiaries and attract new funders. We have recruited a new Marketing and Communications Manager and will develop and deliver a new website alongside refreshing the brand to ensure it appeals to our target market.

Our final key priority is to ensure we recruit, maintain and retain a full complement of high qualified and motivated staff team who are aligned to our business plan. The focus is on stability to ensure we have a strong foundation for the future.

To ensure sustainability for the future we will have invested in our communication, sales and fundraising team over the last 12 months and the benefit of this investment is expected to take a year to 18 months as we build our profile. We will invest in 2024-25 to ensure we have a balanced budget from 2025-26 once our plans have been able to embed.

Plans for future periods (Continued)

As we look ahead 2026 we will start to focus on our 50-year anniversary and will ensure it is a time to reflect and celebrate our successes and the beneficiaries we have supported over the years.

Structure, Governance and Management

Governing Document

Farms for City Children Limited is a registered charity (No 325120) and a company (No 01177239) limited by guarantee. The governing document of Farms for City Children Limited is its Articles of Association dated 13th July 2021. The company was incorporated on 12 July 1974 and registered as a charity on 6 November 1974. The Trustees of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Appointment, induction, and training of trustees

Trustees are recruited for their expertise, experience, and skills in a variety of relevant fields. All Trustees undertake a skills audit, and any gaps in skills are proactively considered in recruiting new Trustees. Prospective Trustees are interviewed by a nominations committee made up of the Chair of the Board and two other Trustees. Their appointment is dependent on a unanimous election by the Board. New Trustees are provided with an induction pack of reading material and an induction plan to assist them in familiarising themselves with the work, value, and ethos of the Charity. Trustees are encouraged to visit all three of the farms, and to attend any relevant events alongside their attendance at quarterly meetings. Board wide training is arranged as required. Trustees serve a 3-year term and are eligible for two further 3-year terms up to a maximum of 9 years. As Founders, Sir Michael and Lady Morpurgo are not subject to a maximum term of office as Trustees. In 2024 Simon Gregory and Frances Harris stepped down as Trustees having served 3 terms. We thank them for their commitment to FfCC. We ran a successful recruitment campaign in 2024 and have welcomed 5 new welcomed 5 new Trustees in; Rosanna Machado, Simon Whatler, Jayne Clark, Rose O'Hagan and Alexandra Hollingshead.

The Trustee Board uses the Charity Governance Code as the basis for the development of the Charity's governance structures and ongoing monitoring of its governance systems and processes. The Board of Trustees undergo regular training and professional development to ensure they remain abreast of current developments, changes in statutes and best practice.

Structure, Governance and Management (continued)

The Trustees ensure the accuracy and timeliness of all financial reporting information through the Finance & Resources Committee, which reviews all financial information and progress on income generation and fundraising strategies. The Finance & Resources Committee, which meets on a quarterly basis, develops, and monitors the Charity's Financial Procedures and Risk Register.

In addition, it reviews operational risks in relation to employment issues as well as keeping abreast of changes in employment law and developing relevant policies. The Finance & Resources Committee also reviews the Health & Safety Policy prior to consideration and approval by the full Board.

The Board routinely meets on a quarterly basis to review the Charity's performance, consider the financial reports and reports from the Senior Leadership Team and Senior Management Team, and to decide other matters of governance and policy, as advised by the Chief Executive.

There are three farms – Nethercott House, Lower Treginnis and Wick Court. We also have an office outside Exeter, Huxham Barns, which is used by our support teams. As many of our support team are now remotely based, this substantially reduced office space is on a lease which ends in 2027 with no plans to renew. Each farm is managed by the Farm School Manager with the support of a Farm Operations Manager and a team of staff who provide the sessions for the children, manage the accommodation, and care for the livestock.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as Trustees with the Charity. Related party relationships are monitored, and a Trustees' Register of Interests maintained and checked annually. Any updates to the Register of Interests or potential conflicts due to the items shown on the agenda are recorded at the start of every Board meeting.

Pay policy for senior staff

The Directors, who are the Charity's Trustees, consider themselves, the Senior Leadership Team, and the Farm School Managers to be the key management personnel in charge of directing and controlling, running, and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration for being a Director/Trustee in the year. Details of related party transactions are disclosed in note 15 to the accounts.

The Finance & Resources Committee meet in the Spring to review all salaries, including those of the Chief Executive and Senior Leadership Team. In their decisions they are informed by the recommendations of the Chief Executive (except in the case of their own salary) and by the Charity's pay policy and scales, which are benchmarked and reviewed every three years.

Structure, Governance and Management (continued)

Risk management

The Trustees review the objectives, services, management, and funding of the organisation as part of an ongoing planning and review process. The Finance & Resources Committee reviews the risk process, reviewing the Risk Register quarterly. There are also routes for any additional areas of concern highlighted through routine reports or arising through changes in external circumstances, new activities, or changes in the law. The risk is assessed, and any further action is identified, and parameters are agreed. The Senior Leadership Team assesses day to day risks using the Risk Register as a management tool to ensure the constant mitigation of potential risks.

The Trustees have reviewed the major risks that could impact on Farms for City Children. These are:

Risk	Mitigation
Financial: The charity relies heavily on two primary sources of income: payments from visiting school groups and charitable donations.	Investment in fundraising to further develop diversity of fundraising income and lower reliance on grant income, increasing operational weeks to 120 weeks and maximize occupancy levels to maximize residentials income and increase investment income by ensuring capital is working as effectively as possible.
Cost of Living Crisis: Parents and schools may be unable to afford a residential visit.	Exploring ways of offering more funding to reduce the cost of a farm visit for the children most in need.
Health and Safety: There are considerable health & safety risks associated with farming and with children working in a farm environment.	Following best practice in terms of children working on a farm, and work alongside health & safety advisers to ensure action plans are appropriate and effected.
Child protection and safeguarding: There are inherent child protection and safeguarding risks in any residential setting.	Ensure up to date safeguarding policy and procedures are working effectively. Trustees with particular specialty in safeguarding.

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the Directors of the Farms for City Children Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees' responsibilities in relation to the Financial Statements (continued)

Company law requires the Trustees to prepare Financial Statements for each year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that Farms for City Children will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Farms for City Children and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Farms for City Children and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Farms for City Children's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which Farms for City Children's auditor is unaware, and
- the Trustees, having made enquiries of fellow Trustees and Farms for City Children's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small companies provision statement

- This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

By order of the Board of Trustees
Rachel Goult (Chair)

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2024

Opinion

We have audited the Financial Statements of Farms for City Children Limited "the charitable parent company" and its subsidiaries (the "group") for the year ended 31 August 2024, which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2024 and of its incoming resources and application of resources profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original Financial Statements were 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 (who are also the Directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Trustees' report.

We have nothing to report to you in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2024

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates. The key laws and regulations we identified were group legislation and regulations in relation to health and safety (RIDDOR) and data protection (GDPR).

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the group complies with laws and regulations and deals with reporting any issues if they arise.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following: -

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Review of any health and safety incidents which have been reported under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") during the period;
- Review of the charitable company and group's controls in relation to GDPR, Safeguarding and Environmental Stewardship and enquiries to Senior Management as to the occurrence and outcome of any reportable breaches;
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non compliance;
- Reviewing Trustees' meeting minutes;

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud.

We evaluated the risk of fraud through management override including that arising from management incentives. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misappropriation of income or misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund;
- Used data analytics to test journal entries throughout the year for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.
- Reviewed financial statement disclosures and examined relevant supporting documentation to assess compliance with applicable laws and regulations.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2024

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group members 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 charitable parent company and its members as a body for our audit work, for this report, or for the opinions we have formed.

Catherine Williams FCA DChA

Senior Statutory Auditor
For and on behalf of
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date:

Farms for City Children Limited
Consolidated Statement of Financial Activities
(including consolidated Income and Expenditure Account)
for the year ending 31 August 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income					
Donations and legacies					
Donations and legacies	3	711,032	228,913	939,945	538,914
Income from charitable activities:					
Charitable activities	4	1,059,033	464,947	1,523,980	2,020,709
Income from other trading activities:					
Trading operations	5	85,324	-	85,324	53,791
Investment income	6	41,123	-	41,123	13,485
Total income		**1,896,512**	**693,860**	**2,590,372**	**2,626,899**
Expenditure					
Costs of raising funds	7	377,833	-	377,833	238,538
Expenditure on charitable activities:					
Charitable activities	8	1,510,537	658,126	2,168,663	2,168,572
Total expenditure		**1,888,370**	**658,126**	**2,546,496**	**2,407,110**
Gain/(loss) on sale of fixed assets		**-**	**-**	**-**	**14,000**
Transfer between funds		**(3,600)**	**3,600**	**-**	**-**
Net (expenditure)/income and net movement in funds for the year	10	**4,542**	**39,334**	**43,876**	**233,789**
Reconciliation of funds					
Total Funds brought forward		1,453,570	2,623,454	4,077,024	3,843,235
Total funds carried forward		**1,458,112**	**2,662,788**	**4,120,900**	**4,077,024**

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

All income and expenditure derive from continuing activities.

The prior year Consolidated Statement of Financial Activities is provided in note 27.

The notes on pages 29 to 48 form an integral part of the Financial Statements.

Farms for City Children Limited
Consolidated Balance Sheet as at 31 August 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible assets	18	2,960,077	2,931,167	2,960,077	2,931,167
Investment	11	-	-	1	1
Total Fixed Assets		**2,960,077**	**2,931,167**	**2,960,078**	**2,931,168**
Current assets					
Stock	19	47,877	49,824	38,651	40,546
Debtors	20	101,225	152,687	120,561	165,835
Cash at bank and in hand	21	1,578,127	1,480,676	1,496,698	1,425,949
Total Current Assets		**1,727,229**	**1,683,187**	**1,655,910**	**1,632,330**
Liabilities					
Creditors falling due within one year	22	(566,406)	(537,330)	(566,374)	(530,744)
Net Current assets		**1,160,823**	**1,145,857**	**1,089,536**	**1,101,586**
Net assets		**4,120,900**	**4,077,024**	**4,049,614**	**4,032,754**
The funds of the Group:	23				
Unrestricted funds					
Income		905,506	889,715	834,220	845,445
Fixed assets		552,606	563,855	552,606	563,855
Total		*1,458,112*	*1,453,570*	*1,386,826*	*1,409,300*
Restricted funds					
Income		255,317	256,142	255,317	256,142
Fixed assets		2,407,471	2,367,312	2,407,471	2,367,312
Total		*2,662,788*	*2,623,454*	*2,662,788*	*2,623,454*
Total group funds		**4,120,900**	**4,077,024**	**4,049,614**	**4,032,754**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the Board authorised for issue on the 27th January 2025 and are signed on their behalf by:

Signed

Rachel Goult, Chair of Board on behalf of the Trustees

The notes on pages 29 to 48 form an integral part of the Financial Statements.

Farms for City Children Limited
Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 August 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash generated by/(used in) operating activities	26	**182,245**	**101,908**	**155,543**	**67,595**
Cash flows (used in)/generated by investing activities					
Interest income		41,123	13,485	41,123	13,485
Repayment of investment from FFCC Enterprises Ltd		-	-	-	6,095
Sale of tangible fixed assets		1,750	14,000	1,750	14,000
Purchase of tangible fixed assets		(127,667)	(107,433)	(127,667)	(107,433)
Cash (used in) investing activities		**(84,794)**	**(79,948)**	**(84,794)**	**(73,853)**
Cash (used) in financing activities					
Repayment of bank borrowings (CBIL)		-	-	-	-
Cash (used in) financing activities		**-**	**-**	**-**	**-**
Increase/(decrease) in cash and cash equivalents in the year		97,451	21,960	70,749	(6,258)
Cash and cash equivalents at the beginning of the year		1,480,676	1,458,716	1,425,949	1,432,207
Total cash and cash equivalents at the end of the year		**1,578,127**	**1,480,676**	**1,496,698**	**1,425,949**

The notes at pages 29 to 48 form an integral part of the Financial Statements.

Farms for City Children Limited

Notes to the accounts for the year ending 31 August 2024

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Farms for City Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

b) Group financial statements

The financial statements consolidate the accounts of the charity Farms for City Children Ltd, company number 01177239, and its wholly owned subsidiary FFCC Enterprises Ltd, company number 03804473, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The surplus for the Charity for the year was £16,860.

c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items is required.

d) Judgements and key accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Accounting Policies (continued)

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance or charitable use of the asset.
- Determination of whether leases entered into by the Charity as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Trustees the debt is not fully recoverable.

e) Preparation of the accounts on a going concern basis

As explained in the Trustees' Annual Report, the Trustees have approved a detailed budget for 2024-25, based on the all-year round operating model with plans for investment in fundraising for future income growth. Having taken into consideration the availability of cash and the level of forecast reserves the Trustees believe it is appropriate to prepare the Financial Statements on the going concern basis.

f) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the Charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income from residential visits is accounted for when a school visits one of the charity's three farms. Payments received in advance of the visit are deferred until the criteria for income recognition are met.

Other trading activities are accounted for in the accounting period to which the income relates.

1. Accounting Policies (continued)

g) Donated services and facilities

Donated services or facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The value of goods and services donated in kind in the year and included in donations is £5,355 (2023: £8,260).

h) Interest receivable

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.

i) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of trading and their associated support costs and fundraising support costs.
- Expenditure on charitable activities includes the costs of the provision of services and activities undertaken to further the purposes of the Charity and their associated support costs.
- Farms for City Children is not registered for VAT and cannot recover VAT on any of its purchases. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1. Accounting Policies (continued)

k) Allocation of support costs

Support costs relate to those functions that assist the Charity's work but do not directly undertake charitable activities. Support costs include back-office costs, finance, HR, payroll and governance costs which support the work of the Charity. The bases on which support costs have been allocated are set out in note 8.

l) Operating leases

The Charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight-line basis over the term of the lease.

The Charity leases offices at Huxham Barns, Huxham, Exeter and this is classified as an operating lease.

The Charity leases land from the National Trust at Lower Treginnis which is also classified as an operating lease.

The Charity classifies the letting of land at Nethercott House, Lower Treginnis and Wick Court under Farming Business Tenancy agreements as operating leases; the title to the land remains with the charity as lessor. All agreements currently have an end date of 31 August 2026, but either party to each lease may terminate the lease by giving 12 months' notice. The total annual rent receivable is £9,819 (2023: £9,819).

1. Accounting Policies (continued)

m) Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life, as follows:

Asset Category	**Depreciation Rate**
Freehold buildings and improvements	
Nethercott House	50 years
Leasehold improvements	
Lower Treginnis	60 years
Wick Court	99 years
Plant and machinery	5 to 25 years
Furniture and equipment	5 years

Freehold land is not depreciated.

Donated fixed assets are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Assets with a value below £2,000 or a life span of less than 1 year are not capitalised within the Financial Statements but expensed to the SOFA.

n) Stock

Trading stock is included at the lower of cost and net realisable value. Net realisable value is based on selling price less any future costs expected to be incurred to completion and disposal.

Animal stocks are included at deemed cost or net realisable value. Feed and resale stock is included at cost.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash 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. Accounting Policies (continued)

q) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) 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. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

s) Pensions

The Charity contributes to an auto enrolment compliant group money purchase defined contribution pension scheme operated by NEST. New and existing employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme operated by NEST contract directly with the insurance company. The Charity makes a matching contribution of 6% (2023: 6%) of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions.

2. Legal status of the Charity

Farms for City Children is a company limited by guarantee, incorporated in England & Wales, and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is Unit 2, Huxham Barns, Huxham, Exeter, EX5 4EJ.

3. Income from donations and legacies

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Donations	694,632	228,913	923,545	528,952
Legacies	16,400	-	16,400	9,962
	711,032	**228,913**	**939,945**	**538,914**

Income from donations includes Gift Aid. From time to time Farms for City Children benefits from the involvement and support of volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not recognised in the accounts. Included in unrestricted donations is an amount £5,355 (2023: £8,260) which is the economic value of goods donated in kind.

4. Income from Charitable Activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Residential visits	1,010,519		1,010,519	1,223,704
Day visits	-		-	11,920
Grants – revenue		148,510	148,510	692,507
Grants - capital	-	316,437	316,437	59,924
Farm produce sales	37,858	-	37,858	17,562
Farm livestock sales	2,838	-	2,838	9,637
Rural Payments Agency grants	7,818	-	7,818	5,455
	1,059,033	**464,947**	**1,523,980**	**2,020,709**

5. Income earned from trading activities

The wholly owned trading subsidiary FFCC Enterprises Ltd is incorporated in the United Kingdom (company number 03804473) and pays all of its profits to the Charity under the gift aid scheme. FFCC Enterprises income arises from short term letting of residential accommodation on the farms and the sale of gifts, books, and cards.

A summary of the trading results is shown below.

	2024 £	2023 £
Rent received	9,819	9,819
Holiday lets	43,884	11,219
Sales of gifts, books and cards	29,871	29,051
Miscellaneous income	1,750	3,702
	85,324	**53,791**

The summary financial performance of the subsidiary alone is:

	2024 £	2023 £
Turnover	73,755	40,270
Cost of sales & administration costs	(21,957)	(15,417)
Net profit/(loss)	51,798	24,853
Amount gift aided to the Charity	(24,783)	-
Retained in subsidiary	27,015	24,853
The assets and liabilities of the subsidiary were:		
Current assets	90,821	64,001
Current liabilities	(19,539)	(19,734)
Total net assets	71,282	44,267
Aggregate share capital & reserves	**71,282**	**44,267**

6. Investment income

All of the group's investment income arises from money held in interest bearing deposit accounts.

7. Analysis of costs of raising funds

	2024 £	2023 £
Fundraising costs	323,528	213,021
Trading costs	54,305	25,517
	377,833	**238,538**

8. Analysis of expenditure on charitable activities

	2024 £	2023 £
Operation of farms		
Cost of residentials	153,731	102,377
Direct costs of farms	157,417	130,707
Premises costs	232,304	310,802
Depreciation	98,760	87,393
Other costs	107,590	87,665
Staff costs	1,407,028	1,404,414
Governance costs (see note 8)		
Audit & accountancy	7,720	12,600
Board costs	2,760	3,169
Staff costs	1,355	29,445
	2,168,663	**2,168,572**

Of the £2,168,663 expenditure in 2023-24 (2023: £2,168,572), £1,510,537 was charged to unrestricted funds (2023: £1,648,404) and £658,126 to restricted funds (2023: £520,168).

9. Analysis of governance and support costs

Farms for City Children initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned between the charitable activities, the cost of raising funds and governance.

	Analysis of support and governance costs				
	General support £	Governance function £	Total 2024 £	Total 2023 £	Basis of apportionment
Salaries, wages & related costs	284,644	-	284,644	332,305	Staff time
General office costs	209,388	2,029	211,417	83,991	% of costs
Legal fees	1,481	-	1,481	6,843	% of costs
Audit fees	-	7,720	7,720	12,600	% of costs
Total	**497,820**	**9,749**	**507,569**	**435,739**	

10. Net income/(expenditure) for the year

This is stated after charging/(crediting):	2024 £	2023 £
Operating leases	29,100	29,100
Depreciation	98,757	87,394
(Profit)/Loss on disposal of fixed assets	(1,750)	(14,000)
Audit & tax fees	7,720	12,600

11. Investments

The Charity owns the sole £1 share issued by FFCC Enterprises Limited (registration number 03804473) which was incorporated to operate the charity's trading activities and began trading again from 1 September 2022 following a period when it was dormant. The registered office of FFCC Enterprises Limited is the same as that of Farms for City Children shown in the Trustees' Report. The activities and results of this company are summarised in note 5. Related party transactions are excluded as they are eliminated on consolidation.

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	1,472,241	1,367,671
Social security costs	129,709	120,416
Pension costs	80,109	77,181
Other wages costs (including subcontractors & recruitment)	26,245	63,352
	1,708,304	**1,628,620**

One employee had employee benefits in excess of £60,000 and in band £70,000 to £80,000 (2023: 1). Pension costs are allocated to activities in proportion to the related staffing costs incurred. There were no redundancy or termination costs in the year (2023: £8,976).

The pension costs charged represent contributions payable by the Charity to schemes for the year.

The key management personnel of Farms for City Children comprise the Chief Executive, the Head of Fundraising (appointed 1 May 2023), the Head of Operations, the Head of Finance, and three Farm School Managers. The total employee benefits (salary and pension contributions) of the key management personnel were £354,599 – 8 people (2023: £403,558 – 7 people).

The Trustees were not paid or received any other benefits from employment with Farms for City Children in the year (2023: £nil). Two trustees were reimbursed expenses to the value of £2,029 for attending meetings in the year (2023: £294).

13. Staff Numbers

The average monthly number of employees (including casual and part time staff) analysed by function during the year was as follows:

	2024 Number	2023 Number
Management, Fundraising & Administration	19	17
Education, domestic & agricultural	38	33
	57	**50**

14. Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents employer contributions payable by the charity to the scheme and amounted to £80,109 (2023: £77,181).

Employee and employer contributions totalling £20,346 (2023: £10,175) were payable to the scheme at the end of the year and are included in creditors.

15. Related party transactions

Donations from Trustees amounted to £20,481 in the year (2023: £11,265).

Simon Whattler, who was appointed as a Trustee on 22nd May 2024, is a partner of SM Whattler and MJ Ley, appointed representatives of NFU Mutual, the charity's insurer. Farms for City Children paid commission of £4,579 to the partnership for placing its insurance cover (2023: £3,863). There was no outstanding balance at the year end (2023: £nil).

16. Corporation Taxation

Farms for City Children is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

17. Transfer between funds

There was one transfer from Unrestricted Funds to Restricted Funds in the year amounting to £3,600 (2023: £nil).

18.Tangible fixed assets – charity (also comprising that of the group)

	Freehold Property	Leasehold Property	Plant & Machinery	Furniture & Equipment	Total
	£	£	£	£	£
Cost:					
As at 1 September 2023	1,031,401	2,795,491	499,409	110,718	4,437,019
Additions	54,069	-	73,598	-	127,667
Disposals			(27,438)	(174)	(27,612)
As at 31 August 2024	**1,085,470**	**2,795,491**	**545,569**	**110,544**	**4,537,074**
Depreciation:					
As at 1 September 2023	202,612	826,888	370,520	105,832	1,505,852
Disposals			(27,438)	(174)	(27,612)
Charge for the year	16,588	36,066	42,806	3,297	98,757
As at 31 August 2024	**219,200**	**862,954**	**385,888**	**108,955**	**1,576,977**
Net book value					
As at 1 September 2023	828,789	1,968,603	128,889	4,886	2,931,167
As at 31 August 2024	**866,270**	**1,932,537**	**159,681**	**1,589**	**2,960,077**

19.Stock

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Animals and goods for resale	35,391	28,048	26,165	18,770
Non animal stock used in operating farms	12,486	21,776	12,485	21,776
	47,877	**49,824**	**38,650**	**40,546**

20. Debtors

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade debtors	57,239	81,624	57,083	94,772
Prepayments and accrued income	43,986	71,063	43,986	71,063
Intercompany	-	-	19,502	
	101,225	**152,687**	**120,561**	**165,835**

21.Cash at bank and in hand

The cash figure includes £400,047 (2023: £368,172) relating to deposits and final balances received for residential visits and holiday lets invoiced in advance.

22. Creditors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	75,590	88,237	72,557	85,407
Other creditors and accruals	42,168	52,197	42,168	51,198
Deferred income (residential visits & holiday lets to 31 August 2024)	400,047	368,172	400,047	365,415
Taxation and social security	51,601	28,724	51,601	28,724
	566,406	**537,330**	**566,373**	**530,744**

The movement on this income invoiced in advance is as follows:

	2024 £	2023 £
Deferred income at 1 September 2023	368,172	640,946
Resources deferred in the year	1,046,455	384,272
Amounts released in the year	(1,014,580)	(657,046)
Deferred Income at 31 August 2024	**400,047**	**368,172**

Deferred income comprises deposits and balances received for residential visits and holiday lets.

23. Analysis of charitable funds

Analysis of movements in unrestricted funds

a) Year ending 31 August 2024

	Balance 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2024 £
Unrestricted fixed asset funds	563,855	9,072	(20,321)	-	552,606
Unrestricted income funds	889,715	1,887,440	(1,868,049)	(3,600)	905,506
General fund	1,453,570	1,896,512	(1,888,370)	(3,600)	1,458,112

b) Year ending 31 August 2023

	Balance 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2023 £
Unrestricted fixed asset funds	514,563	72,400	(23,108)	-	563,855
Unrestricted income funds	767,580	1,985,969	(1,863,834)	-	889,715
General fund	1,282,143	2,058,369	(1,886,942)	-	1,453,570

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	Unrestricted funds used at the discretion of the Trustees to further any of the Charity's purposes. The Trustees' policy is to maintain the general fund at an appropriate level, planning for adverse economic conditions and other potential threats, safeguarding the long-term future of the charity and providing assurance to schools, staff and supporters. In the year £3,600 was transferred from unrestricted funds to restricted funds to fund the excess of the payment for a tractor at Lower Treginnis over the donation received to pay for it. Unrestricted fixed asset funds represents the net book value of fixed assets purchased with unrestricted funds. Those purchased with restricted funds are held as restricted fixed asset funds.

23. Analysis of movements in restricted funds (continued)

a) Year Ending 31 August 2024

	Balance 1 September 2023 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2024 £
Income funds					
Geographically restricted beneficiaries	60,395	474,140	(334,485)	-	200,050
Access Funds	172,360	61,000	(201,434)	-	31,926
Farm equipment	23,387	78,413	(41,462)	(58,525)	1,813
Burrow Farm		78,000	-	(56,472)	21,528
Other costs		2,307	(2,307)	-	-
	256,142	693,860	(579,688)	(114,997)	255,317
Fixed Assets Funds					
Nethercott House	547,630	-	(22,336)	74,966	600,260
Lower Treginnis	454,960	-	(25,713)	41,609	470,856
Wick Court	1,364,722	-	(30,389)	2,022	1,336,355
	2,367,312	-	(78,438)	118,597	2,407,471
Total funds	**2,623,454**	**693,860**	**(658,126)**	**3,600**	**2,662,788**

Name of restricted fund	Description, nature and purposes of the fund
Geographically restricted child places	Donations received to support children from specific geographical areas of the UK or specific schools.
Access Funds	Funding received from which was allocated to support schools that would not be able to visit our farms without additional financial support.
Residential visits (all farms)	Funding received from various funders to support residential visits.
Farm equipment	Funds received to support the purchase of farm equipment including tractors.
Burrow Farm	Income received to develop part of the site at Burrow Farm, Nethercott House.
Own use Property (all farms)	The restricted capital fund balances for Nethercott House, Lower Treginnis and Wick Court include funds received for specific capital developments, and assets including land, property values and major plant.

23. Analysis of charitable funds (continued)

b) Year Ending 31 August 2023

	Balance 1 September 2022 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2023 £
Charity wide					
Geographically restricted beneficiaries for both 2022 and 2023	38,320	197,029	(174,954)	-	60,395
Access Funds	109,796	238,055	(175,491)	-	172,360
Residential and day visits	6,434	60,892	(67,326)	-	-
Restoration of buildings	9,977	-	(9,977)	-	-
Gardening sessions	-	1,000	(1,000)	-	-
	164,527	496,976	(428,748)	-	232,755
Nethercott House					
Farm equipment	-	25,464	-	(2,077)	23,387
Residential visits at Nethercott House	-	8,300	(8,300)	-	-
All other donations < £1,000	-	5,738	(5,738)	-	-
Own Use Property	561,715	-	(16,162)	2,077	547,630
	561,715	39,502	(30,200)	-	571,017
Lower Treginnis					
All other donations < £1,000	-	4,164	(4,164)	-	-
Own use Property	472,483	-	(17,523)	-	454,960
	472,483	4,164	(21,687)	-	454,960
Wick Court					
Friends of Wick Court	-	253	(253)	-	-
Plant & machinery	-	25,012	-	(25,012)	-
All other donations < £1,000		16,623	(8,679)	(7,944)	-
Own use Property	1,362,367	-	(30,601)	32,956	1,364,722
	1,362,367	41,888	(39,533)	-	1,364,722
Total	**2,561,092**	**582,530**	**(520,168)**	**-**	**2,623,454**

24. Analysis of net assets between funds

a) Year ending 31 August 2024

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	552,605	2,407,472	2,960,077
Current assets	1,471,913	255,316	1,727,229
Current liabilities	(566,406)	-	(566,406)
Total	**1,458,112**	**2,662,788**	**4,120,900**

b) Year ending 31 August 2023

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	563,855	2,367,312	2,931,167
Current assets	1,427,045	256,142	1,683,187
Current liabilities	(537,330)	-	(537,330)
Total	**1,453,570**	**2,623,454**	**4,077,024**

25. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Not later than 1 year	19,726	22,503
Later than 1 year and not later than 5 years	35,966	48,597
Later than 5 years	60,800	-
	116,492	**71,100**

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Net movement in funds	43,876	233,789	16,860	208,933
Add back depreciation charge	98,757	87,394	98,757	87,394
Deduct interest income shown in investing activities	(41,123)	(13,485)	(41,123)	(13,485)
Loss/(profit) on disposal of fixed assets	(1,750)	(14,000)	(1,750)	(14,000)
Decrease/(increase) in stock	1,947	(2,517)	1,895	6,761
(Increase)/decrease in debtors	51,462	42,203)	45,274	29,055
Increase/(decrease) in creditors	29,076	(231,476)	35,630	(237,063)
Net cash used in operating activities	**182,245**	**101,908**	**155,543**	**67,595**

27. Capital Commitments

Farms for City Children has future commitments for the following projects and expects these commitments to be contracted within the next year and financed by cash reserves and grants.

