

# **The Prince's Countryside Fund**

## **Trustees' Report and Financial Statements**

For the period ended 31st March 2020

Registered Company number: 07240359

Registered Charity number: 1136077 and SC048055



## REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2020

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## TRUSTEES AND ADVISORS YEAR ENDED 31 MARCH 2020

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### TRUSTEES

Lord Curry of Kirkharle CBE  
Sara Bennison  
Edwin Booth CBE, DL  
Elizabeth Buchanan CVO  
Rob Collins  
Mark Duddridge  
Lord Jamie Lindsay  
Mark Allen (Resigned 22/01/2020)  
Paul Murphy (Resigned 22/01/2020)  
Steven McLean  
Allan Wilkinson  
David Fursdon DL (Appointed on 25/04/2019)  
Meurig Raymond CBE, MBE (Appointed on 24/05/2019)  
Janet McCollum CBE (Appointed 02/01/2020)

### COMPANY SECRETARY

Yvonne Abba-Opoku ACG

### COMPANY NUMBER

07240359

### CHARITY REGISTRATION

1136077  
SC048055

### REGISTERED OFFICE

137 Shepherdess Walk  
London N1 7RQ

### AUDITOR

Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

### BANKER

Barclays Bank Plc  
1 Churchill Place  
London E14 5HP

Coutts & Co  
440 Strand  
Villiers Office  
WC2R 0QS

### SOLICITOR

Farrer & Co LLP  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2020

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The Trustees present their annual report and the company's financial statements for the year ended 31st March 2020

### PRINCIPAL ACTIVITY

The Prince's Countryside Fund was established as a response to concerns expressed by HRH The Prince of Wales and by Business in the Community's Rural Action Leadership Team regarding the future of farming and rural communities in the United Kingdom. Given these origins, The Prince's Countryside Fund operates in accordance with the vision of HRH The Prince of Wales which is to help improve the sustainability of British farming and the rural communities that support, and are supported by, farming in the UK.

Supporting its mission to strengthen farm and rural communities and promote the value of the countryside, the three goals of the charity are:

- To improve the prospects of viability for family farm businesses
- To support aid delivery in emergencies and build resilience
- To sustain rural communities and drive economic vibrancy

A strategic review was undertaken in November 2019, where Trustees confirmed their satisfaction with the Fund's charitable objectives.

The Trustees are satisfied that, having considered the Charity Commission's and the Office of the Scottish Charity Regulator's (OSCR) general guidance on public benefit, the charity is in compliance with such regulation.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Prince's Countryside Fund (PCF or the Fund) was incorporated as a company limited by guarantee on 30 April 2010 (company number 07240359) and received charitable status in England & Wales on 24 May 2010 (charity number 1136077) and in Scotland on 12th January 2018 (charity number SC048055). It is governed by its memorandum and articles of association. It commenced trading on 1 July 2010, with an official launch of the Fund being held at St James's Palace on 22 July 2010. The Fund has a trading arm, Countryside Fund Trading Ltd (CFT),

which raises funds for the charity via commercial participation agreements.

PCF and CFT are subsidiaries of The Prince of Wales's Charitable Fund (PWCF) who is the ultimate parent of both organisations.

The Board met on four occasions in the twelve months to consider inter alia:

- Impact of projects including the Prince's Farm Resilience Programme and Research
- Fundraising and resource allocation
- Awarding of individual grants

All Trustees gave of their time freely, and receive no remuneration. Details of any related party transactions are disclosed in note 16 of the accounts. Trustees are required to disclose all relevant interests and to register them with the Company Secretary and, in accordance with PCF's policy, withdraw from decisions where a conflict of interest arises.

Trustees serve a three-year term, which is renewable up to three times to a maximum of nine years. Exceptional circumstances may apply whereby a Trustee remains on the Board after serving for nine years. At the board meeting closest to the end of a Trustees' three-year term of office, they must either retire from office or offer themselves for reappointment by The Prince of Wales's Charitable Foundation.

The Trustees delegated the day-to-day management of the Fund to the staff of PWCF working on behalf of PCF, in particular the Executive Director for the Fund, Claire Saunders. The chair of the Board met regularly with the senior staff outside of the Trustee meeting to discuss the activities of the Fund. The Grant subcommittee met during the year to progress key areas of the Fund's activity as did the Nominations Committee reviewing governance areas including the structure, skills and performance of the Board and executive committee. Remuneration of key personnel is benchmarked against the sector and then is agreed at Board level. The Nomination Committee assists in this process. The Development Committee continued to meet to identify and follow up income generation



## HOW THE ACTIVITIES OF THE FUND DELIVERED BENEFIT

The year continued to be characterized by the deep uncertainty for farming and rural communities, as they face far-reaching change. The Fund responded through support in three key areas:

- Improving the prospects of viability for family farm businesses
- Sustaining Rural Communities and driving Economic Vibrancy
- Supporting Aid Delivery in Emergency and Building Resilience

Over the course of the year, we awarded 26 grants to community organisations with projects ranging from providing digital training to rural communities, to transport schemes tackling isolation in the countryside, employability and rural skills training for young people, and support for community run village shops, pubs, and hubs. Over the past 10 years, we have now supported more than 300 communities throughout the UK.

An example of our rural work this year, with support of the players of The People's Postcode Lottery, we awarded a grant to Lincs Digital. Lincs Digital helps people in rural Lincolnshire access technology and improve their digital skills. "We go out to rural areas and teach people how to use digital devices and useful online services, from online banking and utilities, and the NHS app to online grocery shopping as lots of their small, local shops have closed, and they have been struggling into town and back with heavy bags on an irregular bus service.

"One of the most significant impacts has been the social impact - people taking part in our sessions have been forming friendships. On top of this, it has also allowed people to be more connected with their families via skype and messenger, and reconnecting them with people they have lost touch with. Our beneficiaries have described the service as life changing, or in some circumstances it has saved their lives. These people were in a position where they did not know what to do with so many local services closing and we have been able to open their eyes, and they now see a much brighter future because of it. Without The Prince's Countryside Fund we wouldn't be able to do any of the work we do."

The Fund recognizes that our work should be based on strong evidence, and in 2019/20 commissioned two