	2024 £	2023 £
Capital expenditure that has been contracted but has not been provided for in the Financial Statements	**-**	**19,310**

28. Prior Year Consolidated Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income			
Donations and legacies			
Donations and legacies	447,629	91,285	538,914
Income from charitable activities:			
Charitable activities	1,529,464	491,245	2,020,709
Income from other trading activities:			
Trading operations	53,791	-	53,791
Investment income	13,485	-	13,485
Other income	-	-	-
Total income	**2,044,369**	**582,530**	**2,626,899**
Expenditure			
Costs of raising funds:			
Trading operations	25,517	-	25,517
Fundraising support costs	213,021	-	213,021
Expenditure on charitable activities:			
Charitable activities	1,648,404	520,168	2,168,572
Total expenditure	**1,886,942**	**520,168**	**2,407,110**
Gain/(loss) on sale of fixed assets	**14,000**	**-**	**14,000**
Net (expenditure)/income and net movement in funds for the year	**171,427**	**62,362**	**233,789**
Reconciliation of funds			
Total Funds brought forward	1,282,143	2,561,092	3,843,235
Total funds carried forward	**1,453,570**	**2,623,454**	**4,077,024**

FARMS FOR CITY CHILDREN LIMITED

England & Wales - Charity number 325120

Accounts

Farms for City Children Limited

(A charitable company limited by guarantee)

Report and Financial Statements

Year ending 31 August 2023

Registered Charity Number: 325120

Registered Company Number: 01177239 (England and Wales)

Farms for City Children Limited

Reference and administrative details

Charity number:	325120
Company number:	01177239
Registered Office:	Unit 2 Huxham Barns, Huxham, Exeter, EX5 4EJ

Directors and Trustees

The Directors of the Charitable Company (Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chair	Simon Gregory	(resigned as Chair 14 December 2022)
	Rachel Goult	(appointed as Chair 14 December 2022)
Trustees	Sir Michael Morpurgo OBE	
	Lady Morpurgo MBE	
	Frances Harris	
	Justin Albert OBE	(resigned 29 October 2022)
	Peter Pantlin	(resigned 6 October 2022)
	Richard Ash	
	Andrew Bailey	
	Jonathan Bishop	
	Rachel Goult	
	Simon Gregory	
	Laura Reynolds	(resigned 3 September 2022)
	Mary Trussell	(appointed 11 March 2023)
Secretary	Lady Morpurgo MBE	
Chief Executive	Donna Marie Edmonds	
Auditors	Westcotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ	
Bankers	NatWest Bank plc 59 High Street Exeter Devon EX4 3DL	

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2023

The Trustees are pleased to present their Annual Trustees' Report together with the consolidated Financial Statements of the Charity and its subsidiary for the year ending 31 August 2023. The Report and Financial Statements are prepared to meet the Directors' Report and Accounts requirements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Report

This has been a tremendous year of growth and re-awakening for Farms for City Children. With the challenges of national lockdowns now firmly behind us, we have opened our doors to more beneficiaries than ever before, welcoming 3288 children from 93 school and over 600 supervising teachers. We have also expanded our offering to reach new groups of young people, all of whom, without exception, benefit from the therapeutic value of our offer.

We are immensely proud of the fantastic team of the staff and volunteers committed to creating a week of "muck and magic" for every person - children, young people, teachers, and group leaders alike - that visits one of our three heritage farms in the heart of the countryside: Nethercott in Iddesleigh, mid-Devon; Wick Court in Gloucestershire; and St David's in Pembrokeshire, Wales. Working alongside our dedicated partner farmers, these amazing teams make the charity what it is today - an inspiring charity with a vision to see a world where all young people benefit from being connected to food, farming, and the natural world – where access to the countryside is accepted as a right, not a privilege.

Farms for City Children is a vibrant Charity that, since our foundation in 1976, has been delivering learning and well-being impact to children and young people from cities and disadvantaged communities through the experience of working together on our farms in the heart of the British countryside. Looking forward to 2024, we are developing our strategic business plan, in partnership with our staff, trustees, beneficiaries, and external stakeholders, that will determine the direction of the charity for the upcoming years and beyond.

Rachel Goult,
Chair of the Board of Trustees

Our purposes and activities

Farms for City Children exists to remove the barriers that prevent children and young people from having meaningful access to the natural world. Our purpose, as set out in the governing document, is to "advance the education of boys and girls from urban areas by the establishment and maintenance of suitable educational study centres in the countryside of England and Wales". Through our food, farming, and nature-connected wellbeing offer, we strive to empower the next generation to experience the physical and mental health benefits of being in the countryside and to see themselves as the custodians of our landscape for generations to come.

During an immersive five-day residential stay at one of our stunning heritage farms (Nethercott House in Devon, Lower Treginnis in Pembrokeshire, and Wick Court in Gloucestershire), children and young people participate in seasonal farming tasks alongside experienced farm teams and partner farmers.

In setting our objectives and planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees have always been proactive in ensuring that our activities are to the benefit of the public and children, and consequently have considered the guidance in all our activities and fee charging.

The holistic offer of physical outdoor education in a residential environment, combined with nutritious home-grown and home-cooked food prepared by the children themselves, introduces our beneficiaries to a new and healthy world. The health and wellbeing benefits are immediately recognisable, as are the personal and social developments made through profound connections with classmates and accompanying adults. At the end of the week the nurtured and empowered young people are ready to return to school and home with new grit, growth mindset, and a set of valuable transferable life skills and a wider knowledge of our climate and sustainability.

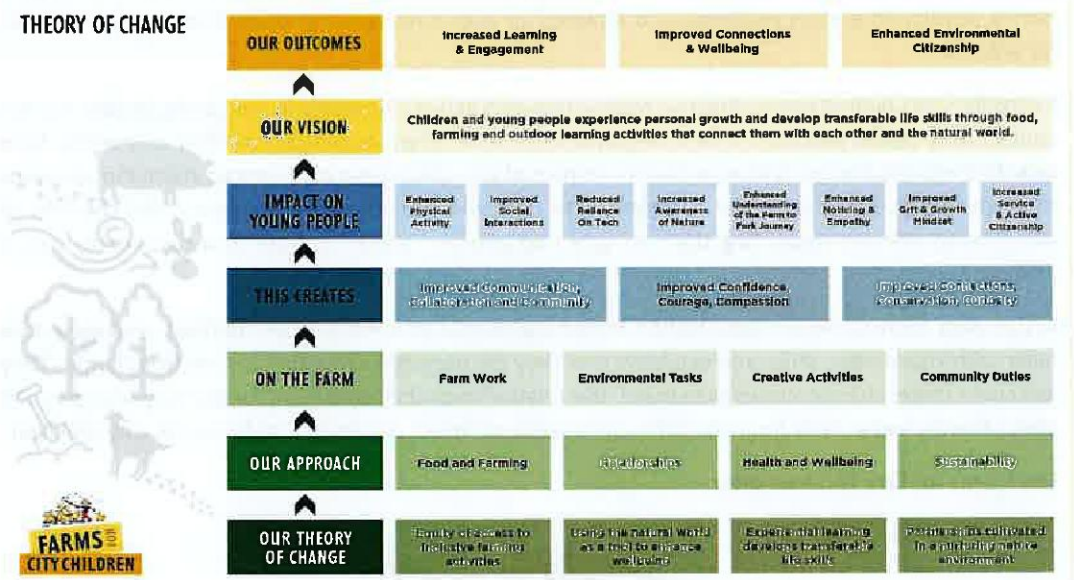
We want children and young people to feel a momentous connection to nature, a sense of their own social and moral responsibility to be stewards of our planet, and an emerging feeling of agency in visualising a future for themselves that involves remaining in contact with the countryside and nature beyond their visit.

Teachers and Youth Workers report that the impact on them is just as life changing. Many will experience the week with the same wide-eyed wonder as their young people, having also been denied access to the countryside in this way throughout their own lives. Feedback tells us that the week stimulates bonds between the young people and the accompanying adults that endure in the classroom upon return to school. Others report significant changes to behaviour, emotional reactions, and levels of confidence and engagement. Teachers tell us that children are more curious, courageous, and compassionate because of the week on the farm, and that these character developments permeate the school and family setting when children return home.

Operating now for 52 weeks a year, in school term and non-term weeks, and subsidising the visits at 50% of the true cost of the week on the farm, we support over 3,000 young people each year to connect meaningfully with the natural world.

We are determined to keep fighting for this equity of access to obliterate the poverty of experience that is currently defining childhood for many millions of children living in the UK.

Our purposes and activities (continued)



What do children learn?

Days start early on our immersive five-day residential and, whilst the cycle of the seasons and vagaries of the weather ensure that each day is different, there is a reassuring routine and structure to life on the farm.

A combination of physical farm tasks in compassionately tending to the animals and their welfare and maintaining the farms is combined with sowing, harvesting, and cooking tasks that anchor the young person to an understanding of the field > farm > fork journey. This improves food choices, increases the consumption of fresh, locally produced meat, fruit, and vegetables, which can help young people to develop longer term commitments to leading a healthier life.

A renewed focus on nature nurture is delivered through wellbeing activities to induce greater nature connectedness from long biodiversity walks, birdwatching on the coast and the riverside, beekeeping sessions, sustainable arts and crafts, mindfulness sessions, storytelling, poetry, and astronomy. Collaborating on tasks never previously attempted develops courage, confidence, and curiosity.

Children and young people learn to be mindful, empathetic, and to notice their environment. They learn to take responsibility for themselves, each other, and work in harmony with the animals and the land. Free from digital intrusion, their analogue imaginations are liberated, and they enjoy mental health respite from the pressures of a life lived online.

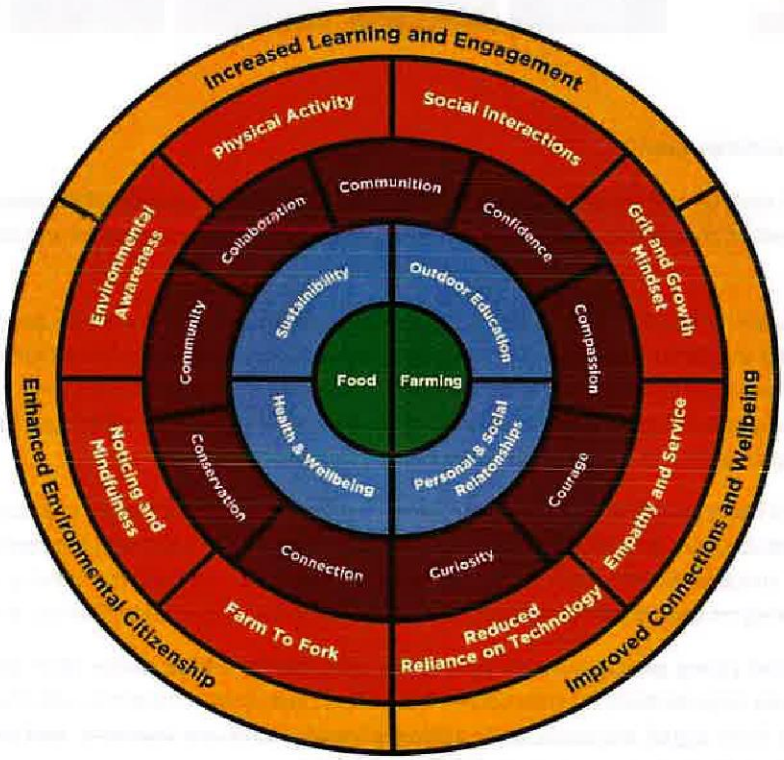
Our purposes and activities (continued)

Being on the farm gives each child or young person that space to just be. With reduced stress levels, increased freedom and more meaningful interactions and connections, young people return home having developed greater resilience and attained an enormous sense of pride from being a "Farmer for a Week."

Farms for City Children knows that our week empowers active citizenship in our young people. Alumni contact us to report that their relationship with nature has been sustained from their visit on the farm as a child into adulthood. We know that the impact of providing these experiences in childhood means that we will give young people the agency to deal with the climate emergency and the loss of biodiversity. We are supporting them to 'grow up greener' and contribute to a sustainable future economy.

In the short term, we know that children and young people return happy and fulfilled, walking a little taller with knowledge, skills, and expertise that they did not have when they set off from home. They will never forget the memories they make, the relationships they cultivated, or the way that they felt about themselves as they flourished through a week of "muck and magic" at Farms for City Children.

The Farms for City Children offer



Our purposes and activities (continued)

The Impact of our offer

INCREASED LEARNING AND ENGAGEMENT

Multiple studies assert that experiencing learning outside of a classroom setting enhances the way that a young person engages. Outdoor learning gives children and young people practical experience of curriculum subjects and enables them to make vital connections between their lessons and real-life scenarios. The breadth, depth, and variety of farming tasks and wellbeing activities during the immersive residential visit, support the school's commitment to improving student engagement, progress, and attainment.

Children exposed to nature score higher on concentration and self-discipline, have greater developed awareness, reasoning and noticing skills, work better collaboratively in teams and show higher levels of empathy and compassion.

A week on the farm builds resilience and develops a growth mindset as young people encounter completely new challenges that test their perseverance to the limit. The transferable life-skills gained from this week can be leveraged upon return to the classroom environment for months to come.

From applying literacy and numeracy knowledge to real-work problems, to seeing practical applications of STEM subject knowledge in tasks across the farm, children and young people gain an introduction to the world of work through hands on activities where they are responsible for the livestock and each other. They discover aptitudes and talents they did not know they had, and they begin to visualise a future for themselves in employment.

IMPROVED CONNECTIONS AND WELLBEING

One in six children aged five to 16 were identified as having a probable mental health issue in July 2021; a huge increase from one in nine in 2017. That's five children in every classroom.

Children and young people, and the teachers who care for them, need the opportunity to come together outside of the classroom and invest in health, wellbeing, and relationships. The self-esteem built from conquering challenging farm tasks is complemented by the space to be during nature sessions on coastal or biodiversity walks, in natural arts and crafts or from mindfulness sessions together.

The chance to play in nature, to build dens, turn wood, build campfires, and tell stories offers both the children and their teachers a time to decompress from the stresses of life. Reducing the reliance on technology and living off grid for the week liberates the analogue imaginations and children and their teachers talk to each other, Invent games, share discoveries, and build connections that change behaviour and engagement upon return to school.

ENHANCED ENVIRONMENTAL CITIZENSHIP

Out of 14 nations surveyed, the UK ranks bottom in Europe for nature connectedness and wellbeing. Evidence shows that people with high levels of nature connectedness enjoy better mental health and are far more likely to live their lives in a more environmentally responsible way. A week at Farms for City Children explicitly teaches young people and their teachers how to be the future stewards of the countryside and how to connect more meaningfully with nature as it exists in their home locations.

Learning about sustainable farming and its links to climate protection, about biodiversity and securing species and habitats, and linking children and young people to where their food comes from, is a key outcome of the work of the charity. Growing, harvesting, preparing, and cooking their own food improves children's food choices, increases consumption of locally sourced fresh products, and highlights the benefits for health around good eating habits. With so many of our children living with food insecurity, there has never been a more important time to connect them to the provenance of what they eat.

As schools are now being challenged to examine their teaching of climate and sustainability in the classroom, the immersive experience of life on the farm can provide compelling and enduring memories that empower young people to be the advocates for their planet tomorrow. Children return with a powerful sense of agency, perceiving themselves as the change they want to see in the world, knowing that even back in the city there are choices they can make to protect our planet.

Our purposes and activities (continued)

Teacher from Whitefield Primary School, Liverpool at Wick Court

I have been leading residential for 30 years and visited many different places with groups of children. I have never been on a residential which has had such an amazing impact on the children .

It has been incredible to watch all the children's confidence develop in new situations. In particular, it has been fantastic watching certain children who are normally extremely shy offer answers, get stuck in, and come out of their shell .

Teacher from Pembroke Dock Primary School at Lower Treginnis

Our purposes and activities (continued)

Teacher, Keyham Barton Catholic Primary School, Plymouth

The children are more aware of the world around them, and more appreciative of the nature and animals in general. They were considerate of the farm to fork journey, and recognised the need to care for animals, even when it's not comfortable for themselves.

In London there are trees, but out here is a lot of nature to take in, bushes, hay, trees; it's like opening a nice book and reading it, and every word has a big mouthful of wonderfulness.

Year 5 pupil, Goodrich Community Primary, London

Finding out new things and trying new food and having the confidence to touch and feed animals at Nethercott and Bridgetown and getting to know other people.

Year 6 pupil, Whetstone Primary School, Walsall

I have loved every minute of every day it has been one of the best weeks of my life. I love Tregiennis and I hope I get the opportunity to come again.

Year 6 pupil, St Mellons Primary School, Cardiff

Huge experience, learning how to farm and about the animals, and where our food comes from.

You can do other things that make you happy than go on a screen or use technology.

We understand the food process more and that we have to get dirty and physically do some work

Year 5 pupil, St George and St Teresa Catholic Primary, Solihull

Achievements and performance

2022-23 was a great year for Farms for City Children. Implementing our new strategy to be operational for 40 weeks at each site has seen a significant increase in our beneficiary numbers. 3,288 children and young people experienced a week of muck and magic on our three farms, along with 620 adult beneficiaries accompanying these young people.

Beneficiaries came from across England and Wales, with significant numbers from London, Birmingham, Plymouth, and Liverpool, and the charity enjoyed visits from community organisations serving diverse groups, some of which included refugee support networks, military families, young carers, and children at risk of county lines crime. We completed the second year of our Duke of Edinburgh Gold Award participants, and we look forward to increasing numbers in this area by adding a second farm to the offer at Wick Court.

In total, 93 schools visited one of our farms in the 2022-23 academic year. They came from 13 English and from 4 Welsh counties and 17 London boroughs. We delivered 96 primary and secondary school residentials, and six one day visits for learners in the Virtual School system. 57 of the schools were loyal returning schools, but we were delighted to add 36 new schools to the charity last year which strengthens our resilience in building our client base to meet the needs of our expanding strategy.

In Wales, six of these new schools were able to make the visit to us through funding support from the Ernest Cook Trust and their Outdoor Week of Learning collaboration. 70% of our young beneficiaries came from major urban areas of extreme deprivation. In fact, over a third of all visits to the charity last year were made by schools in the top 10% most deprived neighbourhoods in England and Wales, and this is testament to the work that we have done to support those schools that need it most to secure the funding that pays for their contribution to the costs of the week.

Our rigorous new Impact and Evaluation process yielded some compelling results for the charity. 99% of all lead teachers reported that their children had an outstanding or good increase in their awareness of the natural world. 95% of teachers reported that there were outstanding or good improvements in children's social connections with each other and the accompanying adults. 97% of teachers said that their children and young people experienced an outstanding or good impact on the levels of physical activity during the week.

98% of lead adults said that the farm visit met or exceeded our pledge to increase learning and engagement. 98% of the adults that visited us told us that we met or exceeded our pledge to improve young people's social connections and well-being and 95% of lead adults said that beneficiaries came away with an enhanced sense of environmental citizenship. These results highlight the significant impact that the charity is having on the lives of the beneficiaries and the teachers who visit us, and that our programme is truly transformative.

Some of the best data from our evaluation came from the children themselves. 93% of all the children and young people who visited said they felt that they were better connected to nature. 84% of them said that they now know where their food comes from. 90% reported being more active than they are ever when at home. And 88% told us that they felt that they had made new friends or got to know existing friends better and that their confidence and self-esteem had improved. We are quite rightly

Achievements and performance (continued)

proud of these statistics that confirm that our offer is working, and that the charity has a role to play in educating this generation of young people.

We were able to collect volumes of case studies, focus groups, film clips, and surveys in the past year and we have cleansed this data to help us to make modifications to our programme for 2023-24. The powerful piece of research conducted by MRes student Liz Tree, gave us further confirmation of the efficacy of this project. In the research, Liz looked at several variables around children's well-being, their sense of self, their connection to nature, food, and farming, and explored the ways in which our offer can support the development of essential life skills. She conducted the research on site at the farm at Wick Court, and then extended her research into the home schools of beneficiaries to prove the lasting effect of the charities work. We are extremely proud of her conclusions, and we look forward to sharing this research widely in 2024.

Serving older beneficiaries and supporting them with the programme that assists in securing accreditation on curriculum courses, collaborating with more young people with complex and diverse learning needs, and offering up the farms as a solution to the safeguarding issues often experienced during long school holidays through visits from community and youth groups, have all been a great success this year, and we plan to do more of this work in 2024.

Achievements and performance (continued)

Nethercott House

The past year has been a whirlwind of activity, hosting a wide range of groups and individuals, all of whom have contributed to the rich tapestry of experiences that define Nethercott House. We welcomed a total of 40 different groups and we also had the privilege of working alongside 14 Ukrainian refugee families who became an integral part of our special community.

One of the significant developments this year has been the reclamation of land and buildings at Burrow. This expansion has allowed us to embark on numerous firsts. Our first flock of rare breed Whitefaced Dartmoor sheep now proudly graze the land around us, and the newly renovated lambing barn witnessed its first births with visiting children. Having this facility to continue working with the children at night in a barn setting will only add more value to the offer at the farm. Our new herd of rare breed Devon cattle produced two healthy heifer calves, marking another milestone for the farm.

Our Farm Operations Manager has driven significant regenerative change at Nethercott House through his commitment to agroecology and agroforestry projects that will ensure that more harmonious farming practices connect us to our nature stewardship responsibilities. Our commitment to environmental conservation is further evidenced by our partnerships with organizations like The Devon Wildlife Trust and The Woodland Trust. This year, we initiated the hay meadow creation project, spreading seeds in the hope of nurturing a flourishing ecosystem, and we are exploring funded projects in 2024 around decommission of our slurry pit with the creation of a wetland area, hedgerows to create nature corridors, and the development of a new orchard space.

Our livestock, including rare breed Large Black pigs, poultry, and equine, have thrived under the care of our dedicated team and visiting children. The addition of Derek the donkey from the Donkey Sanctuary has brought joy and companionship to the farm. The pigs have enjoyed many cycles of breeding this year, much to the delight of the children.

Cooking sessions have been particularly popular, resulting in the production of an impressive 1,150 pasties throughout the year. Each regular pasty uses ingredients which are all sourced from Nethercott and these sessions are led by our Kitchen Manager and her team who turn Nethercott House into the most sumptuous restaurant at every food sitting.

Our beekeeping sessions have flourished thanks to the expertise and generosity of the Okehampton Beekeepers and our wonderful volunteer Pat. 23 Duke of Edinburgh students played a pivotal role in building a dedicated bee shed, complete with an observation hive, setting the stage for future learning, and their week on the farm working towards accreditation for their GOLD award was so successful that we will run two weeks next year.

In August, our dedicated garden volunteers joined us in welcoming the public to our Open Garden, showcasing the beautiful walled garden which is spectacular, and it helps us to feast all year round. It plays a crucial role in educating children about where their food comes from and gives them tools to take home that they can deploy in their own home or school setting in starting their own horticulture projects.

Achievements and performance (continued)

Lower Treginnis

Lower Treginnis Farm has been a hub of activity this year, reflecting the ever-changing rhythms of the seasons and the farm community. From the excitement of children planting pumpkins, to engaging craft sessions and coastal walks, not forgetting the thriving livestock and vibrant flower tunnel, the farm has been a dynamic hub of experiences.

This year the farm has buzzed with the energy of over 1,100 visiting children and over 160 teachers and other accompanying adults. We are really proud to have further developed our commitment to Welsh schools, with a record 10 weeks of bookings this year, in part supported by the Ernest Cook Trust funded Outdoor Week of Learning (OWL) Project and some additional support from our very own Friends of Treginnis. As part of the OWL project, we worked closely with a cluster of 6 schools to address the needs of deprived communities in the Barry area, resulting in a project that brought together almost 200 pupils from both primary and secondary schools together on combined visits to the farm. We also joined them back in their local area to celebrate their achievements in a Festival of Learning showcasing the project for their own local community.

In gardening sessions, the children planted over 1,000 pumpkins resulting in a substantial autumn harvest. Working closely with the support of our local fundraising group The Friends of Treginnis, we opened the farm to local neighbours for a pumpkin patch fundraiser. However, we were sad that our planned annual fete for the local community of St David's had to be cancelled in July because of the horrendous run of bad weather, but we are looking forward to resurrecting this community event in 2024.

The polytunnels have been bursting this year and under the careful stewardship of our Farm School Leader for Horticulture, we have seen a bounty of different produce coming into the kitchen, but also giving the children the experience of preparing fruit and veg for sale to the general public across local food networks and our small onsite farm shop.

Caring for our livestock continues to be a key focus of our daily activities with beneficiaries. This year we have delivered over 600 sessions with our Welsh pigs, milking goats, donkeys and our large flock of laying hens. We have also worked every day alongside our partner farmer next door with his large commercial sheep farm, giving the children and teachers the experience of shepherding, feeding and moving sheep. This year he lambed over 2000 ewes, providing really engaging sessions for our beneficiaries as well as providing the context for powerful discussions with visitors about the provenance of the food they eat, how it is reared, culled, and prepared for sale for a large supermarket chain.

Food, as ever, has been central to our beneficiary experience at Lower Treginnis. Alongside 3 square meals a day, this year we have delivered more than 100 cooking sessions with beneficiaries, with the making of Welsh Cakes being a firm favourite – our visiting children have made over 1400 of them this year!

Achievements and performance (continued)

We organised over 140 engaging drop-in craft sessions this year in our dedicated classroom space. The craft room is a real place of sanctuary at Lower Treginnis, and children can drop in during free time to decompress from the busy outdoor activities with sessions where they weave willow, paint pebbles, sew, craft, use timber and shells collected from the beach to express themselves through art. These sessions in the craft room, and also outside in the walled garden area around the fire-pit have become firm favourites with the children and visiting adults alike.

All 37 of our school and group bookings were introduced to the wonders of the Pembrokeshire shoreline on coastal walks that provide insight into the beauty and fragility of our stunning coastal environment. Many children visiting the farm this year had never been in the countryside and in many cases, they had never seen the sea. The circular walk and beach visit creates moments for nature observation, surveys, birdwatching, and just taking a moment to perch on the rocks and look out to Ramsey Island, the RSPB conservation zone.

Wick Court

This year we have hosted 31 schools at Wick Court, serving 1,125 children and 173 teachers and group leaders. Seven of those groups were new to the charity. We hosted weeklong residentials from three community groups across the year and welcomed children in the care system, with their carers for a day visit. We also welcomed three local schools on our doorstep for day visits. Beneficiaries experienced a jam-packed programme, including lambing, calving and farrowing, and moved 20 tonnes of woodchip. They have planted 700* trees and weighed 516* pigs and visited our partner farmer 172* times (*approximately).

This year we celebrated 25 years of Farms for City Children at Wick Court. Inviting local people who have been instrumental in the farm's success, with the visiting children of Marsh Hill Primary School, Walsall, hosted a tea party with music, cake and games.

We welcomed four Hereford cows to our herd, joining the Gloucester Cattle and in late August had a beautiful new calf born. We have welcomed a new boar to the farm, replacing the infamous 'Paddy the Daddy' with Sammy. We have removed a large barn and have planning permission for a new one more fit for purpose. The harvest has been successful, and we are working as closely as ever with the Merrett's family on our partner farm. In January we rehomed a Turkey stag that has been spared the fate of Christmas dinner and have hatched several of his chicks, meaning that the children at this farm, and our others, can see the strange but wonderful changes a turkey chick goes through before it reaches maturity.

With thanks to the Halpin Trust we have a shiny new tractor that is better suited to the needs of Wick Court. We have renamed many of the fields and pens on the farm, inspired by titles and individuals that have shaped Wick Court history. At the Dowdeswell Pen, we speak to visitors about the family that owned and farmed the last commercial herd of Gloucester Cattle here, at Percy's Pen we speak to the children about this larger-than-life local character that supported Wick Court.

Achievements and performance (continued)

Our beekeeping season has been particularly successful this year, going from three colonies to eight; harvesting enough honey for the children to experience and for the bees to 'over-winter'. We have a functioning, but still beautifully rustic craft room set up in the space where cider has been pressed for hundreds of years, and we are now working with the fleeces of our own flock of Dorset, Grey-faced Dartmoor, and Ryland sheep.

We are excited to say, that despite a wet winter and a dry spring, we successfully planted 700 trees donated by Gloucestershire County Council and The Woodland Trust. Used as a flagship project, the children managed to plant, mulch and water most of them, and Gloucestershire Federation of Young Farmers' Clubs supported some of the heavier toil. We are grateful to Gloucestershire County Council for their support on this project. We continue to take part in the National Bat Monitoring Programme and a healthy number of bats (110) were counted exiting the building; the vast majority being some of the UK's rarer bats Lesser Horseshoe and Brown Long-Eared bats.

This year we have made some wonderful funding partnerships with local organisations, including Gloucestershire Agricultural House Foundation who purchased some very essential farm equipment. Stonehouse Milk donated 5p for every litre of milk sold between May and July to the charity. Westbury Young Farmers, the Cirencester Quakers and Frampton Church, have also fundraised for us, as have Frampton and Cheltenham WI, Severn Vale Rotary Club, Cheltenham U3A, Stroud 41 Club and various other local generous individual givers. We have refurbished our Apple Pressing and Produce Room, just in time, before the fruit comes in and we have received funding to replace our faulty and essential dishwasher and oven.

In addition to producing and serving over 17,000 delicious meals the kitchen team have worked hard to preserve the glut of fruit and vegetables from the orchards and gardens, producing 270 jams and chutneys to sell throughout the year. Through the support of hard labour in the garden, by staff, volunteers and children, we have achieved a food offer to be proud of, including much of the vegetables coming from our own gardens, and all the meat coming from our farm. In addition, we continue to supply local farm shops and restaurants with meat.

We continue to have the ongoing support of nine weekly volunteers, to whom we are incredibly grateful. We also continue to have our corporate supporters Tyler Grange visit us every other month and we have also had a volunteering work party from Babcock International and the local Rotary Club. We have hosted 8 weeks of work experience students over the course of the year. As well as delivering activities for children we also opened our doors to the local community. We welcomed over 400 people to our Open Farm Event in June and hosted Arlingham Church's Harvest Festival service held outside in a barn. We have been visited by our local MP and worked with the staff and students at the University of Gloucestershire, the Royal Agricultural University and the University of Nottingham. We have attended local shows and markets to represent the work of the charity and we are proud to have been invited to attend the Gloucestershire and District Agricultural Valuers Association 100th Annual Meeting, attended by HRH Princess Royal. We also hosted the annual general meeting of the British Grassland Society alongside our partner farmer and have developed a strong partnership with St James City Farm in central Gloucester, who are doing some innovative community and farming initiatives in one of the most economically deprived parts of the city.

Achievements and performance (continued)

Fundraising

Through its fundraising Farms for City Children subsidises every visit to its farms to ensure affordability and accessibility.

We are extremely grateful to all our supporters who continue to enable children and young people, from some of the most deprived areas of England and Wales, to have good quality access to food, farming, and outdoor learning.

Following on from the previous year, 2022-23 presented a continuing challenging fundraising environment in the wake of the cost-of-living crisis, and overseas conflict and natural disasters. Understanding that there is an ever-increasing demand and competition for finite fundraised income the charity has built its supporter portfolios and has focused on developing its fundraising strategy, growing team capacity and skills, and implementing a robust evaluation process to demonstrate impact.

Recruitment was turbulent throughout the year reflecting experiences of other charities across the country and meaning the charity experienced significant gaps in capacity for much of the year. The key fundraised income streams remain to be, Trusts and Foundations, Individual Giving and Corporate complemented with Community, Major Gifts, Legacy, and In-Memoriam.

Despite reduced capacity the hard-working team raised over £1.4 million to support the cost of visits to the farms for our beneficiaries and capital projects.

Trusts and Foundations

Our fully resourced Trusts and Foundations team stewarded the continued support for children spend a week at one of our farms, from many small to medium grant makers who are integral to our programme each year. The charity received a significant multi-year grant from the Garfield Weston Foundation, welcomed several new partnerships including the Progress Foundation, the Swire Foundation, and the Texel Foundation. The charity successfully delivered its role in the Ernest Cook Trust Outdoor Week of Learning collaboration which enabled 200 young beneficiaries from South and West Wales to spend a week at Lower Treginnis. We are delighted to have been awarded funding for 2023-24 under this programme to continue delivery in Wales and to expand the project to Gloucestershire schools.

Access funding from the Steve Morgan Foundation enabled a group of young people from Liverpool to experience a transformative week at Wick Court and the Adventures Away from Home Fund supported beneficiaries with additional needs from Plymouth to participate in an array of new experiences at Nethercott House. Two key funders, Reta Lila Howard Foundation and the Zephyr Charitable Trust generously supported our Access Fund for schools and groups most in need of additional financial support for their children to visit.

Achievements and performance (continued)

Looking ahead we will maintain the capacity of this team to deliver our established programme, build on existing relationships, seek new partnerships, and work to secure further multi-year grants to aid future planning.

Individual Giving

Once again, our individual giving programme experienced mixed results impacted by a vacancy for several months. The 2022 Big Give Christmas Challenge and 2023 Champions for Children campaigns both exceeded target. However overall, this income line was under budget at year end. Recruitment into this stream of income will bring a revised approach to retaining and growing our individual donors. We will commit to two match funding campaigns in 2023/24 and implement stronger, more regular, and relevant engagement with our supporters.

Corporate

Despite an on-going vacancy in our corporate partnerships programme, this line of income exceeded budget with thanks to a significant donation from Grove End Housing and continuing support from Tesco customers, who voted for the Charity with their blue tokens.

We also enjoyed our partnership with the Bank of Montreal whose employees cycled from Paris to London raising funds along the way for the Charity.

As we move into 2023-24, we will be joined by a new Corporate Fundraising Manager who will continue to build relationships with our valuable existing supporters and will begin our strategic journey to grow corporate support with organisations aligned with Farms for City Children's values and mission.

Legacy

In 2022-23 we partnered with Guardian Angel to raise awareness of the Charity and the difference a legacy could make to our work with young people. Whilst outperforming budget in 2021-22 this income line, being far from predictable, did not meet similar levels this year. We will continue our partnership with Guardian Angel in 2023-24 with the programme stewarded by our new Individual Giving and Legacy Manager.

Community

Much of Farms for City Children community fundraised income is kindly generated by individuals and groups on behalf of the charity. Due to capacity constraints our community fundraising and events programme was not resourced in 2022-23. It is an ambition to build a community fundraising plan that is relevant and encompasses the Farms for City Children team in its widest sense.

Major Donors

We are very grateful to our major donors, several of whom pledged to our match funding campaigns during the year. This is an income stream where capacity has been lacking, however the ambition is to grow our major donor supporter base once new team members are settled in their roles.

Achievements and performance (continued)

In addition to the above fundraised income streams the team has raised significant funds to deliver numerous capital expenditure projects and we are extremely grateful to the Halpin Trust for funding our much-needed new tractor for Wick Court and the Phoebe Wortley-Talbot Charitable Trust for their generous donation to help open facilities for over-wintering our native cattle at Nethercott House and enabling children to take part in winter evening farming sessions.

Looking ahead we are in a period of strategic growth of our fundraising team capacity and skills, and fundraised income. We acknowledge that the environment will continue to be challenging and that we as a charity, needing to raise significant funds to enable even more children and young people to benefit from food, farming, and outdoor learning activities, must be agile and adaptable whilst remaining true to our strategic direction.

We will utilise the introduction of a Communications Officer supporting fundraising communications to strengthen engagement with supporters and to continually raise the profile of Farms for City Children.

Farms for City Children is proud to be registered with the Fundraising Regulator and applies the principles in the Fundraising Code of Practice. Due to the nature of our work safeguarding is a key aspect in everything that we do, and we make sure that we consider vulnerable people when undertaking fundraising to ensure that they are considered and protected in all that we do. We do not share or sell donors data. We work closely with commercial partners to ensure that they operate to our expected standards. We do not employ third party fundraisers to operate on our behalf.

In the financial year we received no complaints relating to our fundraising activities.

Financial review

Farms for City Children had an overall surplus of £233,789 in 2022-23 (2022: £305,660), thereby increasing total group reserves to £4,077,024 (2022: £3,843,235). Bookings of residential trips increased on the previous year, and we generated income of £11,920 (2022: £4,000) from day trips and £1,223,704 (2022: £815,671) from residential trips, which includes an amount of £283,127 released from deferred income that had been held back in the event of a potential insurance claim relating to trips cancelled due to the pandemic. The growth in income reflects our strategy of widening beneficiary reach and welcoming children from non-school groups to the farms outside term time.

We typically raise approximately 50% of our income through grants, donations, and legacies, which subsidise the cost of a week at the farm to make it as affordable as possible for all children. Our objective is to increase this figure going forward. The fundraising landscape remains challenging, and we have not had a full fundraising team in place this year. Despite this, income from donations rose to £528,952 (2022: £471,352) but income from legacies decreased to £9,962 (2022: £76,147). We are pleased to report a large increase in income from revenue grants to £692,507 (2022: £494,412) as part of our strategy to forge long term partnerships with funders and seek multi-year grants where possible. We received grants for capital purchases totalling £59,924 (2022: £11,000). The funds from the Halpin Trust, the Exeter Foundation, and the Rowlands Trust enabled us to purchase a new tractor, cooker, and dishwasher at Wick Court and a bee shed at Nethercott House. Funds from the NFU Mutual Charitable Trust and the Phoebe Wortley Talbot Charitable Trust will go towards farming projects next year.

Commercial trading activity was increased in the year, and this was operated through the wholly owned trading subsidiary, FFCC Enterprises Ltd. We took the decision to let the farms on a commercial basis for selected weeks throughout the year which we were unable to fill with schools or non-school groups. This generated income of £11,219 (2022: £nil) in the year and we plan to grow this income stream next year. Rent received from partner farms decreased to £9,819 (2022: £18,519) as the Farming Business Tenancy with the Oldbury Partnership at Wick Court ended in 2022.

Income from the Rural Payments Agency decreased in the year to £5,455 (2022: £16,269) due to the sale of the land at Wick Court in January 2022. Just over 90 acres was sold which was a significant proportion of our Higher-Level Stewardship Agreement and was also included in the Basic Payment Scheme claim, resulting in a lower claim this year.

Investment income was £13,485 (2022: £1,131) and this reflects a new strategy to actively manage cash deposits for higher returns which has been aided by the increase in interest rates.

Premises and other operating costs have increased this year and we have been particularly hit by rises in utilities and agricultural feed. We expanded our farming offer at Nethercott House with the introduction of cattle. We operate a rolling programme of maintenance and repair of our heritage properties and have seen cost increases due to rises in inflation.

Financial review (continued)

Investment powers and policy

The Trustees, having regard to the liquidity requirements of running Farms for City Children, have kept available funds in several interest-bearing deposit accounts and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

Reserves policy

At 31 August 2023, the free reserves of the group (unrestricted reserves less unrestricted fixed assets) stood at £889,715 (2022: £767,580). This represents 3.5 months' operating costs. Reserves restricted in their use at 31 August 2023 amounted to £2,623,454 (2022: £2,561,092).

In the long term, the Trustees believe that excessive levels of free reserves (see Note 22) are unjustified. However, considering the financial challenges presented by the Covid-19 pandemic, the Trustees made a commitment to grow free reserves over a 5-year period to be equivalent to 6 months' operating costs. This will ensure the Charity can better meet the needs of its beneficiaries during periods of economic uncertainty and be resilient in the face of external shocks.

Going concern

The cost-of-living crisis and high rate of inflation continue to adversely impact our beneficiaries. Schools are grappling with enormous energy bills and other rising costs and enrichment visits are not at the top of school agendas. Sadly, some schools have cancelled upcoming visits, and we are looking at ways to offer more financial help to enable the children who most need a week in wellies to visit a farm.

It is vital that we continue to reach out to new schools and non-school groups to widen our beneficiary reach and ensure that we have visitors at the farms every week and we worked with 36 new schools in the year. In addition, our partnerships with the Ernest Cook Trust and the Gosling Foundation have enabled us to reach out to many new schools and these partnerships will continue next year.

The Senior Leadership Team and Board of Trustees are in the process of developing a 3-year business plan which encompasses investment in the fundraising team for future income growth, new strands of income generation, marketing & communications, a programme of maintenance & repairs at the three farms and a review of procurement. Once this work is completed, we are confident that the charity will be financially and operationally sustainable. The Trustees therefore believe it is appropriate to prepare the Financial Statements on the going concern basis.

Plans for future periods

The charity enters 2024 with a sense of great hope and optimism. Our three-year strategic business plan 2024 to 2027 will come into effect which sees the charity project ambitions for a more sustainable financial future and a renewed commitment to inclusion by maintaining year-round operations that welcome increasingly diverse beneficiaries to experience our offer.

A core element of our business plan is growth in our fundraising team. 2024 will see us diversify income streams through developing expertise in our team from fundraisers seeking to secure donations from varied pipelines. Expert stewardship of our existing individual donors, corporate funders, and our very significant portfolio of loyal and generous Trusts and Foundations, continues to be a strategic priority for the charity, and we look forward to continuing to nurture those existing relationships and to welcome new multi-year funders to our family.

Building upon the significant partnerships cultivated in 2023, the charity looks forward to the continuation of key relationships that generate projects resulting in increased bookings, income from funding opportunities, sector-wide campaigning relationships that give Farms for City Children a voice at the table of issues involving education, young people's health and well-being, nature connectedness and environmental issues, diversity and inclusion, and food, farming, and outdoor learning lobbying to effect profound change in our sector.

These partnerships will yield some exciting and highly anticipated events in 2024, commencing with Farms for City Children's first ever speaking invitation at the Oxford Farming Conference in January 2024. Contributing to a panel discussion around enhancing equity, diversity and inclusion in the agricultural sector will no doubt be a highlight of our calendar and we hope to share with the wider sector how our charity is part of a solution to diversifying new entrants into this profession by drawing on our multi-ethnic and multi-cultural beneficiary groups and welcoming young people from non-rural environments. We eagerly anticipate events that showcase the power of partnership, endorsed by HRH Princess Royal, to be held at the Butchers Hall with the support of the Worshipful Company of Butchers livery in June 2024. Bringing together our schools, teachers, children and young people, funders, donors, and strategic partners, we hope that this event will spotlight how much can be achieved when people come together and build alignment around a mission.

Farms for City Children will continue to refine, develop, and seek out new project opportunities in 2024 particularly around strategic, geographic areas of deprivation along the M5 corridor. 2023 was a year when the OWL (Outdoor Week of Learning) programme funding from the Ernest Cook Trust supported a large cluster of schools from the Barry area in Wales to enjoy a week on the farm in Lower Treginnis. We were delighted when we were selected to repeat this in 2024, but also now welcome a second farm site to the programme by funding deprived children from the Gloucester area to have a week at Wick Court. Additionally, funding from the Gosling Foundation will support a project in the Gosport area working specifically with young people from military families educated in the local area. In Devon, the collaboration between funders in Plymouth, most notably Plymouth Children in Poverty (PCiP), will deliver multiple weeks for young people living in the area experiencing extreme levels of economic deprivation. Considering accessible transport routes to all three of our farms has driven us

Plans for future periods (continued)

to target locations in the Midlands for 2024 where the multiple indices of deprivation informs us that children are navigating their young lives with the most pressing need. Target areas for 2024 include Birmingham, Stoke-on-Trent, Liverpool, Rochdale, and Bury.

We will continue to participate in multiple lobbying campaigns around equitable access to the countryside, to the Nature Premium ring-fenced funding that will ensure all schools are funded to enjoy our offer, and to debates around diversifying employment opportunities in the agricultural sector. We have gained much traction through webinars and podcasts, through media appearances on TV and on the radio, and through articles in the print media but there is still far more to do. The charity looks forward to working with our Patrons and Ambassadors, and to welcoming even more Ambassadors speaking about issues connected to the charity's offer. Our plans to develop our website, increase social media traffic by refining our communications on our social platforms, working with a film producer and documentary maker on a project to celebrate the work of the charity, and starting to formulate plans for our 50th anniversary celebration in 2026 are all strategic priorities for 2024.

As bookings at the farms continue to improve each year, our 120 bookings weeks target is most certainly in sight for 2024. Our rich beneficiary group has flourished and we now welcome primary schools, secondary schools, post 16 colleges with young people working towards accreditation and farming, animal care, land management and catering, and our wonderful, vibrant community groups who visit us in non-term weeks, combine to make up a service group that we can be extremely proud of. Having supported almost 3500 young people in 2023, our ambition is to exceed that number next year, always being anchored by our commitment to finding the young people who need our offer the most.

And finally, one of the most exciting of our strategic priorities for 2024 is to move forward with the project at The Burrow, Nethercott House in Devon. Having taken back a portion of land that was once leased to a local farmer, the charity has begun a sustainable and environmentally innovative land management project that is already garnering significant attention from local and national wildlife, conservation and environmental groups. Our plans to redevelop derelict heritage buildings to create a centre of operations for the charity and a new Head Office is complemented by even more ambitious plans for pioneering agroforestry and agroecology initiatives that will see the land transformed from heavily farmed acreage to a sustainable, regenerative farming for change site that will increase biodiversity, improve the soil, enhance the habitat, and protect rare heritage breeds.

2024 will commence with a Trustee recruitment process as we look to welcome four new Trustees with expertise in education and outdoor learning, marketing, and fundraising, farming, and legal work to build upon capacity in our existing Trustee board. The SLT and teams across the farms look forward to collaborating with our Trustees to drive forward the business plan and to work together to ensure that Farms for City Children continues to go from strength to strength with each passing year.

Structure, Governance and Management

Governing Document

Farms for City Children Limited is a registered charity (No 325120) and a company (No 01177239) limited by guarantee. The governing document of Farms for City Children Limited is its Articles of Association dated 13th July 2021. The company was incorporated on 12 July 1974 and registered as a charity on 6 November 1974. The Trustees of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Appointment, induction, and training of trustees

Trustees are recruited for their expertise, experience, and skills in a variety of relevant fields. All Trustees undertake a skills audit, and any gaps in skills are proactively considered in recruiting new Trustees. Prospective Trustees are interviewed by a nominations committee made up of the Chair of the Board and two other Trustees. Their appointment is dependent on a unanimous election by the Board. New Trustees are provided with an induction pack of reading material and an induction plan to assist them in familiarising themselves with the work, value, and ethos of the Charity. Trustees are encouraged to visit all three of the farms, and to attend any relevant events alongside their attendance at quarterly meetings. Board wide training is arranged as required. Trustees serve a 3-year term and are eligible for two further 3-year terms up to a maximum of 9 years. As Founders, Sir Michael and Lady Morpurgo are not subject to a maximum term of office as Trustees. Three trustees stepped down in 2023 – Laura Reynolds, Peter Pantlin and Justin Albert – and we thank them for their service to the charity. We are in the process of recruiting new trustees to the board and have already recruited a trustee with responsibility for finance, Mary Trussell.

The Trustee Board uses the Charity Governance Code as the basis for the development of the Charity's governance structures and ongoing monitoring of its governance systems and processes. The Board of Trustees undergo regular training and professional development to ensure they remain abreast of current developments, changes in statutes and best practice.

Organisation

The Trustees determine the strategic direction of the Charity and delegate responsibility for the day-to-day management and operation to the Chief Executive and Senior Leadership Team, consisting of the Head of Fundraising, Head of Operations and Head of Finance & Resources, with support from the Senior Management Team consisting of the Partnerships Manager, Finance Manager, Farm School Managers and Farm Operations Managers.

The Trustees ensure the accuracy and timeliness of all financial reporting information through the Finance & Resources Committee, which reviews all financial information and progress on income generation and fundraising strategies. The Finance & Resources Committee, which meets on a quarterly basis, develops, and monitors the Charity's Financial Procedures and Risk Register.

Structure, Governance and Management (continued)

In addition, it reviews operational risks in relation to employment issues as well as keeping abreast of changes in employment law and developing relevant policies. The Finance & Resources Committee also reviews the Health & Safety Policy prior to consideration and approval by the full Board.

The Board routinely meets on a quarterly basis to review the Charity's performance, consider the financial reports and reports from the Senior Leadership Team and Senior Management Team, and to decide other matters of governance and policy, as advised by the Chief Executive.

There are four sites: three farms – Nethercott House, Lower Treginnis and Wick Court – and Head Office at Huxham Barns. The Senior Leadership Team are based at Huxham Barns near Exeter, with Head Office providing a central legal, IT, finance, and human resources function across the Charity, as well as leading on Charity-wide policy including Health & Safety, overseeing large capital projects, and providing the fundraising and marketing function. There is a hybrid working model in place for the Head Office team that meets the needs of the Charity and the employees. Each farm is managed by the Farm School Manager with the support of a Farm Operations Manager and a team of staff who provide the activities for the children, manage the accommodation, and care for the livestock.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as Trustees with the Charity. Related party relationships are monitored, and a Trustees' Register of Interests maintained and checked annually. Any updates to the Register of Interests or potential conflicts due to the items shown on the agenda are recorded at the start of every Board meeting.

Pay policy for senior staff

The Directors, who are the Charity's Trustees, consider themselves, the Senior Leadership Team, and the Farm School Managers to be the key management personnel in charge of directing and controlling, running, and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration for being a Director/Trustee in the year. Details of related party transactions are disclosed in note 14 to the accounts.

The Finance & Resources Committee meet in the Spring to review all salaries, including those of the Chief Executive and Senior Leadership Team. In their decisions they are informed by the recommendations of the Chief Executive (except in the case of their own salary) and by the Charity's pay policy and scales, which are benchmarked and reviewed every three years.

Structure, Governance and Management (continued)

Risk management

The Trustees review the objectives, services, management, and funding of the organisation as part of an ongoing planning and review process. The Finance & Resources Committee reviews the risk process, reviewing the Risk Register quarterly. There are also routes for any additional areas of concern highlighted through routine reports or arising through changes in external circumstances, new activities, or changes in the law. The risk is assessed, and any further action is identified, and parameters are agreed. The Senior Leadership Team assesses day to day risks using the Risk Register as a management tool to ensure the constant mitigation of potential risks.

The Trustees have reviewed the major risks that could impact on Farms for City Children. These are:

Risk	Mitigation
Financial: The charity relies heavily on two primary sources of income: payments from visiting school groups, and charitable donations.	Board focus, investment in fundraising, marketing & communications, diversification of income including commercial lettings, increased number of operating weeks and diversification of beneficiary groups.
Cost of Living Crisis: Parents and schools may be unable to afford a residential visit.	Exploring ways of offering more Access Funds to reduce the cost of a farm visit for the children most in need.
Inflation: Utilities, food and other costs are impacted by the high inflation rate.	Board focus, regular reforecasts, and review of costs, putting on hold any non-essential expenditure.
Health and Safety: There are considerable health & safety risks associated with farming and with children working in a farm environment.	Continuing good practice in terms of children working on a farm, work with health & safety advisers NFU, who audit our practice annually, provide annual action plans and provide an on-call service.
Child protection and safeguarding: There are inherent child protection and safeguarding risks in any residential setting.	Every school group is accompanied by at least 4 members of staff from their own school who remain in loco parentis throughout the day, all staff have an up-to-date DBS check, participate in safeguarding training to the appropriate level and are regularly made aware of the Charity's child protection and safeguarding policy, including the disclosure procedure. The Safeguarding and Child Protection Policy remains under annual review and is updated, as necessary.

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the Directors of the Farms for City Children Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that Farms for City Children will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Farms for City Children and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Farms for City Children and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Farms for City Children's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which Farms for City Children's auditor is unaware, and
- the Trustees, having made enquiries of fellow Trustees and Farms for City Children's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board of Trustees
Rachel Goult (Chair) 17 April 2024

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2023

Opinion

We have audited the Financial Statements of Farms for City Children Limited "the charitable parent company" and its subsidiaries (the "group") for the year ended 31 August 2023, which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2023 and of its incoming resources and application of resources profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original Financial Statements were 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 (who are also the Directors of

the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Trustees' report.

We have nothing to report to you in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the

preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the group and the sector in which it operates. The key laws and regulations we identified were group legislation and regulations in relation to health and safety (RIDDOR) and data protection (GDPR).

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the group complies with laws and regulations and deals with reporting any issues if they arise.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following: -

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Review of any health and safety incidents which have been reported under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") during the period;

- Review of the charitable company and group's controls in relation to GDPR, Safeguarding and Environmental Stewardship and enquiries to Senior Management as to the occurrence and outcome of any reportable breaches;
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non compliance;
- Reviewing Trustees' meeting minutes;

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud.

We evaluated the risk of fraud through management override including that arising from management incentives. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misappropriation of income or misapplication of grant funding.

Auditor's responsibilities for the audit of the Financial Statements (continued)

In response to the identified risk, as part of our audit work we:

- Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund;
- Used data analytics to test journal entries throughout the year for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.
- Reviewed financial statement disclosures and examined relevant supporting documentation to assess compliance with applicable laws and regulations.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group members 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 charitable parent company and its members as a body for our audit work, for this report, or for the opinions we have formed.

Catherine Williams FCA DChA

Senior Statutory Auditor
For and on behalf of
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 7th May 2024

Farms for City Children Limited
Consolidated Statement of Financial Activities
(including consolidated Income and Expenditure Account)
for the year ending 31 August 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and legacies					
Donations and legacies	3	447,629	91,285	538,914	547,499
Income from charitable activities:					
Charitable activities	4	1,529,464	491,245	2,020,709	1,357,599
Income from other trading activities:					
Trading operations	5	53,791	-	53,791	46,970
Investment income	6	13,485	-	13,485	1,131
Other income		-	-	-	3,537
Total income		**2,044,369**	**582,530**	**2,626,899**	**1,956,736**
Expenditure					
Costs of raising funds:					
Trading operations		25,517	-	25,517	24,330
Fundraising support costs		213,021	-	213,021	214,325
Expenditure on charitable activities:					
Charitable activities	7	1,648,404	520,168	2,168,572	1,948,018
Total expenditure		**1,886,942**	**520,168**	**2,407,110**	**2,186,673**
Gain/(loss) on sale of fixed assets		**14,000**	-	**14,000**	535,597
Net (expenditure)/income and net movement in funds for the year	9	**171,427**	**62,362**	**233,789**	**305,660**
Reconciliation of funds					
Total Funds brought forward		1,282,143	2,561,092	3,843,235	3,537,575
Total funds carried forward		**1,453,570**	**2,623,454**	**4,077,024**	**3,843,235**

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

All income and expenditure derive from continuing activities.

The prior year Consolidated Statement of Financial Activities is provided in note 27.

The notes on pages 35 to 55 form an integral part of the Financial Statements.

Farms for City Children Limited
Consolidated Balance Sheet
as at 31 August 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	17	2,931,167	2,911,128	2,931,167	2,911,128
Investment	10	-	-	1	6,097
Total Fixed Assets		**2,931,167**	**2,911,128**	**2,931,168**	**2,917,225**
Current assets					
Stock	18	49,824	47,307	40,546	47,307
Debtors	19	152,687	194,890	165,835	194,890
Cash at bank and in hand	20	1,480,676	1,458,716	1,425,949	1,432,207
Total Current Assets		**1,683,187**	**1,700,913**	**1,632,330**	**1,674,404**
Liabilities					
Creditors falling due within one year	21	(537,330)	(768,806)	(530,744)	(767,807)
Net Current assets		**1,145,857**	**932,107**	**1,101,586**	**906,597**
Net assets		**4,077,024**	**3,843,235**	**4,032,754**	**3,823,822**
The funds of the Group:	22				
Unrestricted funds		1,453,570	1,282,143	1,409,300	1,262,730
Restricted funds		2,623,454	2,561,092	2,623,454	2,561,092
Total group funds		**4,077,024**	**3,843,235**	**4,032,754**	**3,823,822**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the Board authorised for issue on the 17th April 2024 and are signed on their behalf by:

Signed

Rachel Goult, Chair of Board on behalf of the Trustees

The notes on pages 35 to 55 form an integral part of the Financial Statements.

Farms for City Children Limited
Statement of Cash Flows and Consolidated Statement of Cash Flows
for year ending 31 August 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash generated by/(used in) operating activities	25	**101,908**	**(84,771)**	**67,595**	**(84,739)**
Cash flows (used in)/generated by investing activities					
Interest income		13,485	1,131	13,485	1,131
Repayment of investment from FFCC Enterprises Ltd		-	-	6,095	-
Sale of tangible fixed assets		14,000	645,200	14,000	645,200
Purchase of tangible fixed assets		(107,433)	(94,538)	(107,433)	(94,538)
Cash (used in) investing activities		**(79,948)**	**551,793**	**(73,853)**	**551,793**
Cash (used) in financing activities					
Repayment of bank borrowings (CBIL)		-	(321,294)	-	(321,294)
Cash (used in) financing activities		**-**	**(321,294)**	**-**	**(321,294)**
Increase/(decrease) in cash and cash equivalents in the year		21,960	145,728	(6,258)	145,760
Cash and cash equivalents at the beginning of the year		1,458,716	1,312,988	1,432,207	1,286,447
Total cash and cash equivalents at the end of the year		**1,480,676**	**1,458,716**	**1,425,949**	**1,432,207**

The notes at pages 35 to 55 form an integral part of the Financial Statements.

Farms for City Children Limited

Notes to the accounts for the year ending 31 August 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Farms for City Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

b) Group financial statements

The financial statements consolidate the accounts of the charity Farms for City Children Ltd, company number 01177239, and its wholly owned subsidiary FFCC Enterprises Ltd, company number 03804473, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The surplus for the Charity for the year was £208,933.

c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items is required.

d) Judgements and key accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Accounting Policies (continued)

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance or charitable use of the asset.
- Determination of whether leases entered into by the Charity as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Trustees the debt is not fully recoverable.

e) Preparation of the accounts on a going concern basis

As explained in the Trustees' Annual Report, the Trustees have approved a detailed budget for 2023-24, based on the all-year round operating model with plans for investment in fundraising for future income growth. Having taken into consideration the availability of cash and the level of forecast reserves the Trustees believe it is appropriate to prepare the Financial Statements on the going concern basis.

f) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the Charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income from residential visits is accounted for when a school visits one of the charity's three farms. Payments received in advance of the visit are deferred until the criteria for income recognition are met.

Other trading activities are accounted for in the accounting period to which the income relates.

1. Accounting Policies (continued)

g) Donated services and facilities

Donated services or facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The value of goods and services donated in kind in the year and included in donations is £8,260 (2022: £23,955).

h) Interest receivable

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.

i) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of trading and their associated support costs and fundraising support costs.
- Expenditure on charitable activities includes the costs of the provision of services and activities undertaken to further the purposes of the Charity and their associated support costs.
- Farms for City Children is not registered for VAT and cannot recover VAT on any of its purchases. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1. Accounting Policies (continued)

k) Allocation of support costs

Support costs relate to those functions that assist the Charity's work but do not directly undertake charitable activities. Support costs include back-office costs, finance, HR, payroll and governance costs which support the work of the Charity. The bases on which support costs have been allocated are set out in note 8.

l) Operating leases

The Charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight-line basis over the term of the lease.

The Charity leases offices at Huxham Barns, Huxham, Exeter and this is classified as an operating lease.

The Charity leases land from the National Trust at Lower Treginnis with a rolling notice period of 12 months which is also classified as an operating lease.

The Charity classifies the letting of land at Nethercott House, Lower Treginnis and Wick Court under Farming Business Tenancy agreements as operating leases; the title to the land remains with the charity as lessor. All agreements currently have an end date of 31 August 2026, but either party to each lease may terminate the lease by giving 12 months' notice. The total annual rent receivable is £9,819 (2022: £18,519).

1. Accounting Policies (continued)

m) Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life, as follows:

Asset Category	**Depreciation Rate**
Freehold buildings and improvements	
Nethercott House	50 years
Leasehold improvements	
Lower Treginnis	60 years
Wick Court	99 years
Plant and machinery	5 to 25 years
Furniture and equipment	5 years

Freehold land is not depreciated.

Donated fixed assets are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Assets with a value below £2,000 or a life span of less than 1 year are not capitalised within the Financial Statements but expensed to the SOFA.

n) Stock

Trading stock is included at the lower of cost and net realisable value. Net realisable value is based on selling price less any future costs expected to be incurred to completion and disposal.

Animal stocks are included at deemed cost or net realisable value. Feed and resale stock is included at cost.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash 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.

Notes to the accounts for the year ending 31 August 2023 *(continued)*

1. Accounting Policies (continued)

q) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) 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. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

s) Pensions

The Charity contributes to an auto enrolment compliant group money purchase defined contribution pension scheme operated by NEST. New and existing employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme operated by NEST contract directly with the insurance company. The Charity makes a matching contribution of 6% (2022: 6%) of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions.

2. Legal status of the Charity

Farms for City Children is a company limited by guarantee, incorporated in England & Wales, and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is Unit 2, Huxham Barns, Huxham, Exeter, EX5 4EJ.

3. Income from donations and legacies

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Donations	437,667	91,285	528,952	471,352
Legacies	9,962	-	9,962	76,147
	447,629	**91,285**	**538,914**	**547,499**

Income from donations includes Gift Aid. From time to time Farms for City Children benefits from the involvement and support of volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not recognised in the accounts. Included in unrestricted donations is an amount £8,260 (2022: £23,955) which is the economic value of goods donated in kind.

4. Income from Charitable Activities

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Residential visits	1,223,704	-	1,223,704	815,671
Day visits	11,920	-	11,920	4,000
Grants – revenue	261,186	431,321	692,507	494,412
Grants - capital	-	59,924	59,924	11,000
Farm produce sales	17,562	-	17,562	10,589
Farm livestock sales	9,637	-	9,637	5,658
Rural Payments Agency grants	5,455	-	5,455	16,269
	1,529,464	**491,245**	**2,020,709**	**1,357,599**

5. Income earned from trading activities

The wholly owned trading subsidiary FFCC Enterprises Ltd is incorporated in the United Kingdom (company number 03804473) and pays all of its profits to the Charity under the gift aid scheme. FFCC Enterprises income arises from short term letting of residential accommodation on the farms and the sale of gifts, books, and cards. In the year ending 31 August 2022, this income was received in the Charity as the trading subsidiary was dormant.

A summary of the trading results is shown below.

	2023 £	2022 £
Rent received	9,819	18,519
Holiday lets	11,219	-
Sales of gifts, books and cards	29,051	26,973
Miscellaneous income	3,702	1,478
	53,791	**46,970**

The summary financial performance of the subsidiary alone is:

	2023 £	2022 £
Turnover	40,270	-
Cost of sales & administration costs	(15,417)	(34)
Net profit/(loss)	24,853	(34)
Amount gift aided to the Charity	-	-
Retained in subsidiary	24,853	(34)
The assets and liabilities of the subsidiary were:		
Current assets	64,001	26,509
Current liabilities	(19,734)	(7,096)
Total net assets	44,267	19,413
Aggregate share capital & reserves	**44,267**	**19,413**

6. Investment income

All of the group's investment income arises from money held in interest bearing deposit accounts.

7. Analysis of expenditure on charitable activities

	2023	2022
	£	£
Operation of farms		
Livestock purchases & produce costs	18,968	3,367
Staff costs	1,101,613	1,020,384
Premises costs	310,802	263,937
Other operating costs	214,056	153,273
Depreciation	87,394	78,878
Support costs (see note 8)		
Staff costs	302,860	271,515
Other costs	87,665	110,236
Governance costs (see note 8)		
Audit & accountancy	12,600	9,600
Board costs	3,169	2,715
Staff costs	29,445	34,113
	2,168,572	**1,948,018**

Of the £2,154,572 expenditure in 2022-23 (2022: £1,948,018), £1,634,404 was charged to unrestricted funds (2022: £1,601,771) and £520,168 to restricted funds (2022: £346,247).

8. Analysis of governance and support costs

Farms for City Children initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	Analysis of support and governance costs				
	General support £	Governance function £	Total 2023 £	Total 2022 £	Basis of apportionment
Salaries, wages & related costs	302,860	29,445	332,305	305,628	Staff time
General office costs	80,822	3,169	83,991	84,954	Direct
Legal fees	6,843	-	6,843	27,997	Direct
Audit & tax fees	-	12,600	12,600	9,600	Direct
Total	**390,525**	**45,214**	**435,739**	**428,179**	

9. Net income/(expenditure) for the year

This is stated after charging/(crediting):	2023 £	2022 £
Operating leases – equipment	29,100	39,221
Depreciation	87,394	78,878
(Profit)/Loss on disposal of fixed assets	(14,000)	(528,910)
Audit & tax fees	12,600	9,600

10. Investments

The Charity owns the sole £1 share issued by FFCC Enterprises Limited (registration number 03804473) which was incorporated to operate the charity's trading activities and began trading again from 1 September 2022 following a period when it was dormant. The registered office of FFCC Enterprises Limited is the same as that of Farms for City Children shown in the Trustees' Report. The activities and results of this company are summarised in note 5. Related party transactions are excluded as they are eliminated on consolidation.

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2023 £	2022 £
Salaries and wages	1,367,671	1,302,455
Social security costs	120,416	119,148
Pension costs	77,181	64,453
Other employee benefits	-	100
Other wages costs (including subcontractors & recruitment)	63,352	42,147
	1,628,620	**1,528,303**

One employee had employee benefits in excess of £60,000 and in band £70,000 to £80,000 (2022: 0). Pension costs are allocated to activities in proportion to the related staffing costs incurred. There were no redundancy or termination costs in the year (2022: £8,976).

The pension costs charged represent contributions payable by the Charity to schemes for the year.

The key management personnel of Farms for City Children comprise the Chief Executive, the Head of Fundraising (appointed 1 May 2023), the Head of Operations, the Head of Finance & Resources, the Head of Sales & Marketing (resigned 28 June 2023) and three Farm School Managers. The total employee benefits (salary and pension contributions) of the key management personnel were £403,558 – 8 people (2022: £390,687 – 8 people).

The Trustees were not paid or received any other benefits from employment with Farms for City Children in the year (2022: £nil). Two trustees were reimbursed expenses to the value of £294 for attending meetings in the year (2022: £315).

12. Staff Numbers

The average monthly number of employees (including casual and part time staff) analysed by function during the year was as follows:

	2023 Number	2022 Number
Management, Fundraising & Administration	17	17
Education, domestic & agricultural	33	31
	50	**48**

13. Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents employer contributions payable by the charity to the scheme and amounted to £77,181 (2022: £64,453).

Employee and employer contributions totalling £10,175 (2022: £9,800) were payable to the scheme at the end of the year and are included in creditors.

14. Related party transactions

Simon Gregory is a consultant at Foot Anstey LLP. Foot Anstey LLP did not supply any services in the year (2022: £5,116). There was no outstanding balance at the end of the year (2022: £nil).

Justin Albert OBE is a Director for Wales, The National Trust. Farms for City Children paid rent for Lower Treginnis to The National Trust of £6,400 (2022: £6,400). There was no outstanding balance at the year end (2022: £nil).

Jonathan Bishop is the CEO and Executive Headteacher of Cornerstone Academy Trust. Yeo Valley Primary School, a school in the trust, attended a week's residential at Nethercott House in September 2022 at a cost of £10,724 (2022: £10,724). There was no outstanding balance at the year end (2022: £3,500).

Donations from Trustees amounted to £11,265 in the year (2022: £16,961).

15. Corporation Taxation

Farms for City Children is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

16. Transfer between funds

There were no transfers between Unrestricted Funds and Restricted Funds (2022: £9,464).

17.Tangible fixed assets – charity (also comprising that of the group)

	Freehold Property	Leasehold Property	Plant & Machinery	Furniture & Equipment	Total
	£	£	£	£	£
Cost:					
As at 1 September 2022	1,012,872	2,762,720	469,827	110,692	4,356,111
Additions	18,529	32,771	54,056	2,077	107,433
Disposals			(24,474)	(2,051)	(26,525)
As at 31 August 2023	**1,031,401**	**2,795,491**	**499,409**	**110,718**	**4,437,019**
Depreciation:					
As at 1 September 2022	187,105	790,820	364,482	102,576	1,444,983
Disposals			(24,474)	(2,051)	(26,525)
Charge for the year	15,507	36,068	30,512	5,307	87,394
As at 31 August 2023	**202,612**	**826,888**	**370,520**	**105,832**	**1,505,852**
Net book value					
As at 1 September 2022	825,767	1,971,900	105,345	8,116	2,911,128
As at 31 August 2023	**828,789**	**1,968,603**	**128,889**	**4,886**	**2,931,167**

In 2022 there was a gain of £535,597 on the sale of land at Wick Court.

18. Stock

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Animals and goods for resale	28,048	28,485	18,770	28,485
Non animal stock used in operating farms	21,776	18,822	21,776	18,822
	49,824	**47,307**	**40,546**	**47,307**

19. Debtors

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade debtors	81,624	51,104	94,772	51,104
Prepayments and accrued income	71,063	143,786	71,063	143,786
	152,687	**194,890**	**165,835**	**194,890**

20. Cash at bank and in hand

The cash figure includes £368,172 (2022: £640,946) relating to deposits and final balances received for residential visits and holiday lets invoiced in advance.

21. Creditors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	88,237	47,379	85,407	47,379
Other creditors and accruals	52,197	51,238	51,198	50,238
Deferred income (residential visits & holiday lets to 31 August 2024)	368,172	640,946	365,415	640,946
Taxation and social security	28,724	29,243	28,724	29,244
	537,330	**768,806**	**530,744**	**767,807**

The movement on this income invoiced in advance is as follows:

	2023 £	2022 £
Deferred income at 1 September 2022	640,946	685,319
Resources deferred in the year	384,272	357,819
Amounts released in the year	(657,046)	(402,192)
Deferred Income at 31 August 2023	**368,172**	**640,946**

Deferred income comprises deposits and balances received for residential visits and holiday lets.

22. Analysis of charitable funds

Analysis of movements in unrestricted funds

a) Year ending 31 August 2023

	Balance 1 September 2022 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2023 £
General fund	1,282,143	2,058,369	(1,886,942)	-	1,453,570

b) Year ending 31 August 2022

	Balance 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2022 £
General fund	1,008,631	2,123,402	(1,840,426)	(9,464)	1,282,143

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	Unrestricted funds used at the discretion of the Trustees to further any of the Charity's purposes. The Trustees' policy is to maintain the general fund at an appropriate level, planning for adverse economic conditions and other potential threats, safeguarding the long-term future of the charity and providing assurance to schools, staff and supporters.

22. Analysis of charitable funds (continued)

Analysis of movements in restricted funds

a) Year Ending 31 August 2023

	Balance 1 September 2022 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2023 £
Charity wide					
Geographically restricted beneficiaries for both 2022 and 2023	38,320	197,029	(174,954)	-	60,395
Access Funds	109,796	238,055	(175,491)	-	172,360
Residential and day visits	6,434	60,892	(67,326)	-	-
Restoration of buildings	9,977	-	(9,977)	-	-
Gardening sessions	-	1,000	(1,000)	-	-
	164,527	496,976	(428,748)	-	232,755
Nethercott House					
Farm equipment	-	25,464	-	(2,077)	23,387
Residential visits at Nethercott House	-	8,300	(8,300)	-	-
All other donations < £1,000	-	5,738	(5,738)	-	-
Own Use Property	561,715	-	(16,162)	2,077	547,630
	561,715	39,502	(30,200)	-	571,017
Lower Treginnis					
All other donations < £1,000	-	4,164	(4,164)	-	-
Own use Property	472,483	-	(17,523)	-	454,960
	472,483	4,164	(21,687)	-	454,960
Wick Court					
Friends of Wick Court	-	253	(253)	-	-
Plant & machinery	-	25,012	-	(25,012)	-
All other donations < £1,000		16,623	(8,679)	(7,944)	-
Own use Property	1,362,367	-	(30,601)	32,956	1,364,722
	1,362,367	41,888	(39,533)	-	1,364,722
Total	**2,561,092**	**582,530**	**(520,168)**	-	**2,623,454**

22. Analysis of charitable funds (continued)

b) Year Ending 31 August 2022

	Balance 1 September 2021	Incoming resources	Resources expended	Transfers	Funds 31 August 2022
	£	£	£		£
Charity wide					
Geographically restricted beneficiaries for both 2022 and 2023	40,523	97,992	(100,195)	-	38,320
Access Funds	44,493	146,396	(81,093)	-	109,796
Residential and day visits	6,000	64,304	(63,870)	-	6,434
Restoration of buildings	61,224	-	(627)	(50,620)	9,977
	152,240	308,693	(245,785)	(50,620)	164,527
Nethercott House					
Farm equipment	2,086	-	(2,086)	-	-
Residential visits at Nethercott House	-	25,000	(25,000)	-	-
All other donations < £1,000	-	1,060	(1,060)	-	-
Own Use Property	566,587	-	(14,972)	10,100	561,715
	568,673	26,060	(43,118)	10,100	561,715
Lower Treginnis					
Restoration of buildings	5,694	-	(1,352)	(4,342)	-
Farm equipment & garden work	-	12,028	(3,789)	(8,239)	-
All other donations < £1,000	-	1,620	(1,620)	-	-
Own use Property	447,150		(17,380)	42,713	472,483
	452,844	13,648	(24,141)	30,132	472,483
Wick Court					
Friends of Wick Court	-	237	(237)	-	-
Plant & machinery	-	11,000	(597)	(10,403)	-
Residential visits at Wick Court	-	5,000	(5,000)	-	-
Reintroducing horses at Wick Court	-	2,000	(2,000)	-	-
All other donations < £1,000	-	2,294	(2,294)	-	-
Own use Property	1,355,187		(23,075)	30,255	1,362,367
	1,355,187	20,531	(33,203)	19,852	1,362,367
Total	**2,528,944**	**368,931**	**(346,247)**	**9,464**	**2,561,092**

22. Analysis of charitable funds (continued)

Name of restricted fund	Description, nature and purposes of the fund
Geographically restricted child places	Donations received to support children from specific geographical areas of the UK or specific schools.
Access Funds	Funding received from various trusts & foundations and the Friends of Treginnis which was allocated to support schools that would not be able to visit our farms without additional financial support.
Residential visits (all farms)	Funding received from various trusts & foundations to support residential visits.
Restoration of buildings (all farms)	Grants received to support the restoration, maintenance & improvement of the farm buildings.
Gardening sessions (all farms)	Funds received from the Worshipful Company of Gardeners funded gardening sessions at the farms.
Own use Property (all farms)	The restricted capital fund balances for Nethercott House, Lower Treginnis and Wick Court include funds received for specific capital developments, and assets including land, property values and major plant.
All other donations < £1,000 (all farms)	Donations received for a specific farm; these are allocated to core running costs for each farm.
Nethercott House: Farm equipment	Funds received to purchase a bee shed and equipment, pig arcs, weighing scales, a poultry poly tunnel and equipment for a cattle project at Nethercott House.
Lower Treginnis: Farm equipment & garden work	Donations received to fund various items of farm equipment and garden work. In 2021-22, funds received enabled the purchase of a new chicken shed and a dishwasher as well as further garden works.
Wick Court: Friends of Wick Court	Donations received this year partly funded maintenance costs at Wick Court.
Wick Court: Plant & Machinery	Funds received from the Halpin Trust partly funded the purchase of a new tractor.
Wick Court: Reintroducing horses	Funds received from Lord Barnby's Trust partly funded the reintroduction of horses at Wick Court.

23. Analysis of net assets between funds

a) Year ending 31 August 2023

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	563,855	2,367,312	2,931,167
Cash at bank and in hand	1,238,634	242,042	1,480,676
Other net current assets/(liabilities)	(348,919)	14,100	(334,819)
Total	**1,453,570**	**2,623,454**	**4,077,024**

b) Year ending 31 August 2022

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	514,563	2,396,565	2,911,128
Cash at bank and in hand	1,329,189	129,527	1,458,716
Other net current assets/(liabilities)	(561,609)	35,000	(526,609)
Total	**1,282,143**	**2,561,092**	**3,843,235**

24. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	22,503	23,168
Later than 1 year and not later than 5 years	48,597	62,251
Later than 5 years	-	-
	71,100	**85,419**

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Net movement in funds	233,789	305,660	208,933	305,694
Add back depreciation charge	87,394	78,878	87,394	78,878
Deduct interest income shown in investing activities	(13,485)	(1,131)	(13,485)	(1,131)
Loss/(profit) on disposal of fixed assets	(14,000)	(528,910)	(14,000)	(528,910)
Decrease/(increase) in stock	(2,517)	(17,983)	6,761	(17,983)
(Increase)/decrease in debtors	42,203)	143,806	29,055	143,804
Increase/(decrease) in creditors	(231,476)	(65,091)	(237,063)	(65,091)
Net cash used in operating activities	**101,908**	**(84,771)**	**67,595**	**(84,739)**

26. Capital Commitments

Farms for City Children has future commitments for the following projects and expects these commitments to be contracted within the next year and financed by cash reserves and grants.

	2023 £	2022 £
Capital expenditure that has been contracted but has not been provided for in the Financial Statements	**19,310**	-

27. Prior Year Consolidated Statement of Financial Activities

Farms for City Children Limited
Consolidated Statement of Financial Activities
(including consolidated Income and Expenditure Account)
for the year ending 31 August 2022

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Income			
Donations and legacies			
Donations and legacies	446,018	101,481	547,499
Income from charitable activities:			
Charitable activities	1,090,149	267,450	1,357,599
Income from other trading activities:			
Trading operations	46,970	-	46,970
Investment income	1,131	-	1,131
Other income	3,537	-	3,537
Total income	**1,587,805**	**368,931**	**1,956,736**
Expenditure			
Costs of raising funds:			
Trading operations	24,330	-	24,330
Fundraising support costs	214,325	-	214,325
Expenditure on charitable activities:			
Charitable activities	1,601,771	346,247	1,948,018
Total expenditure	**1,840,426**	**346,247**	**2,186,673**
Transfers between funds	(9,464)	9,464	-
Gain on sale of land	**535,597**	-	535,597
Net (expenditure)/income and net movement in funds for the year	**273,512**	**32,148**	**305,660**
Reconciliation of funds			
Total Funds brought forward	1,008,631	2,528,944	3,537,575
Total funds carried forward	**1,282,143**	**2,561,092**	**3,843,235**

FARMS FOR CITY CHILDREN LIMITED

England & Wales - Charity number 325120

Accounts

Farms for City Children Limited

(A charitable company limited by guarantee)

Report and Financial Statements

Year ending 31 August 2022

Registered Charity Number: 325120

Registered Company Number: 01177239 (England and Wales)

Farms for City Children Limited

Reference and administrative details

Charity number:	325120
Company number:	01177239
Registered Office:	Unit 2 Huxham Barns, Huxham, Exeter, EX5 4EJ

Directors and Trustees

The Directors of the Charitable Company (Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chair	Simon Gregory	(resigned as Chair 14 December 2022)
	Rachel Goult	(appointed as Chair 14 December 2022)
Trustees	Sir Michael Morpurgo OBE	
	Lady Morpurgo MBE	
	Frances Harris	
	Justin Albert OBE	(resigned 1 November 2022)
	Peter Pantlin	(resigned 6 October 2022)
	Richard Ash	
	Andrew Bailey	
	Jonathan Bishop	
	Donna Edmonds	(resigned 17 December 2022)
	Rachel Goult	
	Simon Gregory	
	Laura Reynolds	(resigned 3 September 2022)
	Mel Squires	(resigned 29 April 2022)
Secretary	Lady Morpurgo MBE	
Chief Executive	Vanessa Fox	(resigned 3 January 2022)
	Donna Marie Edmonds	(appointed 17 January 2022)
Auditors	Wescotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ	
Bankers	NatWest Bank plc 59 High Street Exeter Devon EX4 3DL	

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2022

The Trustees are pleased to present their Annual Trustees' Report together with the Financial Statements of the Charity for the year ending 31 August 2022. The Report and Financial Statements are prepared to meet the Directors' Report and Accounts requirements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Report

In September 2021 we were delighted to re-open the doors of our three farms – Nethercott House, Wick Court & Lower Treginnis - to our beneficiaries after eighteen months of closure due to the Covid-19 pandemic. Over the course of the year, we welcomed 2,753 young people from 74 schools and groups from urban areas across England and Wales, all of whom, without exception, had been negatively impacted by long-periods under national lockdown.

We are proud of the transformative impact that a week of "muck and magic" at one of our farms can bring to our beneficiaries. In today's world, the therapeutic value of our offer - a week of farming, healthy food and outdoor education - is needed more than ever. An immersive week on a farm, connected to nature and animals in a rural landscape has a significant role to play in advancing good mental health and wellbeing. Combined with nutritious food and teamwork, it is a positive experience for the children that they will never forget, and one which shapes and influences their lives for the better.

We started the year with a restructured staff team and a re-energised ambition to open our farms for more weeks outside of our traditional 32-week term-time offering. This shift in strategy is driven by our determination to reach even more beneficiaries and is a direct response to the perceived level of need post-pandemic, during which schools and groups working with children and young people had been prohibited in engaging with outdoor learning activities. Our new strategy is spearheaded by our new CEO Donna Marie Edmonds, who we were delighted to welcome at the start of 2022 to replace our former CEO, Vanessa Fox.

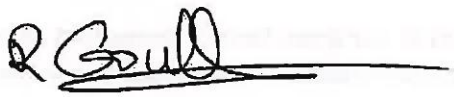
Operating for 120 weeks a year (across 3 farms) allows us to diversify beneficiary groups beyond the standard offer of mainstream schools. This strategy allows us to be even more inclusive, working with special educational needs (SEN) centres and groups, Virtual Schools, target groups within local authorities, young carers, military families, football associations, youth clubs, with health care trusts and many more. We now also welcome Gold Award applicants to use our farms for completion of their challenges thanks to a partnership with the Duke of Edinburgh Awards Scheme. Our pilot bookings during the year were an immense success and we are very excited by the prospect of serving the needs of these diverse beneficiary groups in 2022-23 as we fully roll out the strategy.

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2022

I would like to take this opportunity to applaud the entire team at Farms for City Children for their grit, agility and resilience in emerging from the most trying period in our 46-year history, with determination, creativity and optimism. We are united in our ambition to increase our reach in society, supporting the wellbeing of children and young people for decades to come.

Sadly, I must end this year's report with a moment of reflection. It is with great sadness that we share the news of the passing of our partner farmer at Nethercott House in Devon, David Ward. Since the inception of the charity in 1976, David Ward and his family have been ardent supporters and partners to Farms for City Children. David will be missed by all who knew him, by current and historic teams at Farms for City Children and by tens of thousands of beneficiaries educated and empowered through his memorable connection to their lives.



Rachel Goult,
Chair of the Board of Trustees

Our purposes and activities

Farms for City Children exists to remove the barriers that prevent children and young people from having meaningful access to the natural world. Our purpose, as set out in the governing document, is to "advance the education of boys and girls from urban areas by the establishment and maintenance of suitable educational study centres in the countryside of England and Wales". Through our farming, food and nature-connected wellbeing offer, we strive to empower the next generation to experience the physical and mental health benefits of being in the countryside and to be the custodians of our landscape for generations to come.

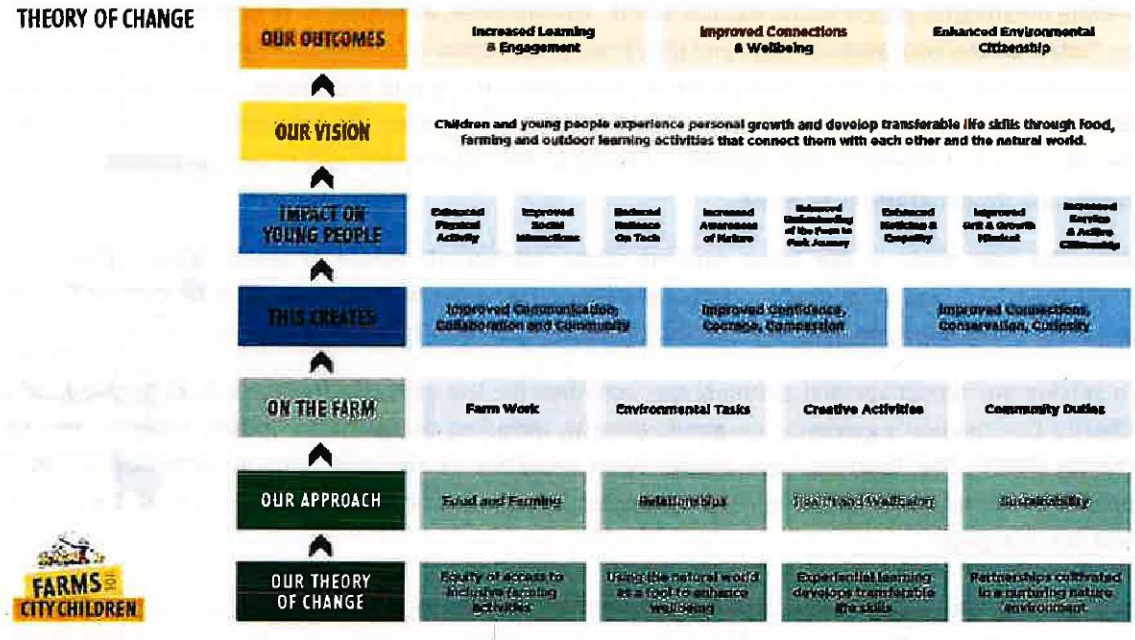
Activities take place at our three working farms: Nethercott House in Devon, Lower Treginnis in Pembrokeshire, and Wick Court in Gloucestershire. Our activities are supported by partner farmers, whose commitment and dedication to the charity is fundamental for our success.

In setting our objectives and planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees have always been proactive in ensuring that our activities are to the benefit of the public and children, and consequently have considered the guidance in all our activities and fee charging.

We have a moral responsibility to offer opportunities for young people to connect purposefully with the natural world. Barriers exist for children across all demographics, but a child is far less likely to have access to a rural experience if they are a young person identified as living in poverty, come from a minority ethnic group, or have a neuro-diverse profile.

If the countryside is to be cared for and protected, we must engage those living in all areas to see that they can have a relationship with all that it has to offer. As a charity, we are determined to keep fighting for this equity of access in order to obliterate the poverty of experience that is currently defining childhood for many millions of children living in the UK.

Our purposes and activities (continued)



Impact of our offer

The sanctuary of our farms, and the healing, therapeutic offer of working in nature and with animals is well documented. Farms for City Children is the antidote to a world in which children have an over-reliance upon screens and digital relationships, which has led to a massive increase in social isolation, unregulated behaviour and disconnection from peers and teachers.

Beneficiaries learn to be mindful and notice their environment. They learn to take responsibility for themselves, each other, and work in harmony with the animals and the land. Free from digital intrusion, their analogue imaginations are liberated, and they enjoy creative activities, storytelling sessions by the fire pit (sometimes with our founder Sir Michael Morpurgo) and inventing and playing games together, interacting in a way that only children can – with total abandon!

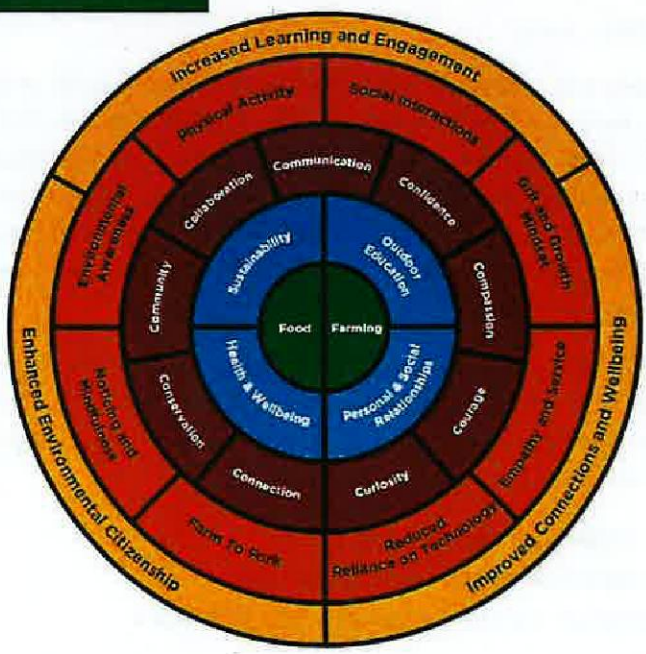
Our purposes and activities (continued)

Being on the farm gives each child or young person that space to just be. With reduced stress levels, increased freedom and more meaningful interactions and connections, beneficiaries return home with greater resilience and an enormous sense of pride as a result of being a "Farmer for a Week."

The combined holistic offer of outdoor education activities with a strong focus on climate education and sustainability, plus the personal and social developments made through profound connections with classmates and accompanying adults, and the health and wellbeing benefits of an immersive week of physical activities, nutritious, locally produced and home-cooked food grown and prepared by the children themselves, results in a nurtured and empowered child, ready to return to school and home with new grit, growth mindset and a set of valuable transferable life skills.

Children and young people feel a momentous connection to nature, a sense of their own social and moral responsibility to be stewards of our planet, and an emerging feeling of agency in visualising a future for themselves that involves remaining in contact with the countryside and nature beyond the visit.

WHAT IS THE FARMS FOR CITY CHILDREN OFFER?



Our purposes and activities (continued)

We know that our week empowers active citizenship in our beneficiaries. Alumni contact us to report that their relationship with nature has been sustained from their visit on the farm as a child into adulthood. We know that the impact of providing these experiences in schools means that we will give children and young people the agency to deal with the climate emergency and loss of biodiversity. We will be supporting them to 'grow up greener' and contribute to a sustainable future economy.

The impact on teachers is equally beneficial. Many teachers experience the week with the same wide-eyed wonder as their pupils, having also been denied access to the countryside in this way throughout their own lives. Teachers regularly feedback that the week stimulates bonds between the children and the adults that endure in the classroom upon return to school. They relish the opportunity to observe pupils liberated from the curriculum and the routines and rules of the school day. Others report significant changes to behaviour, emotional reactions and levels of confidence and engagement. Teachers tell us that children are more curious, courageous, and compassionate because of the week on the farm, and these character developments permeate the school and family setting when children return home.

What do children learn?

Days start early and, whilst the cycle of the seasons and vagaries of the weather ensure that each day is different, there is a reassuring routine and structure to life on the farm. A combination of physical farm tasks in tending to the animals and their welfare, maintaining the sites and checking stock is combined with sowing, harvesting, and cooking tasks that anchor the child to an understanding of the field > farm > fork journey. This improves children's food choices, increases their consumption of fresh, locally produced meat, fruit and vegetables which can help them develop longer term commitments to leading a healthier life.

A renewed focus on nature nurture is delivered through wellbeing activities to induce greater nature connectedness from long biodiversity walks, birdwatching on the coast and the riverbed, beekeeping sessions, sustainable arts and crafts and mindfulness sessions, storytelling, poetry, and astronomy. All of which enable us to fulfil our three pledges:

- To increase learning and engagement
- To improve connections and wellbeing
- To enhance a sense of environmental citizenship

Our purposes and activities (continued)

In the short term, we know that children return happy and fulfilled, walking a little taller with knowledge, skills, and expertise that they did not have when they set off from home. They will never forget the memories they make, the relationships they cultivate or the way that they felt about themselves as they flourished through a week of "muck and magic" at Farms for City Children.

'The most amazing thing I have experienced on the farm is feeding the animals and understanding what they eat and what their purpose is but the most amazing thing has been the tractor to Bridgetown because you get views you don't get in England.' Visitor to Nethercott House

'I've loved all of it. It was very fun and generally enjoyed doing all jobs, even the poop and especially holding the hen but I enjoyed all the same. One of the best experiences I will ever have. Ps: the people made it even better.' Visitor to Nethercott House

'Many children overcame fears of wildlife and trying new foods. Child x became more focused and talkative. They became happier and their manners improved. Child y who has ASD became noticeably better at working with peers and regulating their emotions.' Teacher

'A rewarding and unforgettable experience that challenged our children to grow and develop in confidence and empathy with an environment that was new to them all. Thank you to the incredible staff who made us feel so welcome and cared for.' Teacher

'Wow! What a fantastic experience for all, much learning and understanding of the rural community and how farms work, also the understanding of how the farm grows/produces the food that is used on the events held at Nethercott House.' Teacher

'Getting to play with sheep was good. The food was delicious. Getting to learn how the animals live and work. I liked grooming the horses and sheep. I loved the peacefulness of the birdwatching and learning about the animals. Playing ping pong was great and I've practised and got better. I loved Oreo.' Visitor to Wick Court

Achievements and performance

Our new team and our new strategy

After two very traumatic years during the Covid19 pandemic, which saw our farms close, we emerged determined in September 2021 to reopen all farms to children across the UK, with a restructured staff team and a re-energised ambition to open the sites for bookings for 40 weeks of the year. CEO Vanessa Fox stepped down at the start of 2022 and following a robust recruitment process, we were delighted to welcome Donna Marie Edmonds as our new CEO.

This shift in strategy was a direct response to the perceived level of need post-pandemic where schools and groups working with children and young people across the country had been prohibited in engaging with outdoor learning activities since early 2020. The charity believes that by operating for more weeks a year, we can invite a greater number of beneficiaries to the farms in term time and now out of school hours.

This enables us to increase its reach in society as an agency supporting the wellbeing of children and young people. Operating for 120 weeks a year (across 3 farms) allows us to diversify beneficiary groups beyond the standard offer of maintained schools. This strategy allows us to be even more inclusive, working with special educational needs (SEN) specialist centres and groups, children in the care system with Virtual Schools, target groups within local authorities, young carers, military families, football associations, youth clubs, and with health care trusts.

It also allows us to extend the age group that we can work with up to 19, and we have actively sought partnerships with community groups that can bring us an older demographic. The new strategy has inducted a partnership with the Duke of Edinburgh Award Scheme, and we now welcome Gold Award applicants to use our farms for completion of their challenges. Our pilot bookings have been an immense success and we are excited about how the charity can serve the needs of these diverse beneficiary groups in 2022-23 as we fully roll out the strategy.

Achievements and performance (continued)

We are delighted to have been able to deliver over 2,000 hours of activities across the three farms to almost 3,000 young people and 350 teachers. Welcoming loyal schools back and adding 12 new schools to our beneficiaries, and also 5 new groups in non-term weeks demonstrates the appetite for our offer. Our volunteers continue to support our work both on site devoting regular time to the charity, and also from work experience and corporate support.

Achievements and performance (continued)

Nethercott House

Autumn

Autumn at Nethercott House was an abundance of harvesting sessions with the children delivering volumes of produce to sell at our food stall in Hatherleigh. Apple picking, juice making, and three new cooking sessions added by our Kitchen Manager increased the field > fork understanding of where food comes from. While our volunteer Pat Brown developed the apiary to prepare Nethercott House to commence beekeeping in the Spring, biodiversity walks into Iddesleigh and night walks to learn about bats and discuss astronomy were popular with the children. Hundreds of trees were planted on the banks of the river Torridge by the children maximising a mass donation from The Woodland Trust and we launched a renewed breeding programme with our rare/at risk Large Black pigs.

Spring

With the impact of the Omicron variant threatening provision delivery again, Nethercott House forged forwards with clearing, weeding, and applying manure to the garden beds in the walled garden, developing volumes of produce in the greenhouse and polytunnels and offering tea infusion sessions to explore the wellbeing benefits of botanicals grown in the garden. Storm Eunice in February caused significant damage to infrastructure, but work continued with incubating eggs from our purebred Buff Orpingtons and hybrid Marans – to create a beautiful dark egg laying hen, multiple new litters of our Large Black pigs being born and bottle rearing orphaned lambs from neighbouring farms. A Wassail of the orchards with visiting school children was complemented by two media events with a crew filming an episode of BBC's Escape to the Country and a photo shoot from HELLO! Magazine.

Summer

In the season of births, visiting children witnessed our first caesarean birth of a calf at Bridgetown – amazing highlights! The produce harvested in the autumn was defrosted and turned into delicious recipes by the children and new produce in the gardens yielded cauliflowers, new potatoes, spring cabbage, onions, leeks, lettuces, strawberries, and other soft fruits. Surplus rhubarb was picked, cleaned, tied, tagged, and sold on the food stall in Hatherleigh by the children and jam making sessions were a hit! Produce from the garden is now sold in our shop for the children to take cuttings home and continue their growing journeys back in the city. Most exciting to report is that the children have enjoyed their first beekeeping sessions at Nethercott – a real asset in discussing the vital role these pollinators play in the entire ecological chain of being and a transferable educational experience to build on back in the school classroom.

Lower Treginnis

Autumn

Lower Treginnis re-opened in the autumn with the challenge of harvesting huge volumes of produce. The children sell the food as part of the Open Food Network in our Farm Shop, learning how to prepare, weigh, measure, and price the items and complete transactions with customers. Fantastic work experience! Building up livestock numbers again with a new breeding programme across all stock was a priority after such a long period of closure, and it was a delight to consume meat and fruit and vegetables produced on the farm – the first for a long time. Tending to a new milking goat and completing maintenance to the incubation rooms to allow more handling of chicks was enjoyed by the children in addition to the offer of working with pigs, donkeys, and poultry. Coastal walks and watching the seal pups delighted the beneficiaries as did learning about the puffins on Ramsey Island. New telescopes donated to the farm allowed for evening astronomy sessions which were a hit.

Achievements and performance (continued)

Spring

With Omicron variants tearing through schools, particularly in Wales, causing cancellation and anxiety, the farm moved to day visits with local youth groups to ensure the offer could still be enjoyed by children even in these challenging circumstances. Sessions were taken into local Pembrokeshire schools when children could not visit – e.g. a Key Stage 1 session identifying vegetables, labelling and boxing eggs for the shop, planting sweet peas and broad beans, showed how Lower Treginnis could pivot their offer to remain operational. New groups in the form of a BTEC agriculture group visited with 14-18-year olds allowing work to be completed linked to their studies and the Marlowe's Group (children living in the care system) came for cooking sessions in the kitchen and sustainable artwork sessions on coastal walks. February brought Storm Eunice and it battered the Lower Treginnis farm. Children were involved in all kinds of repairs and a major tree planting initiative with 500 trees donated by The Woodland Trust being planted. Incubation successes enabled the farm to have point of lay birds to sell and we welcomed 3,000 new lambs born this spring for the children to witness at every visit throughout the season.

Summer

The impact of abattoirs not taking pigs for culling in our area means we had to give away some of our pigs. This provided powerful narrative for the children around food wastage and sustainability of the food production industry. The birds were liberated from "flockdown" caused by avian flu and the farms became free range again. The clearing of the polytunnel, compost barrowing and planting tomatoes and strawberries and other soft fruits for the kitchen provided some wonderful horticulture sessions and a wildflower session was a huge success with children picking and arranging the flowers. A new enrichment session was launched by our SEMH (social, emotional, and mental health) specialist in response to the growing needs of our beneficiaries to have nature nurture wellbeing activities on the farm. Finally, new groups arrived at Lower Treginnis during the summer vacation for the first time ever including "Fourteen", a group from East London Mosque and Birmingham Health Trust and Birmingham Football Club brought a group of vulnerable young people with complex needs supported by their outreach programme.

Wick Court

Autumn

Our year at Wick Court started with a complete overhaul of the garden following two years of it being unattended. With seeds from the other farms, the children started the hard work of bringing the garden back to life. New horse grooming sessions with two new ponies donated to the farm proved a hit as did the pig weighing sessions which offer opportunities to discuss the economics of pig keeping in an industry under threat. A loaned Gloucester Bull was brought in to increase rare heritage breed stock and resulted in conversations around rare breeds with the children. The children moved all the birds inside and secured new spaces to prepare for "flockdown" and the threat of avian flu. An introduction to "Wellbeing Wednesday" with sessions of birdwatching, biodiversity walks, willow weaving and mindfulness activities in nature added a new dimension to our food and farming offer.

Achievements and performance (continued)

Spring

New seasonal tasks were on offer for the children including willow coppicing and weaving, oak planting, fire lighting, kindling collecting and wood chip path maintenance. A new polytunnel was delivered for the garden, fences were repaired, beds dug, and a new greenhouse erected to rejuvenate the garden neglected throughout the pandemic closure. Lamb halter training proved to be a hugely popular activity and the horse grooming sessions became more of a therapeutic wellbeing task in our holistic programme and less a physical "farm task" because of the impact the equine nurture has on beneficiaries. A new boar was purchased, and Wick Court successfully produced halal lamb and beef for Nethercott House and Lower Treginnis and welcomed an Imam from Gloucester Mosque, supporting the charity with further adapting the offer for Muslim beneficiaries. Insect walks to explore biodiversity, owl and bat watching sessions and the beekeeping sessions were fully opened with our volunteers Pat and Ted.

Summer

The garden flourished at Wick Court thanks to the energy of our staff and team of volunteers, and it offered a bounty of cauliflower, leeks, courgettes, tomatoes, potatoes, grapes, and berries, with enough produce for the children to set up a food stall for the local community as part of the Open Food Network. Cooking sessions continued to utilise all produce from the garden and some interesting new recipes emerged – nettle spanakopita and new salad dressings were developed by the children experimenting with flavours. Sadly, Mr Morgan, our pony passed away again prompting educational discussions around the cycle of life. Repair work is always ongoing on a heritage farm and house, and the moat, front door, leaded windows, and the pole barn damaged in Storm Eunice all received attention. Open Farm Sunday – the first open event for the charity in over 2 years – saw almost 400 visitors coming back to see our work and on 6th July we welcomed our Patron HRH Princess Royal for a visit to Wick Court. The summer season saw group bookings in the holidays coming to Wick Court for the first time.

Achievements and performance (continued)

Fundraising

Our fundraising efforts aim to subsidise every child's visit to Farms for City Children to ensure that it is affordable. The level of support that we have received from our supporters, donors and grant makers has once again been fantastic – thank you to you all for your support no matter how large or small your contribution.

This financial year, perhaps more than ever before, we operated in a new and complex fundraising environment, complicated by cost-of-living challenges and the Russian invasion of Ukraine that have had an immediate impact on the focus of donations and support. As a result, competition for fundraised income across all forms of fundraising has become fierce with funders and donors receiving far more requests than in recent history, placing significant pressure on the funds available to the charitable sector.

We operate across several forms of fundraising, the focus areas being Trusts and Foundations, Individual Giving, Legacy, and Corporate partnerships, all of which are managed by employed fundraising staff who are developed and overseen by the Senior Leadership Team. The team worked hard during the year to deliver despite the challenging environment and we were successful in raising over £1m of income in the financial year. Towards the year end we recruited to the new post of Grants Development Manager in order to build on our work with trusts and foundations. The continued support for child subsidies, from many small to medium grant makers stewarded by our Trusts Officer, bolstered our year end results and we must thank the large numbers of smaller grant makers that underpin our programme each year. In addition, we received significant multi-year grants from the Aurora Trust (formerly the Ashden Trust) and the Corton Hill Trust and were welcomed into the Ernest Cook Trust OWL Collaboration.

Our Individual Giving programme had mixed results despite significant contributions by our founders Sir Michael and Lady Morpurgo and our Vice President Joanna Lumley, and as always, a heartfelt thank you to them for their continued support and encouragement. The Christmas Big Give campaign delivered some fantastic results but sadly these were not sustained.

Despite these lower than projected outcomes we should note that our Corporate Partnerships programme exceeded target with specific highlights in the work that we undertook with the Bank of Montreal and the toy manufacturers Britain's Farm Toys, owned by Tomy. In both cases our partners supported us with both engagement activities and donations. They reflect the types of partnerships that we hope to build in the longer term, and we would like to offer special thanks to both organisations. In addition, we would also like to highlight the thousands of Tesco customers who voted for us with their post-shopping blue tokens that delivered valuable funds.

Achievements and performance (continued)

We were delighted to develop a three-year funding partnership with the Worshipful Company of Butchers; Farms for City Children was the recipient of generous funds raised at their charity ball. We have high hopes of this relationship in the coming years and look forward to developing a lasting programme of activities that leave a significant legacy of our work together.

In addition, our legacy programme delivered an amazing result, exceeding target by 228% and we would like to recognise those individuals that left us valuable gifts in their wills which is such an important part of our income each year.

Our events and community fundraising programme was much reduced due to the pandemic and we have an ambition to grow this in the next twelve months.

Farms for City Children is proud to be registered with the Fundraising Regulator and applies the principles in the Fundraising Code of Practice. Due to the nature of our work safeguarding is a key aspect in everything that we do, and we make sure that we consider vulnerable people when undertaking fundraising to ensure that they are considered and protected in all that we do. We do not share or sell donors data. We work closely with commercial partners to ensure that they operate to our expected standards. We do not employ third party fundraisers to operate on our behalf.

In the financial year we received no complaints relating to our fundraising activities.

Financial review

Farms for City Children had an overall surplus of £305,694 in 2021-22 (2021: £95,298), thereby increasing total reserves to £3,823,822 (2021: £3,518,128). We re-opened the farms in September 2021 and 2021-22 was the first full year of operation post Covid-19 pandemic. The effects of the pandemic were still very much in evidence in the Autumn term; bookings were below expectations as schools and parents remained cautious about booking residential trips. Although not as high as income levels pre pandemic, we generated income of £815,671 (2021: £nil) from residential trips and £4,000 (2021: £10,030) from day trips in the year; these figures include visits from five non-school groups as part of our new strategy to widen our beneficiary reach and welcome children to the farm outside term time.

We typically raise approximately 50% of our income through grants, donations, and legacies, which subsidise the cost of a week at the farm to make it as affordable as possible for all children. Our objective is to increase this figure going forward. The fundraising landscape remains challenging; community activities and other fundraising events were slow to return to pre pandemic levels during the year. We are, however, pleased to report an increase in income from donations and legacies to £547,499 (2021: £447,691) as well as an increase in income from revenue grants to £494,412 (2021: £249,251). We are grateful to all our funders who have enabled us to re-open our doors after a very difficult 18 months.

At the start of the year, we recruited new staff teams for the three farms; staff have been recruited on full time, permanent contracts to reflect our new strategy of operating all year round. We have also strengthened our head office function with new roles in sales, marketing and fundraising to support the new strategy, bringing our head count to 48 (2021: 22).

Premises and other operating costs increased as we re-opened the farms. We have invested in sales and marketing to enable us to reach new beneficiaries and increase the number of children visiting the farms each year and this can be seen in the increase in general office costs. Following the pandemic, head office staff are continuing to work under a hybrid model (part office and part home working) and we took the opportunity to review our tenancy at Huxham Barns, returning part of the offices back to the landlord and reducing our costs for the remainder of the lease.

Last year we took the difficult decision to sell a portion of land at Wick Court; this sale was realised in January 2022 with a net gain of £535,597. The proceeds of the sale enabled the repayment of the Coronavirus Business Interruption Loan (CBIL) at the end of January 2022. Following the sale of land, the Farming Business Tenancy with the Oldbury Partnership at Wick Court came to an end, although we continue to work with Oldbury Partnership as our neighbours and partner farmers.

We have continued to invest in the restoration and maintenance of our farm buildings. Works continued in the year to refurbish the bathrooms at all three farms with funding from the Band Trust and we purchased a new greenhouse and garden tractor at Wick Court with the help of a grant from the Halpin Trust. Storm Eunice caused major damage at two of our farms and we received insurance monies for repairs and replacement of equipment. We are also grateful to all our supporters who responded to the emergency appeal for funds to replace the chicken shed blown away by the storm at Lower Treginnis.

Financial review (continued)

Investment powers and policy

The Trustees, having regard to the liquidity requirements of running Farms for City Children, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

Reserves policy

At 31 August 2022, the free reserves of the charity (unrestricted reserves less unrestricted fixed assets) stood at £748,167 (2021: £355,587). This represents 3 months' operating costs.

In the long term, the Trustees believe that excessive levels of free reserves (see Note 22) are unjustified. However, considering the financial challenges presented by the Covid-19 pandemic, the Trustees made a commitment to grow free reserves over a 5-year period to be equivalent to 6 months' operating costs. This will ensure the Charity can better meet the needs of its beneficiaries during periods of economic uncertainty and be resilient in the face of external shocks.

Going concern

We have now completed a full year of operation under our new year-round model. We are delighted to report an increase in schools who have booked to return in 2022-23, and we have also forged relationships with new schools and groups who will be visiting a farm for the first time, thus increasing our beneficiary reach. Many schools have also made a booking for 2023-24.

The cost-of-living crisis has adversely impacted our beneficiaries; schools are grappling with enormous energy bills and other rising costs and enrichment visits are not at the top of school agendas. We are maintaining close contact with schools to offer financial help where possible to enable the children who most need a week in wellies to visit a farm.

We produce rolling forecasts to assess the impact of the current economic situation on our finances. We have delayed some capital expenditure and scaled back some operational expenditure in order to allocate funding to increases in energy bills and other essentials. We are currently reviewing our plans for income generation.

We continue to seek new funding partners who support the diverse threads of our offer and have been successful at increasing funds to support our core work in 2022-23. We have strengthened the fundraising team, with an emphasis on grants from larger trusts and foundations, and we plan to further invest in fundraising in the coming year.

Financial review (continued)

Over the next twelve months we expect reserves to increase slightly and have long term budgets in place to ensure that reserves increase to six month's operating costs over the next 5 years. The Trustees therefore believe it is appropriate to prepare the Financial Statements on the going concern basis.

Plans for future periods

With an ambitious new Business Plan launching to welcome even more beneficiaries and open for even more weeks of the year, Farms for City Children is committed to the next chapter in our constantly evolving story. The significant development of partnerships in the last year have allowed us to take a seat at the table of several national working parties and strategy groups around food, farming, wellbeing, and children's health initiatives, and on campaigns to secure funding in schools for outdoor learning and nature connected activities.

Ensuring that our brand is communicated effectively has resulted in an increase in media activity this year with plans to deliver more webinars, podcasts and to take an active role in keynote speaking and workshop delivery at conferences. A refreshed visual identity is on the horizon, as is an announcement about new Ambassadors and Patrons to advocate for the interest of the charity, ensuring that our staffing, governance, and patronage better reflect the diversity of our beneficiary groups. This brings with it wonderful opportunities for commercial growth on our three farms, ensuring that the assets of the farms can be utilised to serve more beneficiary groups and secure the financial future of the organisation.

Collaborations with new funders will allow the charity to be a key player in national outdoor learning strategy work and we are excited to be part of the OWL collaboration with the Ernest Cook Trust, to name just one of the exciting new initiatives launching in September 2022. Developing land at our Nethercott site in Devon, to have a more sustainable and regenerative offer with a strong focus on biodiversity and agroforestry, reveals huge potential for diversification of our offer and for more partnerships with colleagues working across climate education and sustainability.

As we continue to welcome groups supported by third sector community-based organisations, we know that 2022-23 will be the year where our reach extends far beyond relationships with schools. Measuring the impact of this work with a MRes student from Harper Adams University, funded by the Worshipful Company of Butchers, will deliver a compelling piece of evidence about the impact of our offer on children, young people, and their accompanying adults across all three farms. We will also be working with Statisticians for Society to measure the impact of our work.

Our Estates Management plan details the ongoing maintenance and investment required to keep the three farms in a good state of repair. In 2022-23 we will take back land and buildings at Burrow Farm, adjacent to Nethercott House, following the end of a longstanding tenancy arrangement. Minor works to the buildings are planned to bring these back into our own use and a sustainable land management plan will be produced. At Lower Treginnis several timber windows and doors are being replaced. At Wick Court we have several small-scale repairs to the historic fabric of the buildings planned.

Structure, Governance and Management

Governing Document

Farms for City Children Limited, is a registered charity (No 325120) and a company (No 01177239) limited by guarantee. The governing document of Farms for City Children Limited is its Articles of Association dated 13th July 2021. The company was incorporated on 12 July 1974 and registered as a charity on 6 November 1974. The Trustees of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Appointment, induction, and training of trustees

Trustees are recruited for their expertise, experience, and skills in a variety of relevant fields. All Trustees undertake a skills audit, and any gaps in skills are proactively considered in recruiting new Trustees. Prospective Trustees are interviewed by a nominations committee made up of the Chair of the Board and two other Trustees. Their appointment is dependent on a unanimous election by the Board. New Trustees are provided with an induction pack of reading material and an induction plan to assist them in familiarising themselves with the work, value, and ethos of the Charity. Trustees are encouraged to visit all three of the farms, and to attend any relevant events alongside their attendance at quarterly meetings. Board wide training is arranged as required. Trustees serve a 3-year term and are eligible for two further 3-year terms up to a maximum of 9 years. As Founders, Sir Michael and Lady Morpurgo are not subject to a maximum term of office as Trustees. Four trustees stepped down in 2022 – Mel Squires, Laura Reynolds, Peter Pantlin and Justin Albert – and we thank them for their service to the charity. We are in the process of recruiting new trustees to the board.

The Trustee Board use the Charity Governance Code as the basis for the development of the Charity's governance structures and ongoing monitoring of its governance systems and processes. The Board of Trustees undergo regular training and professional development to ensure they remain abreast of current developments, changes in statutes and best practice.

Organisation

The Trustees determine the strategic direction of the Charity and delegate responsibility for the day-to-day management and operation to the Chief Executive and Senior Leadership Team, consisting of the Head of Fundraising, Head of Operations, Head of Sales & Marketing and Head of Finance & Resources, with support from the Senior Management Team consisting of the Finance Manager, Farm School Managers and Farm Operations Managers.

The Trustees ensure the accuracy and timeliness of all financial reporting information through the Finance & Resources Committee, which reviews all financial information and progress on income generation and fundraising strategies. The Finance & Resources Committee, which meets on a quarterly basis, develops, and monitors the Charity's Financial Procedures and Risk Register. In addition, it reviews operational risks in relation to employment issues as well as keeping abreast of changes in employment law and developing relevant policies. The Finance & Resources Committee also reviews the Health & Safety Policy prior to consideration and approval by the full Board.

Structure, Governance and Management (continued)

The Board routinely meets on a quarterly basis to review the Charity's performance, consider the financial reports and reports from the Senior Leadership Team and Senior Management Team, and to decide other matters of governance and policy, as advised by the Chief Executive.

There are four sites: three farms – Nethercott House, Lower Treginnis and Wick Court – and Head Office at Huxham Barns. The Senior Leadership Team are based at Huxham Barns near Exeter, with Head Office providing a central legal, IT, finance, and human resources function across the Charity, as well as leading on Charity-wide policy including Health & Safety, overseeing large capital projects, and providing the fundraising and marketing function. There is a hybrid working model in place for the Head Office team that meets the needs of the Charity and the employees. Each farm is managed by the Farm School Manager with the support of a Farm Operations Manager and a team of staff who provide the activities for the children, manage the accommodation and care for the livestock.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as Trustees with the Charity. Related party relationships are monitored, and a Trustees' Register of Interests maintained and checked annually. Any updates to the Register of Interests or potential conflicts due to the items shown on the agenda are recorded at the start of every Board meeting

Pay policy for senior staff

The Directors, who are the Charity's Trustees, consider themselves, the Senior Leadership Team and the Farm School Managers to be the key management personnel in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Directors give of their time freely and no Director received remuneration for being a Director/Trustee in the year. Details of related party transactions are disclosed in note 14 to the accounts.

The Finance & Resources Committee meet in the Spring to review all salaries, including those of the Chief Executive and Senior Leadership Team. In their decisions they are informed by the recommendations of the Chief Executive (except in the case of their own salary) and by the Charity's pay policy and scales, which are benchmarked and reviewed every three years.

Structure, Governance and Management (continued)

Risk management

The Trustees review the objectives, services, management, and funding of the organisation as part of an ongoing planning and review process. The Finance & Resources Committee reviews the risk process, reviewing the Risk Register quarterly. There are also routes for any additional areas of concern highlighted through routine reports or arising through changes in external circumstances, new activities, or changes in the law. The risk is assessed, and any further action is identified, and parameters are agreed. The Senior Leadership Team assesses day to day risks using the Risk Register as a management tool to ensure the constant mitigation of potential risks.

The Trustees have reviewed the major risks that could impact on Farms for City Children. These are:

Risk	Mitigation
Financial: The charity relies heavily on two primary sources of income: payments from visiting school groups, and charitable donations.	Board focus, diversification of income including commercial lettings, increased number of operating weeks and diversification of beneficiary groups.
Cost of Living Crisis: Parents and schools may be unable to afford a residential visit.	Exploring ways of offering more Access Funds to reduce the cost of a farm visit for the children most in need.
Inflation: Utilities, food and other costs are impacted by the high inflation rate.	Board focus, regular reforecasts, and review of costs, putting on hold any non-essential expenditure.
Health and Safety: There are considerable health & safety risks associated with farming and with children working in a farm environment.	Continuing good practice in terms of children working on a farm, work with health & safety advisers NFU, who audit our practice annually, provide annual action plans and provide an on-call service.
Child protection and safeguarding: There are inherent child protection and safeguarding risks in any residential setting.	Every school group is accompanied by at least 4 members of staff from their own school who remain in loco parentis throughout the day, all staff have an up-to-date DBS check, participate in safeguarding training to the appropriate level and are regularly made aware of the Charity's child protection and safeguarding policy, including the disclosure procedure. The Safeguarding and Child Protection Policy remains under annual review and is updated as necessary.

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the Directors of the Farms for City Children Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that Farms for City Children will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Farms for City Children and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Farms for City Children and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Farms for City Children's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which Farms for City Children's auditor is unaware, and
- the Trustees, having made enquiries of fellow Trustees and Farms for City Children's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board of Trustees
Rachel Goult (Chair)

2 February 2023

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2022

Opinion

We have audited the Financial Statements of "the charitable company", Farms for City Children Limited, for the year ended 31 August 2022, which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original Financial Statements were 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.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2022 *(continued)*

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 (who are also the Directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report included within the Trustees' report.

We have nothing to report to you in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2022 *(continued)*

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the charity and the sector in which it operates. The key laws and regulations we identified were charity legislation and regulations in relation to health and safety (RIDDOR) and data protection (GDPR).

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the charity complies with laws and regulations and deals with reporting any issues if they arise.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following: -

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2022 *(continued)*

Auditor's responsibilities for the audit of the Financial Statements (continued)

- Review of any health and safety incidents which have been reported under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") during the period;
- Review of the charitable company and group's controls in relation to GDPR, Safeguarding and Environmental Stewardship and enquiries to Senior Management as to the occurrence and outcome of any reportable breaches;
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non compliance;
- Reviewing Trustees' meeting minutes;

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud.

We evaluated the risk of fraud through management override including that arising from management incentives. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misappropriation of income or misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund;
- Used data analytics to test journal entries throughout the year for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.
- Reviewed financial statement disclosures and examined relevant supporting documentation to assess compliance with applicable laws and regulations.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2022 *(continued)*

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Williams

Catherine Williams FCA DChA

Senior Statutory Auditor
For and on behalf of
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 3rd February 2023

Farms for City Children Limited
Statement of Financial Activities
(including the Income and Expenditure Account)
for the year ending 31 August 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
Donations and legacies					
Donations and legacies	3	446,018	101,481	547,499	447,691
Income from charitable activities:					
Charitable activities	4	1,090,149	267,450	1,357,599	839,870
Income from other trading activities:					
Trading operations	5	46,970	-	46,970	27,649
Investment income	6	1,131	-	1,131	540
Other income		3,537	-	3,537	-
Total income		**1,587,805**	**368,931**	**1,956,736**	**1,315,750**
Expenditure					
Costs of raising funds:					
Trading operations		24,296	-	24,296	9,605
Fundraising support costs		214,325	-	214,325	165,926
Expenditure on charitable activities:					
Charitable activities	7	1,601,771	346,247	1,948,018	1,044,921
Total expenditure		**1,840,392**	**346,247**	**2,186,639**	**1,220,452**
Transfers between funds		(9,464)	9,464	-	-
Gain on sale of land		535,597	-	535,597	-
Net (expenditure)/income and net movement in funds for the year	9	**273,546**	**32,148**	**305,694**	**95,298**
Reconciliation of funds					
Total Funds brought forward		989,184	2,528,944	3,518,128	3,422,830
Total funds carried forward		**1,262,730**	**2,561,092**	**3,823,822**	**3,518,128**

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 31 to 49 form an integral part of the Financial Statements.

Farms for City Children Limited
Balance Sheet
as at 31 August 2022

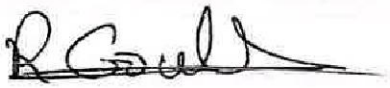
	Note	2022	2021
		£	£
Fixed assets			
Tangible assets	17	2,911,128	3,011,758
Investment		6,097	6,097
Total Fixed Assets		**2,917,225**	**3,017,855**
Current assets			
Stock	18	47,307	29,324
Debtors	19	194,890	338,694
Cash at bank and in hand	20	1,432,207	1,286,447
Total Current Assets		**1,674,404**	**1,654,465**
Liabilities			
Creditors falling due within one year	21	(767,807)	(1,154,192)
Net Current assets		**906,597**	**500,273**
Net assets		**3,823,822**	**3,518,128**
The funds of the Charity:	22		
Unrestricted funds		1,262,730	989,184
Restricted funds		2,561,092	2,528,944
Total charity funds		**3,823,822**	**3,518,128**

Registered Company No: 01177239

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the Board authorised for issue on the 3rd February 2023 and are signed on their behalf by:

Signed



Rachel Goult, Chair of Board on behalf of the Trustees

The notes on pages 31 to 49 form an integral part of the Financial Statements.

Farms for City Children Limited
Statement of Cash Flows
for year ending 31 August 2022

	Note	2022 £	2021 £
Cash used in operating activities	25	**(84,739)**	**533,466**
Cash flows from investing activities			
Interest income		1,131	540
Repayment of investment from FFCC Enterprises Ltd		-	82
Sale of tangible fixed assets		645,200	-
Purchase of tangible fixed assets		(94,538)	(422,111)
Cash used in investing activities		**551,793**	**(421,489)**
Cash used in financing activities			
Draw down of bank borrowings (CBIL)		(321,294)	320,000
Cash used in financing activities		**(321,294)**	**320,000**
(Decrease)/increase in cash and cash equivalents in the year		145,760	431,977
Cash and cash equivalents at the beginning of the year		1,286,447	854,470
Total cash and cash equivalents at the end of the year		**1,432,207**	**1,286,447**

The notes at pages 31 to 49 form an integral part of the Financial Statements.

Farms for City Children Limited

Notes to the accounts for the year ending 31 August 2022

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Farms for City Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

b) Trading Subsidiary and consolidated accounts

FFCC Enterprises Ltd, the wholly owned subsidiary of the Charity, did not trade in the financial year ending 31 August 2022. Consolidated accounts have not been prepared on the basis that the subsidiary is wholly immaterial to the group.

c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

d) Judgements and key accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Accounting Policies (continued)

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance or charitable use of the asset.
- Determination of whether leases entered into by the Charity as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Trustees the debt is not fully recoverable.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. Leasehold property improvements are capitalised and depreciated over the remaining years of the lease. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

e) Preparation of the accounts on a going concern basis

As explained in the Trustees' Annual Report, the Trustees have approved a detailed budget for 2022-23, based on the all-year round operating model with plans for increased income generation and fundraising. Having taken into consideration the availability of cash and the level of forecast reserves the Trustees believe it is appropriate to prepare the Financial Statements on the going concern basis.

1. Accounting Policies (continued)

f) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the Charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income from residential visits is accounted for when a school visits one of the charity's three farms. Payments received in advance of the visit are deferred until the criteria for income recognition are met.

Other trading activities are accounted for in the accounting period to which the income relates.

g) Donated services and facilities

Donated services or facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Interest receivable

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.

i) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1. Accounting Policies (continued)

j) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of trading and their associated support costs and fundraising support costs.
- Expenditure on charitable activities includes the costs of the provision of services and activities undertaken to further the purposes of the Charity and their associated support costs.
- Farms for City Children is not registered for VAT and cannot recover VAT on any of its purchases. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

k) Allocation of support costs

Support costs are those functions that assist the Charity's work but do not directly undertake charitable activities. Support costs include back-office costs, finance, HR, payroll and governance costs which support the work of the Charity. The bases on which support costs have been allocated are set out in note 8.

l) Operating leases

The Charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight-line basis over the term of the lease.

The Charity leases offices at Huxham Barns, Huxham, Exeter and this is classified as an operating lease. A new lease was agreed in the year for 8 years, ending in May 2027.

The Charity leases land from the National Trust at Lower Treginnis with a rolling notice period of 12 months which is also classified as an operating lease.

The Charity classifies the letting of land at Nethercott House, Lower Treginnis and Wick Court under Farming Business Tenancy agreements as operating leases; the title to the land remains with the lessor. The Farm Business Tenancy agreement with the Oldbury Farm Partnership at Wick Court came to an end on 14 January 2022 and the Farm Business Tenancy agreement with Mr G Ward was terminated on 6 September 2022. All other agreements currently have an end date of 31 August 2026, but either party to each lease may terminate the lease by giving 12 months' notice. The total annual rent receivable is £18,519 (2021: £21,119).

1. Accounting Policies (continued)

m) Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life, as follows:

Asset Category	**Depreciation Rate**
Freehold buildings and improvements	
Nethercott House	50 years
Leasehold improvements	
Lower Treginnis	60 years
Wick Court	99 years
Plant and machinery	5 to 25 years
Furniture and equipment	5 years

Freehold land is not depreciated.

Donated fixed assets are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Assets with a value below £2,000 or a life span of less than 1 year are not capitalised within the Financial Statements but expensed to the SOFA.

n) Stock

Trading stock is included at the lower of cost and net realisable value. Net realisable value is based on selling price less any future costs expected to be incurred to completion and disposal.

Animal stocks are included at deemed cost or net realisable value. Feed and resale stock is included at cost.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash 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. Accounting Policies (continued)

q) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) 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. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

s) Pensions

The Charity contributes to an auto enrolment compliant group money purchase defined contribution pension scheme operated by NEST. New and existing employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme operated by NEST contract directly with the insurance company. The Charity makes a matching contribution of 6% (2021: 6%) of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions.

2. Legal status of the Charity

Farms for City Children is a company limited by guarantee, incorporated in England & Wales, and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is Unit 2, Huxham Barns, Huxham, Exeter, EX5 4EJ.

3. Income from donations and legacies

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Donations	416,605	54,747	471,352	393,758
Profit donated by FFCC Enterprises Ltd	-	-	-	8,833
Legacies	29,413	46,734	76,147	45,100
	446,018	**101,481**	**547,499**	**447,691**

Income from donations includes Gift Aid. From time to time Farms for City Children benefits from the involvement and support of volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not recognised in the accounts.

4. Income from Charitable Activities

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Residential visits	815,671	-	815,671	-
Day visits	4,000	-	4,000	10,030
Grants – Capital	-	11,000	11,000	399,340
Grants – Revenue	237,962	256,450	494,412	249,251
HMRC Coronavirus Job Retention Scheme	-	-	-	135,298
Farm produce sales	10,589	-	10,589	20,403
Farm livestock sales	5,658	-	5,658	10,229
Rural Payments Agency grants	16,269	-	16,269	15,319
	1,090,149	**267,450**	**1,357,599**	**839,870**

Notes to the accounts for the year ending 31 August 2022 *(continued)*

5. Income earned from trading activities

Trading income consists of income from the hire and letting of spaces at the farms, other farm trading and the sale of gifts, books, and cards.

	2022 £	2021 £
Rent received	18,519	22,119
Sales of gifts, books and cards	26,973	4,660
Miscellaneous income	1,478	870
	46,970	**27,649**

6. Investment income

All of Farms for City Children's investment income arises from money held in interest bearing deposit accounts.

7. Analysis of expenditure on charitable activities

	2022 £	2021 £
Operation of farms		
Livestock purchases & produce costs	3,367	20,102
Staff costs	1,020,384	370,050
Premises costs	263,937	163,099
Other operating costs	153,273	93,746
Depreciation	78,878	91,682
Support costs (see note 8)		
Staff costs	271,515	198,444
Other costs	110,236	47,798
Governance costs (see note 8)		
Audit & accountancy	9,600	14,400
Board costs	2,715	7,462
Staff costs	34,113	38,138
	1,948,018	**1,044,921**

Of the £1,948,018 expenditure in 2021-22 (2021: £1,044,921), £1,601,771 was charged to unrestricted funds (2021: £840,613) and £346,247 to restricted funds (2021: £204,308).

Notes to the accounts for the year ending 31 August 2022 *(continued)*

8. Analysis of governance and support costs

Farms for City Children initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	Analysis of support and governance costs				
	General support £	Governance function £	Total 2022 £	Total 2021 £	Basis of apportionment
Salaries, wages & related costs	271,515	34,113	305,628	236,582	Staff time
General office costs	82,239	2,715	84,954	46,077	Direct
Legal fees	27,997	-	27,997	9,183	Direct
Audit & tax fees	-	9,600	9,600	14,400	Direct
Total	**381,751**	**46,428**	**428,179**	**306,242**	

9. Net income/(expenditure) for the year

This is stated after charging:	2022 £	2021 £
Operating leases – equipment	39,221	38,534
Depreciation	78,878	91,682
(Profit)/Loss on disposal of fixed assets	(528,910)	1,647
Audit & tax fees	9,600	14,400
	(401,211)	**146,263**

10. Investments

The Charity owns the sole £1 share issued by FFCC Enterprises Limited (registration number 03804473) which was incorporated to operate the charity's trading activities. The current investment value in FFCC Enterprises Limited is £6,097 (2021: £6,097), this represents £1 share capital and a loan of £6,096 (2021: £6,096). The net assets of the subsidiary at 31 August 2022 were £19,413 (2021: £19,447). The registered office of FFCC Enterprises Limited is the same as that of Farms for City Children shown in the Trustees' Report.

The Trustees made the decision to bring the subsidiary's activity into the main charity from 1 September 2020.

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2022 £	2021 £
Salaries and wages	1,302,455	657,417
Social security costs	119,148	58,711
Pension costs	64,453	38,032
Other employee benefits	100	240
Other wages costs (including subcontractors & recruitment)	42,147	22,482
	1,528,303	**776,882**

No employees had employee benefits in excess of £60,000 (2021: 1). Pension costs are allocated to activities in proportion to the related staffing costs incurred. Redundancy and termination costs totalled £8,976 in the year (2021: £nil).

The pension costs charged represent contributions payable by the Charity to schemes for the year.

The key management personnel of Farms for City Children comprise the Chief Executive (Vanessa Fox resigned 3 January 2022, Donna Edmonds appointed 22 January 2022), the Head of Fundraising (resigned 31 August 2022), the Head of Operations, the Head of Finance & Resources, the Head of Sales & Marketing (appointed 1 May 2022) and three Farm School Managers. The total employee benefits (salary and pension contributions) of the key management personnel were £390,687 – 8 people (2020: £309,916 – 7 people).

The Trustees were not paid or received any other benefits from employment with Farms for City Children in the year (2021: £nil). 2 trustees were reimbursed expenses to the value of £315 for attending meetings in the year (2021: £nil).

12. Staff Numbers

The average monthly number of employees (including casual and part time staff) analysed by function during the year was as follows:

	2022 Number	2021 Number
Management, Fundraising & Administration	17	14
Education, domestic & agricultural	31	8
	48	**22**

13. Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents employer contributions payable by the charity to the scheme and amounted to £64,453 (2021: £38,032).

Employee and employer contributions totalling £9,800 (2021: £4,991) were payable to the scheme at the end of the year and are included in creditors.

14. Related party transactions

Simon Gregory is a consultant at Foot Anstey LLP. Foot Anstey LLP supplied services in the year totalling £5,116 (2021: £316 refund). There was no outstanding balance at the end of the year (2021: £nil).

Justin Albert OBE is a Director for Wales, The National Trust. Farms for City Children paid rent for Lower Treginnis to The National Trust of £6,400 (2021 £6,400). There was no outstanding balance at the year end (2021: £nil).

Jonathan Bishop is the CEO and Executive Headteacher of Cornerstone Academy Trust. Yeo Valley Primary School, a school in the trust, attended a week's residential at Nethercott House in September 2021 at a cost of £10,724. The outstanding balance at the year end was £3,500, relating to a residential visit in 2022.

Donations from Trustees amounted to £16,961 in the year (2021: £7,175).

15. Corporation Taxation

Farms for City Children is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

16. Transfer between funds

A transfer of £9,464 was made from Unrestricted Funds to Restricted Funds to ensure the Restricted Fixed Assets are presented correctly.

17.Tangible fixed assets

	Freehold Property	Leasehold Property	Plant & Machinery	Furniture & Equipment	Total
	£	£	£	£	£
Cost:					
As at 1 September 2021	1,107,879	2,716,727	444,319	137,923	4,406,848
Additions	14,396	45,993	34,149	-	94,538
Disposals	(109,403)	-	(8,641)	(27,231)	(145,275)
As at 31 August 2022	**1,012,872**	**2,762,720**	**469,827**	**110,692**	**4,356,111**
Depreciation:					
As at 1 September 2021	171,969	755,372	350,095	117,654	1,395,090
Disposals	-	-	(8,641)	(20,344)	(28,985)
Charge for the year	15,136	35,448	23,028	5,266	78,878
As at 31 August 2022	**187,105**	**790,820**	**364,482**	**102,576**	**1,444,983**
Net book value					
As at 1 September 2021	935,910	1,961,355	94,224	20,269	3,011,758
As at 31 August 2022	**825,767**	**1,971,900**	**105,345**	**9,980**	**2,911,128**

18. Stock

	2022	2021
	£	£
Animals and goods for resale	28,485	21,418
Non animal stock used in operating farms	18,822	7,906
	47,307	**29,324**

19. Debtors

	2022	2021
	£	£
Trade debtors	51,104	203,445
Prepayments and accrued income	143,786	135,249
	194,890	**338,694**

20. Cash at bank and in hand

The cash figure includes £640,946 (2021: £685,319) relating to deposits and final balances received for residential visits in the period ending 31 August 2023.

21. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	47,379	91,919
Other creditors and accruals	50,238	35,350
Deferred income (residential visits to 31 August 2023)	640,946	685,319
NatWest Bank Loan (CBIL)	-	320,000
Taxation and social security	29,244	21,604
	767,807	**1,154,192**

In August 2020 the Charity agreed a Coronavirus Business Interruption Loan (CBIL) with our primary bankers, NatWest to provide cash flow during the pandemic. The loan was repaid in full in January 2022.

Deferred income comprises deposits and balances received for residential visits. The movement on this income invoiced in advance and is as follows:

	2022 £	2021 £
Deferred income at 1 September 2021	685,319	256,363
Resources deferred in the year	357,819	428,956
Amounts released in the year	(402,192)	-
Deferred Income at 31 August 2022	**640,946**	**685,319**

22. Analysis of charitable funds

Analysis of movements in unrestricted funds

a) Year ending 31 August 2022

	Balance 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2022 £
General fund	989,184	2,123,402	(1,840,392)	(9,464)	1,262,730

b) Year ending 31 August 2021

	Balance 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2021 £
General fund	1,289,719	715,609	(1,016,144)	-	989,184

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	Unrestricted funds used at the discretion of the Trustees to further any of the Charity's purposes. The Trustees' policy is to maintain the general fund at an appropriate level, planning for adverse economic conditions and other potential threats, safeguarding the long-term future of the charity and providing assurance to schools, staff and supporters.

22. Analysis of charitable funds (continued)

Analysis of movements in restricted funds

a) Year Ending 31 August 2022

	Balance 1 September 2021 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2022 £
Charity wide					
Geographically restricted child places	40,523	97,992	(100,195)	-	38,320
Access Funds	44,493	146,396	(81,093)	-	109,796
Residential and day visits	6,000	64,304	(63,870)	-	6,434
Restoration of buildings	61,224	-	(627)	(50,620)	9,977
	152,240	308,693	(245,785)	(50,620)	164,527
Nethercott House					
Farm equipment	2,086	-	(2,086)	-	-
Residential visits at Nethercott House	-	25,000	(25,000)	-	-
All other donations < £1,000	-	1,060	(1,060)	-	-
Own Use Property	566,587	-	(14,972)	10,100	561,715
	568,673	26,060	(43,118)	10,100	561,715
Lower Treginnis					
Restoration of buildings	5,694	-	(1,352)	(4,342)	-
Farm equipment & garden work	-	12,028	(3,789)	(8,239)	-
All other donations < £1,000	-	1,620	(1,620)	-	-
Own use Property	447,150		(17,380)	42,713	472,483
	452,844	13,648	(24,141)	30,132	472,483
Wick Court					
Friends of Wick Court	-	237	(237)	-	-
Plant & machinery	-	11,000	(597)	(10,403)	-
Residential visits at Wick Court	-	5,000	(5,000)	-	-
Reintroducing horses at Wick Court	-	2,000	(2,000)	-	-
All other donations < £1,000	-	2,294	(2,294)	-	-
Own use Property	1,355,187		(23,075)	30,255	1,362,367
	1,355,187	20,531	(33,203)	19,852	1,362,367
Total	**2,528,944**	**368,931**	**(346,247)**	**9,464**	**2,561,092**

22. Analysis of charitable funds (continued)

b) Year Ending 31 August 2021

	Balance 1 September 2020 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2021 £
Charity wide					
Geographically restricted child places	-	40,523	-	-	40,523
Access Funds	26,993	17,500	-	-	44,493
Covid-19 emergency funding	-	101,950	(101,950)	-	-
Residential and day visits		14,700	(8,700)	-	6,000
Restoration of buildings	-	120,000	-	(58,776)	61,224
Governance Fund	-	1,688	(1,688)	-	-
	26,993	296,361	(112,338)	(58,776)	152,240
Nethercott House					
Outdoor Games	129	-	(129)	-	-
Day Visits	-	5,671	(5,671)	-	-
Farm equipment	-	2,086	-	-	2,086
All other donations < £1,000	-	1,922	(1,922)	-	-
Own Use Property	575,357	-	(14,770)	6,000	566,587
	575,486	9,679	(22,492)	6,000	568,673
Lower Treginnis					
Restoration of buildings	2,126	4,830	(1,262)	-	5,694
Farm equipment & garden work	5,915	1,500	(7,415)	-	-
All other donations < £1,000	-	2,443	(2,443)	-	-
Own use Property	446,903	-	(15,388)	15,635	447,150
	454,944	8,773	(26,508)	15,635	452,844
Wick Court					
Pond dipping	843	-	(843)	-	-
Friends of Wick Court	10,470	437	(10,907)	-	-
Roof	4,037	-	(4,037)	-	-
Restoration of buildings	-	279,340	-	(279,340)	-
Day Visits	-	5,080	(5,080)	-	-
All other donations < £1,000	-	471	(471)	-	-
Own use Property	1,060,338	-	(21,632)	316,481	1,355,187
	1,075,688	285,328	(42,970)	37,141	1,355,187
Total	**2,133,111**	**600,141**	**(204,308)**	**-**	**2,528,944**

22. Analysis of charitable funds (continued)

Name of restricted fund	Description, nature and purposes of the fund
Geographically restricted child places	Donations received to support children from specific geographical areas of the UK or specific schools.
Access Funds	Funding received from various trusts & foundations which was allocated to support schools that would not be able to visit our farms without additional financial support.
Covid-19 emergency funding	Funding received from the Heritage Emergency Fund and the Charity Survival Fund (Julia and Hans Rausing Trust) to support core costs during the Covid-19 pandemic.
Residential visits (all farms)	Funding received from various trusts & foundations to support residential visits.
Day visits (all farms)	Funding and donations received to support children to visit the farm for the day during the Covid-19 pandemic.
Restoration of buildings (all farms)	Grants received to support the restoration, maintenance & improvement of the farm buildings. An amount of £9,977 is carried forward for restoration works at Wick Court.
Governance Fund	Funds received to assist with recruitment of new Trustees.
Own use Property (all farms)	The restricted capital fund balances for Nethercott House, Lower Treginnis and Wick Court include funds received for specific capital developments, and assets including land, property values and major plant.
All other donations < £1,000 (all farms)	Donations received for a specific farm; these are allocated to core running costs for each farm.
Nethercott House: Outdoor Games	Funding received from GC Gibson Charitable Fund Trust for the purchase of outdoor games for visiting children.
Nethercott House: Farm equipment	Funds received from the Co-op Community Fund to purchase log splitters for the children to use on the farm.
Lower Treginnis: Farm equipment & garden work	Donations received to fund various items of farm equipment and garden work. In 2021-22, funds received enabled the purchase of a new chicken shed and a dishwasher as well as further garden works.
Wick Court: Pond dipping	Funds received from the Halpin Trust and local businesses for the construction of a new pond dipping platform and associated equipment.
Wick Court: Friends of Wick Court	Donations received this year partly funded maintenance costs at Wick Court.
Wick Court: Roof	Grants received funded the replacement of the main house roof.
Wick Court: Plant & Machinery	Funds received from the Halpin Trust funded the purchase of a new greenhouse and garden tractor.
Wick Court: Reintroducing horses	Funds received from Lord Barnby's Trust partly funded the reintroduction of horses at Wick Court.

23. Analysis of net assets between funds

a) Year ending 31 August 2022

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	514,563	2,396,565	2,911,128
Investment	6,097	-	6,097
Cash at bank and in hand	1,302,680	129,527	1,432,207
Other net current assets/(liabilities)	(560,610)	35,000	(525,610)
Total	**1,262,730**	**2,561,092**	**3,823,822**

b) Year ending 31 August 2021

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	633,597	2,378,161	3,011,758
Investment	6,097	-	6,097
Cash at bank and in hand	1,160,664	125,783	1,286,447
Other net current assets/(liabilities)	(811,174)	25,000	(786,174)
Total	**989,184**	**2,528,944**	**3,518,128**

24. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than 1 year	23,168	37,869
Later than 1 year and not later than 5 years	62,251	120,934
Later than 5 years	-	80,520
	85,419	**239,323**

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	305,694	95,298
Add back depreciation charge	78,878	91,682
Deduct interest income shown in investing activities	(1,131)	(540)
Loss/(profit) on disposal of fixed assets	(528,910)	1,647
Decrease/(increase) in stock	(17,983)	14,514
(Increase)/decrease in debtors	143,804	(165,221)
Increase/(decrease) in creditors	(65,091)	496,086
Net cash used in operating activities	**(84,739)**	**533,466**

26. Net debt reconciliation

	Balance 1 September 2021 £	Cashflows £	Other non-cash changes £	Balance 31 August 2022 £
Cash at bank and in hand	1,286,447	145,760	-	1,432,207
Bank loan falling due within 1 year	(320,000)	321,294	(1,294)	-
	966,447	**467,054**	**(1,294)**	**1,432,207**

27. Capital Commitments

Farms for City Children has future commitments for the following projects and expects these commitments to be contracted within the next year and financed by cash reserves and grants.

	2022 £	2021 £
Capital expenditure that has been contracted but has not been provided for in the Financial Statements	-	**66,917**

FARMS FOR CITY CHILDREN LIMITED

England & Wales - Charity number 325120

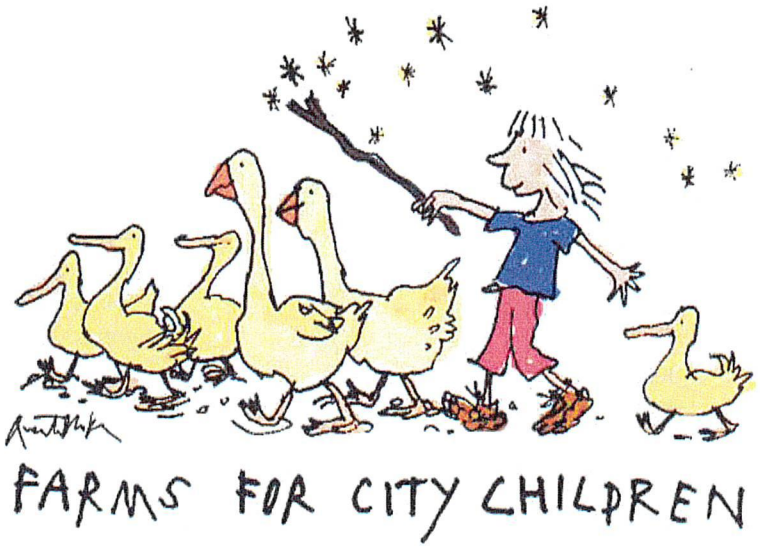
Accounts

Farms for City Children Limited

(A charitable company limited by guarantee)

Report and Financial Statements

Year ending 31 August 2021



Registered Charity Number: 325120

Registered Company Number: 01177239 (England and Wales)

Farms for City Children Limited

Reference and administrative details

Charity number:	325120
Company number:	01177239
Registered Office:	Unit 2 Huxham Barns, Huxham, Exeter, EX5 4EJ

Directors and Trustees

The Directors of the Charitable Company (Charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Chair	Simon Gregory	
Trustees	Sir Michael Morpurgo OBE	
	Lady Morpurgo MBE	
	Charles Huntingdon-Whiteley	(resigned 19 July 2021)
	Alison Mawle	(resigned 19 July 2021)
	Frances Harris	
	Justin Albert OBE	
	Peter Pantlin	
	Richard Ash	
	Andrew Bailey	(appointed 19 July 2021)
	Jonathan Bishop	(appointed 19 July 2021)
	Donna Edmonds	(appointed 19 July 2021, resigned 17 December 2021)
	Rachel Goult	(appointed 19 July 2021)
	Laura Reynolds	(appointed 19 July 2021)
	Mel Squires	(appointed 19 July 2021)
Secretary	Lady Morpurgo MBE	
Chief Executive	Vanessa Fox	(resigned 3 January 2022)
	Donna Edmonds (interim)	(appointed 17 January 2022)
Auditors	PKF Francis Clark Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE	
Bankers	NatWest Bank plc 59 High Street Exeter Devon EX4 3DL	

Farms for City Children Limited

Report of the Trustees for the year ending 31 August 2021

The Trustees are pleased to present their Annual Trustees' Report together with the Financial Statements of the Charity for the year ending 31 August 2021. The Report and Financial Statements are prepared to meet the Directors' Report and Accounts requirements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Report

The financial year 2020-21 was extremely challenging for Farms for City Children. Guidance from the Department of Education prevented schools from undertaking residential trips during much of the Covid19 pandemic and we had to adapt to survive in these difficult times. Despite these uncertainties, we have demonstrated great resilience and agility, adapting our approach and offer to continue to meet the needs of beneficiary groups who have found themselves even further disadvantaged by the pandemic. As I write, there is a feeling of great optimism and hope in the air as we move to a 45 week operating model with a new staff team in place who have supported us to endure despite an onslaught of challenges and the children have returned to the farms for their week of muck and magic.

The past twelve months have been a year of change and I would like to thank Charles Huntington-Whiteley and Alison Mawle who stepped down as Trustees after many years of service, as well as Vanessa Fox, who stepped down in January 2022 after 4 years as Chief Executive. We welcome Donna Edmonds as interim Chief Executive.

We have been touched and moved by the generous support of our funders, donors, partners, volunteers and stakeholders throughout the year. On behalf of our beneficiaries, whose lives have been altered forever as a result of the impact of Farms for City Children, we just want to say - THANK YOU!

Simon Gregory
Chair of the Board of Trustees

Our purposes and activities

The purpose of Farms for City Children as set out in the governing document is to "advance the education of boys and girls from urban areas by the establishment and maintenance of suitable educational study centres in the countryside of England and Wales". In order to fulfil this purpose, we provide practical experiences, within an educational environment, of agricultural and rural life for children from inner city and urban areas who might not otherwise have access to such opportunities. Activities take place at our three working farms: Nethercott House in Devon, Lower Treginnis in Pembrokeshire and Wick Court in Gloucestershire.

The main objectives we seek to meet by providing these activities are:

- Promoting an understanding of food, farming and the countryside.
- Fostering social and emotional development through teamwork.
- Total immersion through a week-long stay a 'world away'.
- Celebrating success and building self-worth through the completion of tasks.
- Learning about good food and where it comes from.
- Promoting practical learning outside the classroom that supports the delivery of the National Curriculum.
- Drawing on our literary heritage to promote literacy and storytelling.
- Building and developing relationships between children as well as with their teachers.
- Addressing the poverty of experience which many children face.

We use these objectives to shape our activities, and as the framework for evaluating our progress. In setting our objectives and planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees have always been proactive in ensuring that our activities are to the benefit of the public and children, and consequently have considered the guidance in all our activities and fee charging.

In usual times before the pandemic, to meet these objectives, children from urban primary schools visit the farms for a weeklong residential stay, undertaking the practical day-to-day and seasonal tasks at our working farms, as well as working with our neighbouring farming partners in order to better understand commercial agriculture. While they are with us the children are responsible for looking after a wide range of livestock; tending our kitchen gardens, harvesting fruit and vegetables for the house and cooking meals for the group using as much local produce as possible. They also undertake a range of countryside management and farming tasks which are determined by the needs of the farm that week. All tasks are purposeful, and many are repeated in order to provide children with the opportunity to overcome any fears they might have in dealing with livestock, and to be able to take increasing responsibility for their work. This helps to ensure that children can master tasks successfully, increasing their self-esteem and self-worth. Throughout their stay they are also immersed in the rural environment, getting to know the countryside around our farms and developing an appreciation for the local landscape, flora and fauna.

Our purposes and activities (continued)

Our main areas of activity are:-

1. Promoting an understanding of food, farming and the countryside

This lies at the core of our work. At each farm children participate in a wide range of farming activities, and we are always seeking to improve and enhance this experience.

2. Fostering social and emotional development through teamwork

Tasks are always undertaken with teamwork in mind, and children spend the whole week in the same workgroups in order to really get to know and appreciate their peers and to form close working relationships. Our post-visit feedback and monitoring emphasises how the week on our farms helps children to forge new friendships and extend peer-to-peer support to those children who may initially struggle with being away from home for the first time, may be daunted by a new experience, or are struggling to achieve a physically demanding task. This realignment of perceptions and embedding of a supportive approach to collective problem solving is extremely powerful, aiding the social and emotional development of the individual. Often, the children who thrive and excel at our farms are those who struggle academically or socially in the school environment. In previous years 100% of lead teachers rated the visit as either *Outstanding (5/5)* or *Very Good (4/5)* for increasing children's confidence. A boost in self-esteem is one of the most frequent comments in the free-text evaluation along with the children being given a 'level playing field' so all children be involved and succeed at a task.

3. Total immersion through a week-long stay a 'world away'

Total immersion in a different life is the hallmark of our activities. The farms are all geographically remote and set in stunning countryside, in stark contrast to the urban surroundings our visiting children are used to. The farms are all free of electronic devices, and spending a whole week without mobile phones, computers and TVs is an important part of the total immersion in a different way of life. The tasks and activities the children undertake are utterly different from their day-to-day experience at home and in school.

This model of total immersion is routinely recognised and applauded by visiting teachers, as indicated by this comment on a teacher evaluation form: *'The children learn so much about farming and rural life but also, more significantly, learn about having to work together, to develop independence and to take responsibility. All of this in a beautiful, welcoming environment with exceptional staff'.*

Our purposes and activities (continued)

4. Celebrating success and building self-worth through the completion of tasks

Too often in schools, children who struggle with academic learning can have insufficient time or support to complete their work, while academic high-fliers may become demotivated by uninspiring, self-led, extension activities. By contrast, on the farm every task is purposeful, necessary, and finite. Every child, whatever their experience in other contexts, can experience success and enjoy the satisfaction of a job well done, providing positive and enduring benefits to the sense of agency, self-belief and determination. Teachers particularly commented on the beneficial impact for children facing specific learning challenges and wider disadvantages.

5. Learning about good food and where it comes from

We are very clear with all our visiting children that the livestock we keep are not pets but are being kept for food. Children learn about animal welfare and actively participate in their care daily. They learn about provenance and seasonality through working in our fruit and vegetable gardens, and get a clear understanding of what it takes to provide food at scale, through working with our partner farmers. The cooking sessions that each group undertakes now involves our own produce to the greatest possible extent; examples include sausage making sessions and the gathering, processing and pressing of apples and tasting the freshly pasteurised apple juice.

6. Promoting practical learning outside the classroom that supports the delivery of the National Curriculum

It is very important that the practical experience of learning on the farm does not imitate the delivery of the National Curriculum in school. We make no explicit links to curriculum subjects or approaches whilst working with the children and there are no worksheets or tick boxes. Our approach is hands-on, learning through doing outside the classroom, and this is the essence of every activity that the children undertake. However, it is important that wherever possible and relevant the activities should support the delivery of the National Curriculum by the teachers. In order to improve how we do this and to share best practice across our farms, we have worked closely with our farm teams and the teaching staff of our visiting schools to develop resources and materials to support and further embed the impact of the week-long visit when back in the classroom.

7. Drawing on our literary heritage to promote literacy and storytelling

Children's creativity is inspired by the rich rural environment, where they become part of a different way of life and are exposed to the new words, sounds, smells and pace of life in the countryside. The creative classrooms and cosy parlours at each of the farms provide space for visiting teachers to encourage children to enjoy creative writing. Each farm has a large library of books, and we continue actively to promote storytelling as an evening activity, which the majority of schools see as an integral part of the week. At Wick Court the farming week ends with a storytelling session with a professional storyteller, and at all locations the link with our founder Sir Michael Morpurgo and his work is made explicit.

Our purposes and activities (continued)

8. Building and developing relationships between children as well as with their teachers

The visiting teachers often comment on how the levelling experience of a week on the farm allows the quieter children in the group to find their voice, take the lead, and be seen in a new light by their peers. Equally, the barriers and assumptions that exist in teacher-pupil relationships are overhauled with teachers seeing a new side to some of their pupils, and children benefitting from the opportunity to get to know their teachers outside of the formal school environment. Often, the teachers themselves are experiencing life on a farm for the first time and must overcome their own fears whilst supporting their children to do the same. This shared experience embeds a positive and enduring cooperation. In previous years 100% of teachers who completed an evaluation form rated their visit either *Outstanding (5/5)* or *Very Good (4/5)* for encouraging collaborative skills.

9. Addressing the poverty of experience which many children face

The children who visit our farms often know very little if anything about the countryside, have often not seen farm animals in the flesh, and certainly have not had the degree of contact with animals that they will experience whilst with us. Other areas of poverty of experience include a lack of access to open space – many are amazed that the extensive gardens or fields attached to the farms are theirs to play in whilst they are with us and relish the freedom to run around outdoors. The dramatic seaside location of Lower Treginnis and riverside location of Wick Court provide wonderful new experiences, as does the tiny village community of Iddesleigh with its picture-postcard thatched cottages which the children visit whilst staying at Nethercott House. A very significant but less obvious area of poverty of experience that we often encounter is that of eating home cooked food and sharing a meal around a dining table. Many of the visiting children grow up eating nutritionally poor, overly processed snack foods, take-aways and ready meals that are consumed straight from the packet in front of the television screen or games console. For these children, enjoying a home-cooked meal prepared from fresh, nutritious ingredients and eaten around a table, using cutlery, whilst sharing conversation with family, can be unfamiliar. As such, the homely environment and routines of life on the farm are as important a part of the experience and provide as much benefit as the interaction with animals.

Achievements and performance

In 2020-21, we were unable to welcome children to the farms for residential visits due to the prohibitive guidance from the Department for Education which prevented schools from undertaking residential trips during the Covid19 pandemic. Seeking to maximise our impact in this challenging period, we were able to pivot our offer and reached out to local schools and other education providers who were close enough to benefit from a non-residential experience. As a result, we were able to offer around 100 children and young people the experience of a day of muck and magic. Many of the children and young people who visited were quite different to our usual city, primary school groups. By diversifying our beneficiaries, we were able to work with young people based within the farms' local communities, with some of our day-farmers coming from outside of mainstream education. Many of these visitors faced a blend of challenges at home and in school, displaying low self-esteem, poor mental health and heightened anxiety from months of social isolation, and a lack of positive engagement with education.

We can be in no doubt that the group most adversely affected by the sustained periods of unregulated activity and social isolation caused by the closure of schools during the pandemic, has been the 11-19 age group. For those teenagers finding themselves crossing the intersections of disadvantage pre-pandemic, the gulf between their access and engagement grew even more. Exacerbated by a lack of intervention from adults in schools, across social care, and a drop-off in youth and child protection services, young people's anxiety, loneliness and vulnerability has rocketed. For educators and youth workers, we can see that there is a perfect storm brewing.

Refusing to shut down our services at such a time of great need, the teams across the charity were determined to keep reaching out to serve the needs of young people. As a result we have found that we have developed meaningful regular and consistent relationships with new groups of beneficiaries and it has been a pleasure to see them gaining confidence in their work in the garden and with the livestock, as well as witnessing the positive impact that being immersed in nature and spending time outside in the countryside has had on all of our young visitors.

There have been some profound and transformational impacts for some of these visiting children. One such case was a child who adored and formed a close bond with Seb – a large, gentle heavy horse at Nethercott House. During her weekly farm visits, Seb helped the child to recover from the trauma of domestic violence and eased her loneliness by providing companionship and comfort, which became a source of love and inspiration, healing the harm caused by a multitude of adverse childhood experiences.

We were thrilled to hear that one of the young people from a group attending Nethercott House has since been offered a place at agricultural college. Her time with us helped to build her confidence for the interview and enabled her to share her lived experience of real activities and achievements on the farm.

At Nethercott House our day visitors pressed apple juice, picked vegetables from the garden and cared for the horses and donkeys.

Achievements and performance (continued)

"Our children have really enjoyed getting out on the farm, experiencing rural life and working together looking after animals and each other. Spending time at Farms for City Children is a hugely important part of our curriculum and the children love it. Although we have missed staying for the whole week this year because of Covid restrictions it has been brilliant for the children to come for weekly day-visits instead. Taking our pupils to the countryside is all the more relevant today as we all look at how to properly care for ourselves by eating good food and looking after the environment."

Chris Hall, Head of School, Yeo Valley Primary School, Barnstaple

The mountains of fresh produce from our kitchen gardens have not gone to waste over the past year. We donated fresh produce to the community interest company The Long Table, which over lockdown cooked and delivered on a pay-if-you-can basis over 48,000 meals to the most vulnerable people and to those shielding. At Lower Treginnis, we launched our local vegetable box scheme through the Open Food Network. Visiting children and young people harvested produce from the fields and polytunnels and prepared the vegetable boxes for the local community – picking, weighing and packing the orders in the new farm shop. We ventured into growing cut flowers and the children sowed sweet peas, dahlias, sunflowers and cosmos in September, planted them in the poly tunnel in December and enjoyed harvesting the beautiful blooms in the summer. Also, at Lower Treginnis we increased our laying flock of hens which provided us with plenty of eggs to sell locally. These initiatives highlight the agility of the charity and the individual farms and celebrate the values of community and neighbourliness that have become so crucial during the pandemic. In connecting with the land, Farms for City Children has found a way to connect meaningfully, in a time of great strain, with its local community and that is to be celebrated and sustained post-pandemic.

"All of our children have fully engaged which is wonderful to see and some have even asked for a job in the farm shop when they are old enough. This is fantastic and has been such a wonderful and positive experience for both the children and staff at Marlowe St David's."

Head Teacher, Marlowe St David's Education Unit

"It's been a joy to see the pupils outside of school engaging in work to support the local community and finding new skills they are good at and enjoying learning these skills."

Charley Hodgson, Teacher, Marlowe St David's Education Unit

The important work to renovate and improve our heritage infrastructure has continued with the generous support of many donors. The Grade II* listed former Elizabethan hunting lodge Wick Court, needed extensive repairs and renovation in order to complete a programme of capital works started several years ago. To this end we were delighted to be the chosen recipients of one of the largest grants given out from Historic England's Heritage Stimulus Fund. We are incredibly grateful for the generous funding received from the Historic Houses Foundation, working in conjunction with Historic England. As well as extensive repairs and restoration to the fabric of the building, we undertook works

Achievements and performance (continued)

to restore the water disposal system, which included clearing, repairing and preserving the large square moat that had become choked by natural growth.

The historic moat has now been restored to its former glory and provides a better quality and safer habitat for ducks, coots, moorhens and numerous species to live in. It is also an integral element of the life cycles of Wick Court's colony of bats, which use the moat as a source of food in the shape of insects. The moat is a magnificent heritage asset for our young visitors to experience and provides a wonderful ecosystem for the children to encounter.

We would also like to thank the Band Trust for their generous funding which we have used to carry out essential renovations to bathrooms across the three farms. These works were mostly completed in September 2021, in time for the new school term.

We are very fortunate that Pat Brown, who supports and runs some of the bee keeping sessions at Wick Court, is kindly donating her time and three hives to Nethercott House to diversify the offer for the young people and to enable us to meet additional environmental and sustainability goals. We look forward to developing the apiary area with the visiting children and producing our very own honey next year.

During the pandemic, we have been doubly grateful for all the support from our volunteers, partners and other stakeholders. We were delighted to receive the news that our partner farmer at Wick Court, Tim Merrett, was awarded the British Empire Medal in September in recognition of his decades-long support for the Charity. He is an inspiration to all who visit Wick Court and we are privileged to work alongside him. Indeed, the charity has long benefitted from the experience and wisdom, expertise and all-round commitment from our partner farmers. Their contribution is immeasurable. Their authenticity and lived experience is compelling for the young people who visit, and the interactions with our beneficiaries are long treasured. We are so grateful for their sustained passion for Farms for City Children.

Fundraising

Despite the challenging circumstances for us all, particularly those working in charities who saw donations and fundraising cease putting organisations at great risk, we have been constantly surprised by our generous supporters and donors who have enabled the charity to survive and to continue delivering excellent outdoor education experiences for children at a time when they have never been more needed.

We subsidise every child's visit to Farms for City Children to ensure that it is affordable. We have again received significant support from a number of charitable trusts and foundations throughout the year to support this subsidy for future years.

Achievements and performance (continued)

We received Covid emergency funding from the Heritage Emergency Fund and the Charity Survival Fund (Julia and Hans Rausing Trust) to support core costs during the pandemic. We also received significant grants from The Underwood Trust and the Texel Foundation to enable us to continue welcoming children to the farms.

We are grateful to all our corporate supporters, in particular Brewin Dolphin South West, who elected to support us for a second year in 2021, raising over £10,000, CWM Environmental who donated 20 tonnes of compost and TBS Recycling who collected and delivered the compost to Lower Treginnis.

Our community fundraising was badly affected by the pandemic. Nevertheless Nick Gammage, a keen supporter of Farms for City Children, completed an incredible 250 miles Drover walk from Pembrokeshire to Amersham and raised over £4,700 for us, gaining some wonderful press and media coverage for our charity and our mission along the way.

Fundraising Regulator

We are registered with the Fundraising Regulator and adhere to the very highest standards as set out in the Code of Fundraising Practice. No complaints relating to fundraising activities were received during the year. We have not and have no plans to engage in any face-to-face fundraising (door-to-door, street or telephone fundraising).

Operations

In October 2020, we took the ambitious decision to extend the operational horizon from 31 weeks per year to 45 weeks per year and all farms were re-opened for residential visits in September 2021. We recruited new staff teams at each of the three farms in August and staff worked tirelessly to get the farms ready to welcome children in September.

The pandemic and subsequent lockdowns have been challenging for all children, but it has disproportionately affected inner-city children living in areas of high deprivation. The lack of routine, together with difficult home lives, poor accommodation, education loss, food insecurity and limited access to green spaces has made life very hard and isolating for many.

What remains clear is that all of the children need us now more than ever before. The fresh air, good food, nature's magic and the meaningful teamwork that happens on a farm is a tonic to children's long months of isolation and the restrictions of lockdown.

Financial review

Farms for City Children had an overall operating surplus of £95,298 in 2020-21 (2020: £169,642), thereby increasing total reserves to £3,518,128 (2020: £3,422,830).

The Covid19 pandemic has had a very negative impact on our finances. Total income for the year was £1,315,750 (2020: £2,081,438); adjusting for capital grants, income from operating activities was £916,410, less than half of the previous year. We raise approximately 60% of our income through grants and donations, which subsidise the cost of a week at the farm to make it as affordable as possible for all children. The other 40% of income is received via contributions from the schools that bring children for week-long visits. There were no residential visits to the farms in the financial year, although a small number of schools and groups did come for day visits, generating income of £10,030.

Lockdown and social distancing restrictions prevented us from holding fundraising events or travelling to meet with supporters and engage new donors, and almost all community activities were cancelled or postponed. Our existing corporate partners were also affected by the crisis which limited their capacity for charitable giving. This resulted in significantly less income from donations than previous years and the fundraising landscape remains challenging, particularly in the areas of corporate and community fundraising. We are, however, pleased to report an increase in grants and are grateful to all our grant funders, particularly the Heritage Emergency Fund and the Charity Survival Fund (Julia & Hans Rausing Trust), who provided Covid emergency funding to support our core costs. We also took advantage of the HMRC Coronavirus Job Retention Scheme in the year.

During the year, we have minimised expenditure where possible to match the reduction in income. Following the staff redundancies in 2020, we reduced our headcount from 72 to 22 and this small team, although partly furloughed, has kept our core functions operational in this difficult year. Farming operations were kept to a minimum throughout the year and non-critical head office operations did not restart until the summer.

Although we were unable to welcome children for residential visits to the farms in the year, our staff have worked tirelessly to keep the farms in good condition and we were delighted to receive funding from the Historic Houses Foundation for restoration works at Wick Court, the Band Trust for bathroom refurbishments across all three farms and the B&Q Foundation for works at Lower Treginnis. These improvements are essential and will enhance the children's experience at the farms.

Farms for City Children owns the sole £1 share issued by FFCC Enterprises Limited, which in previous years has operated our trading activities. As the trading activity is low in value, the Trustees made the decision to bring this activity into the main Charity from the start of this financial year.

In August 2020, the Charity agreed a Coronavirus Business Interruption Loan (CBIL) with our primary bankers, NatWest to provide cash flow during the pandemic. The facility, which was drawn down in November 2020, is interest-free for 12 months with repayments commencing after 1 year.

Financial review (continued)

The Charity took the difficult decision to sell a portion of land at Wick Court; this sale was realised in January 2022 and the proceeds of £645,000 enabled the Charity to repay the loan at the end of January 2022.

Following the decision to extend the operating horizon to 45 weeks a year, a new financial model was approved and put in place from September 2021, which will allow the Charity to continue to subsidise the cost of a week at the farm for all our young visitors.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of running Farms for City Children, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

Reserves policy

At 31 August 2021, the free reserves of the charity (unrestricted reserves less unrestricted fixed assets) stood at £355,587 (2020: £689,339). This represents just under 2 months' operating costs.

In the long term, the Trustees believe that excessive levels of free reserves (see Note 23) are unjustified. However, in light of the financial challenges presented by the Covid19 pandemic, the Trustees made a commitment to grow free reserves over a 5-year period to be equivalent to six months' operating costs. This will ensure the Charity can better meet the needs of its beneficiaries during periods of recession and be resilient in the face of external shocks.

Going concern

As the Covid19 pandemic evolved during the year, we produced rolling forecasts to assess the impact of the pandemic on our finances. We took the opportunity to analyse our costs at a granular level, allowing us to develop a detailed budget for the new operating model. Following advice from the UK Government in May 2021 we took the decision to re-open the farms from September 2021. This gave us time to recruit and train a new staff team and re-engage with schools who had booked to attend the previous year. We are delighted with the number of schools that have booked to return to the farms for a residential visit in 2021-22. The Covid19 pandemic has adversely affected disadvantaged children and their families and a week in wellies is needed more than ever. As we extend the operating horizon to open the farms for 45 weeks of the year (see Plans for Future Periods below), we have recruited a Sales & Marketing Manager to reach out to new beneficiary groups and schools with the aim to increase the impact of the charity and the number of children who make a farm visit each year.

Financial review (continued)

We continue to seek new funding partners who support the diverse threads of our offer and have been successful at increasing funds to support our core work in 2020-21. We are strengthening the fundraising team, with an emphasis on grants from larger trusts and foundations, and we plan to increase our income from farming and trading activities with a clear new enterprise strategy that enables us to broaden our income generation.

We have seen an increase in costs across our operations, driven in part by the impact of the Covid19 pandemic and the effects of Brexit. We are committed to recruiting, training and retaining talented staff to operate the farms year-round, and our salary and staff costs have increased to support this aim. This year will also see investment in IT, plant and machinery, and continued vital refurbishment works at the three farms.

Over the next twelve months we expect reserves to decrease as we re-open the farms with our new 45-week operating model and begin to rebuild our fundraising. However, long term budgets are in place to ensure that reserves increase to six month's operating costs over the next 5 years. The Trustees therefore believe it is appropriate to prepare the Financial Statements on the going concern basis.

Plans for future periods

We have embarked on a new strategic direction – extending operations from 31 weeks to 45 weeks of residential visits at each of our farms from September 2021. We have recruited highly skilled teams on permanent, full-time roles at each of the farms to ensure that we can deliver this strategy. This model will enable us to significantly increase our reach and welcome diverse cohorts of children for countryside, food and farming weeks during the school holidays. These non-school groups may include: looked-after children and those on the edge of care; young carers; virtual school groups; youth groups from urban, rural and coastal areas; church and mosque groups; and children of serving military personnel. We have also started to engage with more varied groups facing disadvantage in areas geographically closer to our farms. We fully appreciate that the term of disadvantage is one that has universality at present when thinking about the devastating impact on young people. All young people have been adversely affected by Covid19, and our forthcoming work must look towards supporting the needs of a wider group of youth beneficiaries as a result. This is a move undertaken with the support and drive of the farm teams who are all eager to see the benefits of our offer being enjoyed by more young people than ever before.

We are keen to keep the cost of a weekly visit to the farm as low as possible and will be working on a new income diversification strategy this year. This will include a focus on increasing income from our farming enterprises. In tandem, we will be benchmarking our internal costs so we can remain lean and fit for purpose.

Plans for future periods (continued)

Our Estates Management plan details the ongoing maintenance and investment required to keep the three farms in a good state of repair. In 2021-22 we plan to rebuild the pole barn at Wick Court which will then be used for a broad range of purposes and activities including the storage of straw, overwintering cattle and a place for visiting groups to base themselves in inclement weather.

Investment in our staff is very important and we have launched a charity-wide training and development programme to upskill our staff in areas such as line management, mental health awareness and equality, diversity and inclusion.

Vanessa Fox stepped down as Chief Executive in January 2022 and we are delighted to welcome Donna Edmonds as Interim CEO on a short term contract.

Structure, Governance and Management

Governing Document

Farms for City Children Limited, is a registered charity (No 325120) and a company (No 01177239) limited by guarantee. The governing document of Farms for City Children Limited is its Articles of Association dated 13th July 2021. The company was incorporated on 12 July 1974 and registered as a charity on 6 November 1974. The Trustees of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Appointment, induction and training of trustees

Trustees are recruited for their expertise, experience and skills in a variety of relevant fields. All Trustees undertake a skills audit, and any gaps in skills are proactively considered in recruiting new Trustees. Prospective Trustees are interviewed by a nominations committee made up of the Chair of the Board and two other Trustees. Their appointment is dependent on a unanimous election by the Board. New Trustees are provided with an induction pack of reading material and an induction plan to assist them in familiarising themselves with the work, value and ethos of the Charity. Trustees are encouraged to visit all three of the farms, and to attend any relevant events alongside their attendance at quarterly meetings. Board wide training is arranged as required. Trustees serve a 3 year term and are eligible for two further 3 year terms up to a maximum of 9 years. As Founders, Clare and Michael Morpurgo are not subject to a maximum term of office as Trustees.

In December 2020 with the support of a third party specialist trainer, the Trustee Board undertook Governance training focused on the Charity Governance Code. The Trustee Board agreed to use this code as the basis for the development of the Charity's governance structures and ongoing monitoring of its governance systems and processes.

In July 2021, following a skills audit and review of the additional expertise needed on the Board of Trustees, the Charity welcomed six new Trustees to the Board. The new Trustees bring with them skills and experience in education; accounting and finance; farming and land management; marketing and strategic development.

Structure, Governance and Management (continued)

Organisation

The Trustees determine the strategic direction of the Charity and delegate responsibility for the day to day management and operation to the Chief Executive and Senior Leadership Team, consisting of the Head of Fundraising & Communications, Head of Operations and Head of Finance & Resources, with support from the Senior Management Team consisting of the Finance Manager, Sales & Marketing Manager, Farm School Managers and Farm Operations/Senior Farm Managers.

The Trustees ensure the accuracy and timeliness of all financial reporting information through the Finance & Resources Committee, which reviews all financial information and progress on income generation and fundraising strategies. The Finance & Resources Committee, which meets on a quarterly basis, develops and monitors the Charity's Financial Procedures and Risk Register. In addition, it reviews operational risks in relation to employment issues as well as keeping abreast of changes in employment law and developing relevant policies. The Finance & Resources Committee also reviews the Health & Safety Policy prior to consideration and approval by the full Board.

The Board routinely meets on a quarterly basis to review the Charity's performance, consider the financial reports and reports from the Senior Leadership Team and Senior Management Team, and to decide other matters of governance and policy, as advised by the Chief Executive.

There are four sites: three farms – Nethercott House, Lower Treginnis and Wick Court – and Head Office at Huxham Barns. The Senior Leadership Team are based at Huxham Barns near Exeter, with Head Office providing a central legal, IT, finance and human resources function across the Charity, as well as leading on Charity-wide policy including Health & Safety, overseeing large capital projects, and providing the fundraising and marketing function. During the pandemic, the Head Office team worked from home and there is now a hybrid working model in place that meets the needs of the Charity and the employees. Each farm is managed by the Farm School Manager with the support of a Farm Operations Manager/Senior Farm Manager and a team of staff who provide the activities for the children, manage the accommodation and care for the livestock.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work as Trustees with the Charity. Related party relationships are monitored, and a Trustees' Register of Interests maintained and checked annually. Any updates to the Register of Interests or potential conflicts due to the items shown on the agenda are recorded at the start of every Board meeting

Pay policy for senior staff

The Directors, who are the Charity's Trustees, consider themselves, the Senior Leadership Team and the Farm School Managers to be the key management personnel in charge of directing and controlling, running and operating the Charity on a day to day basis. All Directors give of their time freely and no Director received remuneration for being a Director/Trustee in the year. Details of related party transactions are disclosed in note 13 to the accounts.

Structure, Governance and Management (continued)

The Finance Committee meet in the Spring to review all salaries, including those of the Chief Executive and Senior Leadership Team. In their decisions they are informed by the recommendations of the Chief Executive (except in the case of their own salary) and by the Charity's pay policy and scales, which are benchmarked and reviewed every three years.

Risk management

The Trustees review the objectives, services, management and funding of the organisation as part of an ongoing planning and review process. The Finance Committee reviews the risk process, reviewing the Risk Register quarterly. There are also the routes for any additional areas of concern highlighted through routine reports or arising through changes in external circumstances, new activities or changes in the law. The risk is assessed, and any further action is identified and parameters are agreed. The Senior Leadership Team assesses day to day risks using the Risk Register as a management tool to ensure the constant mitigation of potential risks.

The Trustees have reviewed the major risks that could impact on Farms for City Children. These are:

Risk	Mitigation
Financial: The charity relies heavily on two primary sources of income: payments from visiting school groups, and charitable donations.	Board focus, diversification of income, increased number of operating weeks, diversification of beneficiary groups beyond primary schools and to include children in care, young carers, youth groups from urban and rural areas and military children.
Health and Safety: There are considerable health & safety risks associated with farming and with children working in a farm environment.	Continuing good practice in terms of children working on a farm, work with health & safety advisers NFU, who audit our practice annually, provide annual action plans and provide an on-call service.
Child protection and safeguarding: There are inherent child protection and safeguarding risks in any residential setting.	Every school group is accompanied by at least 4 members of staff from their own school who remain in loco parentis throughout the day, all staff have an up-to-date DBS check, participate in safeguarding training to the appropriate level and are regularly made aware of the Charity's child protection and safeguarding policy, including the disclosure procedure. The Safeguarding and Child Protection Policy remains under annual review and is updated as necessary.
Covid19: Continuing restrictions may lead to cancellation of residential visits.	Regular financial forecasting, diversification of income, operational plans in place ready to respond to future closures.

The Board of Trustees and staff undergo regular training and professional development to ensure they remain abreast of current developments, changes in statutes and best practice.

Trustees' responsibilities in relation to the Financial Statements

The Trustees (who are also the directors of the Farms for City Children Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that Farms for City Children will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Farms for City Children and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Farms for City Children and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Farms for City Children's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which Farms for City Children's auditor is unaware, and
- the Trustees, having made enquiries of fellow Trustees and Farms for City Children's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board of Trustees
Mr Simon Gregory (Chair)

15 March 2022

Farms for City Children Limited

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2021

Opinion

We have audited the Financial Statements of Farms for City Children Limited "the charitable company" for the year ended 31 August 2021, which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original Financial Statements were 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 (who are also the Directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report included within the Trustees' report.

We have nothing to report to you in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the charity and the sector in which it operates. The key laws and regulations we identified were charity legislation and regulations in relation to health and safety (RIDDOR) and data protection (GDPR).

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the charity complies with laws and regulations and deals with reporting any issues if they arise.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following: -

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;

Auditor's responsibilities for the audit of the Financial Statements (continued)

- Review of any health and safety incidents which have been reported under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") during the period;
- Review of the charitable company and group's controls in relation to GDPR, Safeguarding and Environmental Stewardship and enquiries to Senior Management as to the occurrence and outcome of any reportable breaches;
- Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non compliance;
- Reviewing Trustees' meeting minutes;

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud.

We evaluated the risk of fraud through management override including that arising from management incentives. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misappropriation of income or misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund;
- Used data analytics to test journal entries throughout the year for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.
- Reviewed financial statement disclosures and examined relevant supporting documentation to assess compliance with applicable laws and regulations.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's report to the Members of Farms for City Children Limited for the Year Ended 31 August 2021 *(continued)*

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark

Stephanie Henshaw

Senior Statutory Auditor
For and on behalf of
PKF Francis Clark
Chartered Accountants & Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Date: 31/3/22

Farms for City Children Limited
Statement of Financial Activities
(including the Income and Expenditure Account)
for the year ending 31 August 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income					
Donations and legacies					
Donations and legacies	3	391,791	55,900	447,691	925,650
Income from charitable activities:					
Charitable activities	4	295,629	544,241	839,870	1,025,601
Income from other trading activities:					
Trading operations	5	27,649	-	27,649	27,129
Investment income	6	540	-	540	3,063
Other income		-	-	-	99,995
Total income		**715,609**	**600,141**	**1,315,750**	**2,081,438**
Expenditure					
Costs of raising funds:					
Trading operations		9,605	-	9,605	-
Fundraising support costs		165,926	-	165,926	230,412
Expenditure on charitable activities:					
Charitable activities	7	840,613	204,308	1,044,921	1,681,384
Total expenditure		**1,016,144**	**204,308**	**1,220,452**	**1,911,796**
Net (expenditure)/income and net movement in funds for the year	9	**(300,535)**	**395,833**	**95,298**	**169,642**
Reconciliation of funds					
Total Funds brought forward		1,289,719	2,133,111	3,422,830	3,253,188
Total funds carried forward		**989,184**	**2,528,944**	**3,518,128**	**3,422,830**

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 26 to 45 form an integral part of the Financial Statements.

Farms for City Children Limited
Balance Sheet
as at 31 August 2021

	Note	2021 £	2020 As Restated £
Fixed assets			
Tangible assets	16	3,011,758	2,682,978
Investment		6,097	6,177
Total Fixed Assets		**3,017,855**	**2,689,155**
Current assets			
Stock	17	29,324	43,838
Debtors	18	338,694	173,473
Cash at bank and in hand	19	1,286,447	854,470
Total Current Assets		**1,654,465**	**1,071,781**
Liabilities			
Creditors falling due within one year	20	(1,154,192)	(338,106)
Net Current assets		**500,273**	**733,675**
Net assets		**3,518,128**	**3,422,830**
The funds of the Charity:	22		
Unrestricted funds		989,184	1,289,719
Restricted funds		2,528,944	2,133,111
Total charity funds		**3,518,128**	**3,422,830**

Registered Company No: 01177239

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the members of the Board authorised for issue on the 15th March 2022 and are signed on their behalf by:

Signed

Mr Simon Gregory, Chair of Board on behalf of the Trustees

The notes on pages 26 to 45 form an integral part of the Financial Statements.

Farms for City Children Limited
Statement of Cash Flows
for year ending 31 August 2021

	Note	2021 £	2020 £
Cash used in operating activities	25	**533,466**	**141,153**
Cash flows from investing activities			
Interest income		540	3,063
Repayment of investment from FFCC Enterprises Ltd		82	-
Sale of tangible fixed assets		-	23,748
Purchase of tangible fixed assets		(422,111)	(315,044)
Cash used in investing activities		**(421,489)**	**(288,233)**
Cash used in financing activities			
Draw down of bank borrowings (CBIL)		320,000	-
Cash used in financing activities		**320,000**	**-**
(Decrease)/increase in cash and cash equivalents in the year		431,977	(147,080)
Cash and cash equivalents at the beginning of the year		854,470	1,001,550
Total cash and cash equivalents at the end of the year		**1,286,447**	**854,470**

The notes at pages 26 to 45 form an integral part of the Financial Statements.

Farms for City Children Limited

Notes to the accounts for the year ending 31 August 2021

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Farms for City Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

b) Trading Subsidiary and consolidated accounts

FFCC Enterprises Ltd, the wholly owned subsidiary of the Charity, did not trade in the financial year ending 31 August 2021. Consolidated accounts have not been prepared on the basis that the subsidiary is wholly immaterial to the group.

c) Reclassification of comparative amounts

The accounting policies have been applied on a consistent basis with prior years with the following exceptions. First, £138,674 has been reanalysed between restricted and unrestricted funds brought forward at the start of the prior year. This adjustment was required to correct the historic allocation of funds between restricted fixed assets and the unrestricted fund. Secondly, in the current year several historic allocations of income and expenditure categories have been reanalysed and expanded to provide more clarity to the accounts; as a result the comparatives have also been reanalysed for consistency. These adjustments have no impact on overall net funds.

d) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

1. Accounting Policies (continued)

e) Judgements and key accounting estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance or charitable use of the asset.
- Determination of whether leases entered into by the Charity as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Trustees the debt is not fully recoverable.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. Leasehold property improvements are capitalised and depreciated over the remaining years of the lease. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

f) Preparation of the accounts on a going concern basis

As explained in the Trustees' Annual Report, the Trustees have approved a detailed budget for 2021-22, with farms re-opening from September 2021 on a new 45-week operating model and plans for increased income generation and fundraising. Having taken into consideration the availability of cash and the level of forecast reserves the Trustees believe it is appropriate to prepare the Financial Statements on the going concern basis.

1. Accounting Policies (continued)

g) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the Charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Income from residential visits is accounted for when a school visits one of the charity's three farms. Payments received in advance of the visit are deferred until the criteria for income recognition are met.

Other trading activities are accounted for in the accounting period to which the income relates.

During the year the charity recognised HMRC Coronavirus Job Retention Scheme grant income from the Government designed to mitigate the impact of Covid19. The charity has elected to account for such grants under the accruals model as permitted by the Charities SORP (FRS102). The grants are recognised under Income from Charitable Activities in the same period as the related expenditure.

h) Donated services and facilities

Donated services or facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

i) Interest receivable

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.

j) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1. Accounting Policies (continued)

k) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of trading and their associated support costs and fundraising support costs.
- Expenditure on charitable activities includes the costs of the provision of services and activities undertaken to further the purposes of the Charity and their associated support costs.
- Farms for City Children is not registered for VAT and cannot recover VAT on any of its purchases. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

l) Allocation of support costs

Support costs are those functions that assist the Charity's work but do not directly undertake charitable activities. Support costs include back office costs, finance, HR, payroll and governance costs which support the work of the Charity. The bases on which support costs have been allocated are set out in note 8.

m) Operating leases

The Charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

The Charity leases offices at Huxham Barns, Huxham, Exeter and this is classified as an operating lease. The lease is for 10 years, ending in May 2029.

The Charity leases land from the National Trust at Lower Treginnis with a rolling notice period of 12 months which is also classified as an operating lease.

The Charity classifies the letting of land at Nethercott House, Lower Treginnis and Wick Court under Farming Business Tenancy agreements as operating leases; the title to the land remains with the lessor. All agreements currently have an end date of 31 August 2026, but either party to each lease may terminate the lease by giving 12 months' notice. The total annual rent receivable is £21,119.

1. Accounting Policies (continued)

n) Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life, as follows:

Asset Category	**Depreciation Rate**
Freehold buildings and improvements	
Nethercott House	50 years
Leasehold improvements	
Lower Treginnis	60 years
Wick Court	99 years
Plant and machinery	5 to 25 years
Furniture and equipment	5 years

Freehold land is not depreciated.

Donated fixed assets are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Assets with a value below £2,000 or a life span of less than 1 year are not capitalised within the Financial Statements, but expensed to the SOFA.

o) Stock

Trading stock is included at the lower of cost and net realisable value. Net realisable value is based on selling price less any future costs expected to be incurred to completion and disposal.

Animal stocks are included at deemed cost or net realisable value. Feed and resale stock is included at cost.

p) Debtors

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

q) Cash at bank and in hand

Cash at bank and cash 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. Accounting Policies (continued)

r) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) 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. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

t) Pensions

The Charity contributes to an auto enrolment compliant group money purchase defined contribution pension scheme operated by NEST. New and existing employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme operated by NEST contract directly with the insurance company. The Charity makes a matching contribution of 6% (2020: 6%) of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions.

2. Legal status of the Charity

Farms for City Children is a company limited by guarantee, incorporated in England & Wales, and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office address is Unit 2, Huxham Barns, Huxham, Exeter, EX5 4EJ.

3. Income from donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations	337,858	55,900	393,758	891,117
Profit donated by FFCC Enterprises Ltd	8,833	-	8,833	9,721
Legacies	45,100	-	45,100	24,812
	391,791	**55,900**	**447,691**	**925,650**

Income from donations includes Gift Aid. From time to time Farms for City Children benefits from the involvement and support of volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not recognised in the accounts.

4. Income from Charitable Activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Residential visits	-	-	-	634,892
Day visits	10,030		10,030	-
Grants – Capital	-	399,340	399,340	-
Grants – Revenue	104,350	144,901	249,251	141,479
HMRC Coronavirus Job Retention Scheme	135,298	-	135,298	186,302
Farm produce sales	20,403	-	20,403	25,132
Farm livestock sales	10,229	-	10,229	22,489
Rural Payments Agency grants	15,319	-	15,319	15,307
	295,629	**544,241**	**839,870**	**1,025,601**

5. Income earned from trading activities

Trading income consists of income from the hire and letting of spaces at the farms, other farm trading and the sale of gifts, books and cards.

	2021 £	2020 £
Non-school lettings	-	2,940
Rent received	22,119	22,119
Sales of gifts, books and cards	4,660	-
Miscellaneous income	870	2,070
	27,649	**27,129**

In the year ending 31 August 2020, sales of gifts, books and cards totalling £22,736 were made in the trading subsidiary FFCC Enterprises Limited.

6. Investment income

All of Farms for City Children's investment income arises from money held in interest bearing deposit accounts.

7. Analysis of expenditure on charitable activities

	2021 £	2020 £
Operation of farms		
Livestock purchases & produce costs	20,102	13,010
Staff costs	370,050	821,340
Premises costs	163,099	223,768
Other operating costs	93,746	170,796
Depreciation	91,682	92,246
Support costs (see note 8)		
Staff costs	198,444	230,337
Other costs	47,798	75,063
Governance costs (see note 8)		
Audit & accountancy	14,400	11,342
Board costs	7,462	3,883
Staff costs	38,138	39,599
	1,044,921	**1,681,384**

Of the £1,044,921 expenditure in 2020-21 (2020: £1,681,384), £840,613 was charged to unrestricted funds (2020: £1,379,009) and £204,308 to restricted funds (2020: £302,375).

8. Analysis of governance and support costs

Farms for City Children initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	Analysis of support and governance costs				
	General support £	Governance function £	Total 2021 £	Total 2020 £	Basis of apportionment
Salaries, wages & related costs	198,444	38,138	236,582	271,376	Staff time
General office costs	38,615	7,462	46,077	50,708	Direct
Legal fees	9,183	-	9,183	26,818	Direct
Audit & tax fees	-	14,400	14,400	11,342	Direct
Total	**246,242**	**60,000**	**306,242**	**360,244**	

9. Net income/(expenditure) for the year

This is stated after charging:	2021 £	2020 £
Operating leases – equipment	38,534	38,534
Depreciation	91,682	92,246
Loss on disposal of fixed assets	1,647	-
Audit & tax fees	14,400	11,342
	146,263	**142,122**

10. Investments

The Charity owns the sole £1 share issued by FFCC Enterprises Limited (registration number 03804473) which was incorporated to operate the charity's trading activities. The current investment value in FFCC Enterprises Limited is £6,097 (2020: £6,177), this represents £1 share capital and a loan of £6,096 (2020: £6,176). The net assets of the subsidiary at 31 August 2021 were £19,447. The registered office of FFCC Enterprises Limited is the same as that of Farms for City Children shown in the Trustees' Report.

The Trustees made the decision to bring the subsidiary's activity into the main charity from 1 September 2020. FFCC Enterprises Limited is currently dormant.

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	657,417	1,149,496
Social security costs	58,711	70,976
Pension costs	38,032	49,586
Other employee benefits	240	-
Other wages costs (including subcontractors & recruitment)	22,482	23,326
	776,882	**1,293,384**

1 employee had employee benefits in excess of £60,000 (2020: nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred. There were no redundancy costs in the year (2020: £149,046).

The pension costs charged represent contributions payable by the Charity to schemes for the year.

The key management personnel of Farms for City Children comprise the Chief Executive, the Head of Fundraising & Communications, the Head of Operations, the Head of Finance & Resources (appointed 1 June 2021) and three Farm School Managers. The total employee benefits of the key management personnel were £309,916 – 7 people (2020: £340,454 – 7 people).

The Trustees were not paid or received any other benefits from employment with Farms for City Children in the year (2020: £nil). No Trustees were reimbursed expenses for attending meetings in the year (2020: £570 – 3 Trustees).

12. Staff Numbers

The average monthly number of employees (including casual and part time staff) analysed by function during the year was as follows:

	2021 Number	2020 Number
Management, Fundraising & Administration	14	15
Education, domestic & agricultural	8	57
	22	**72**

13. Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents employer contributions payable by the charity to the scheme and amounted to £38,032 (2020: £49,586).

Employee and employer contributions totalling £4,991 (2020: £9,118) were payable to the scheme at the end of the year and are included in creditors.

14. Related party transactions

Simon Gregory is a consultant at Foot Anstey LLP. Foot Anstey LLP did not supply any services in the year (2020: £10,619) but did refund fees of £316 (2020: £nil). There was no outstanding balance at the end of the year (2020: £908).

Justin Albert OBE is a Director for Wales, The National Trust. Farms for City Children paid rent for Lower Treginnis to The National Trust of £6,400 (2020: £6,400). There was no outstanding balance at the year end (2020: £nil).

Donations from Trustees amounted to £7,175 in the year (2020: £150,000).

15. Corporation Taxation

Farms for City Children is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

16. Tangible fixed assets

	Freehold Property	Leasehold Property	Plant & Machinery	Furniture & Equipment	Total
	£	£	£	£	£
Cost:					
As at 1 September 2020	1,097,979	2,307,010	445,820	143,438	3,994,247
Additions	9,900	409,717	2,494	-	422,111
Disposals	-		(3,995)	(5,515)	(9,510)
As at 31 August 2021	**1,107,879**	**2,716,727**	**444,319**	**137,923**	**4,406,848**
Depreciation:					
As at 1 September 2020	157,153	720,704	324,610	108,804	1,311,271
Disposals	-	-	(2,696)	(5,167)	(7,863)
Charge for the year	14,816	34,668	28,181	14,017	91,682
As at 31 August 2021	**171,969**	**755,372**	**350,095**	**117,654**	**1,395,090**
Net book value					
As at 1 September 2020	940,826	1,586,306	121,210	34,634	2,682,976
As at 31 August 2021	**935,910**	**1,961,355**	**94,224**	**20,269**	**3,011,758**

17. Stock

	2021	2020
	£	£
Animals and goods for resale	21,418	23,437
Non animal stock used in operating farms	7,906	20,401
	29,324	**43,838**

18. Debtors

	2021	2020
	£	£
Trade debtors	203,445	4,889
Prepayments and accrued income	135,249	168,584
	338,694	**173,473**

19. Cash at bank and in hand

The cash figure includes £685,319 (2020: £256,363) relating to deposits and final balances received for residential visits in the period ending 31 August 2022.

20. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	91,919	18,175
Other creditors and accruals	35,350	29,055
Deferred income (residential visits to 31 August 2022)	685,319	256,363
NatWest Bank Loan (CBIL)	320,000	-
Amounts due to FFCC Enterprises Ltd	-	10,951
Taxation and social security	21,604	23,562
	1,154,192	**338,106**

In August 2020 the Charity agreed a Coronavirus Business Interruption Loan (CBIL) with our primary bankers, NatWest to provide cash flow during the pandemic. The facility was drawn down in November 2020 and is interest-free for 12 months with repayments commencing after 1 year. The loan was repaid in full in January 2022.

Deferred income comprises deposits and balances received for residential visits. The movement on this income invoiced in advance and is as follows:

	2021 £	2020 £
Deferred income at 1 September 2020	256,363	390,919
Resources deferred in the year	428,956	32,000
Amounts released from previous years	-	(166,556)
Deferred Income at 31 August 2021	**685,319**	**256,363**

21. Contingent assets

The Charity has received notification of a residuary legacy. As the estate has not been finalised it is not possible to measure the Charity's interest in the legacy reliably. It is expected that the legacy will be received in the period ending 31 August 2022.

22. Analysis of charitable funds

Analysis of movements in unrestricted funds

a) Year ending 31 August 2021

	Balance 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2021 £
General fund	1,289,719	715,609	(1,016,144)	-	989,184

b) Year ending 31 August 2020 – As Restated

	Balance 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 August 2020 £
General fund	1,040,455	1,993,048	(1,609,420)	(134,364)	1,289,719

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	Unrestricted funds used at the discretion of the Trustees to further any of the Charity's purposes. The Trustees' policy is to maintain the general fund at an appropriate level, planning for adverse economic conditions and other potential threats, safeguarding the long-term future of the charity and providing assurance to schools, staff and supporters.

22. Analysis of charitable funds (continued)

Analysis of movements in restricted funds

a) Year Ending 31 August 2021

	Balance 1 September 2020 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2021 £
Charity wide					
Geographically restricted child places	-	40,523	-	-	40,523
Access Funds	26,993	17,500	-	-	44,493
Covid emergency funding	-	101,950	(101,950)	-	-
Residential and day visits		14,700	(8,700)	-	6,000
Restoration of buildings	-	120,000	-	(58,776)	61,224
Governance Fund	-	1,688	(1,688)	-	-
	26,993	296,361	(112,338)	(58,776)	152,240
Nethercott House					
Outdoor Games	129	-	(129)	-	-
Day Visits	-	5,671	(5,671)	-	-
Farm equipment	-	2,086	-	-	2,086
All other donations < £1,000	-	1,922	(1,922)	-	-
Own Use Property	575,357	-	(14,770)	6,000	566,587
	575,486	9,679	(22,492)	6,000	568,673
Lower Treginnis					
Restoration of buildings	2,126	4,830	(1,262)	-	5,694
Farm equipment & garden work	5,915	1,500	(7,415)	-	-
All other donations < £1,000	-	2,443	(2,443)	-	-
Own use Property	446,903	-	(15,388)	15,635	447,150
	454,944	8,773	(26,508)	15,635	452,844
Wick Court					
Pond dipping	843	-	(843)	-	-
Friends of Wick Court	10,470	437	(10,907)	-	-
Roof	4,037	-	(4,037)	-	-
Restoration of buildings	-	279,340	-	(279,340)	-
Day Visits	-	5,080	(5,080)	-	-
All other donations < £1,000	-	471	(471)	-	-
Own use Property	1,060,338	-	(21,632)	316,481	1,355,187
	1,075,688	285,328	(42,970)	37,141	1,355,187
Total	**2,133,111**	**600,141**	**(204,308)**	**-**	**2,528,944**

22. Analysis of charitable funds (continued)

Analysis of movements in restricted funds

b) Year Ending 31 August 2020 – As Restated

	Balance 1 September 2019 £	Incoming resources £	Resources expended £	Transfers	Funds 31 August 2020 £
Charity wide					
Geographically restricted child places	-	47,050	(47,050)	-	-
Access Funds	57,244	-	(5,251)	(25,000)	26,993
	57,244	47,050	(52,301)	(25,000)	26,993
Nethercott House					
Farm School Manager's salary	-	15,000	(15,000)	-	-
Pig Shed	-	8,429	(8,429)	-	-
Outdoor Games	567	-	(438)	-	129
Roundhouse	15,000		(15,000)		-
All other donations < £1,000	-	1,113	(1,113)	-	-
Own Use Property	614,520	-	(14,350)	(24,813)	575,357
	630,087	24,542	(54,330)	(24,813)	575,486
Lower Treginnis					
Restoration of buildings	23,438	-	(21,312)	-	2,126
Cookery classroom	199	-	(199)	-	-
Café	19,091	-	(19,091)	-	-
Farm equipment & garden work	6,707	-	(792)	-	5,915
Own use Property	380,268	-	(13,441)	80,076	446,903
	429,703	-	(54,835)	80,076	454,944
Wick Court					
Pond dipping	3,904	-	(3,061)	-	843
Friends of Wick Court	12,845	3,098	(5,473)	-	10,470
Roof	88,970	13,000	(118,623)	20,690	4,037
All other donations < £1,000	-	700	(700)	-	-
Own use Property	989,980	-	(13,053)	83,411	1,060,338
	1,095,699	16,798	(140,910)	104,101	1,075,688
Total	**2,212,733**	**88,390**	**(302,376)**	**134,364**	**2,133,111**

22. Analysis of charitable funds (continued)

Name of restricted fund	Description, nature and purposes of the fund
Geographically restricted child places	Donations received to support children from specific geographical areas of the UK or specific schools.
Access Funds	Funding received from Four Acre and Zephyr Charitable Trust which was allocated to support schools that would not be able to visit our farms without additional financial support. Due to the pandemic, this fund could not be used in the year and will be used in the period ending 31 August 2022.
Covid emergency funding	Funding received from the Heritage Emergency Fund (£49,900) and the Charity Survival Fund (Julia and Hans Rausing Trust) (£52,050) to support core costs during the Covid19 pandemic.
Residential visits (all farms)	Funding received from POM Charitable Trust to support residential visits.
Day visits (all farms)	Funding and donations received to support children to visit the farm for day during the Covid19 pandemic.
Restoration of buildings (all farms)	Grants received to support the restoration, maintenance & improvement of the farm buildings. £120,000 was received from the Band Trust, mainly towards bathroom refurbishments across all three farms, £279,340 was received from the Historic Houses Foundation for works at Wick Court and £4,830 was received from the B&Q Foundation towards works at Lower Treginnis. Funds awarded in 2018-19 from the Linbury Trust also enabled restoration works to buildings at Lower Treginnis.
Governance Fund	Funds received to assist with recruitment of new Trustees.
Own use Property (all farms)	The restricted capital fund balances for Nethercott House, Lower Treginnis and Wick Court include funds received for specific capital developments, and assets including land, property values and major plant.
All other donations < £1,000 (all farms)	Donations received for a specific farm; donations enabled the farms to continue operating during the Covid19 pandemic.
Nethercott House: Outdoor Games	Funding received from GC Gibson Charitable Fund Trust for the purchase of outdoor games for visiting children.
Nethercott House: Farm equipment	Funds received from the Co-op Community Fund to purchase log splitters for the children to use on the farm.
Nethercott House: Farm School Manager's salary	Funds received from the Ernest Cook Trust supported the Farm School Manager's salary at Nethercott House.
Nethercott House: Pig shed	Funds received enabled the refurbishment of a farrowing house.
Nethercott House: Roundhouse	Funds received enabled the construction of a new Roundhouse at Nethercott House.
Lower Treginnis: Cookery classroom	Funds received from the Co-operative Local Community Fund enabled the set up of a cookery classroom at Lower Treginnis.

22. Analysis of charitable funds (continued)

Name of restricted fund	Description, nature and purposes of the fund
Lower Treginnis: Café	Funds received Jewson to convert an outbuilding at Lower Treginnis.
Lower Treginnis: Farm equipment & garden work	Funds received from Puffin Produce and a local donor to fund new pig and poultry fencing, pallet forms and general garden works.
Wick Court: Pond dipping	Funds received from the Halpin Trust and local businesses for the construction of a new pond dipping platform and associated equipment.
Wick Court: Friends of Wick Court	Donations received this year partly funded restoration works at Wick Court.
Wick Court: Roof	Grants received funded the replacement of the main house roof.

23. Analysis of net assets between funds

a) Year ending 31 August 2021

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	633,597	2,378,161	3,011,758
Investment	6,097	-	6,097
Cash at bank and in hand	1,160,664	125,783	1,286,447
Other net current assets/(liabilities)	(811,174)	25,000	(786,174)
Total	**989,184**	**2,528,944**	**3,518,128**

b) Year ending 31 August 2020 – As Restated

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	600,380	2,082,598	2,682,978
Investment	6,177	-	6,177
Cash at bank and in hand	833,926	20,544	854,470
Other net current assets/(liabilities)	(150,764)	29,969	(120,795)
Total	**1,289,719**	**2,133,111**	**3,422,830**

24. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	37,869	37,707
Later than 1 year and not later than 5 years	120,934	120,928
Later than 5 years	80,520	102,480
	239,323	**261,115**

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	95,298	169,642
Add back depreciation charge	91,682	92,246
Deduct interest income shown in investing activities	(540)	(3,063)
Loss/(profit) on disposal of fixed assets	1,647	-
Decrease/(increase) in stock	14,514	(2,901)
(Increase)/decrease in debtors	(165,221)	62,808
Increase/(decrease) in creditors	496,086	(177,579)
Net cash used in operating activities	**533,466**	**141,153**

26. Net debt reconciliation

	Balance 1 September 2020 £	Cashflows £	Other non-cash changes £	Balance 31 August 2021 £
Cash at bank and in hand	854,470	431,977	-	1,286,447
Bank loan falling due within 1 year	-	(320,000)	-	(320,000)
	854,470	**111,977**	**-**	**966,447**

27. Capital Commitments

Farms for City Children has future commitments for the following projects and expects these commitments to be contracted within the next year and financed by cash reserves and grants.

	2021 £	2020 £
Capital expenditure that has been contracted but has not been provided for in the Financial Statements	66,917	2,126

28. Post Balance Sheet Events

The Charity realised the sale of a portion of land at Wick Court in January 2022. The total sale price was £645,000.

The Coronavirus Business Interruption Loan (CBIL) was repaid in January 2022.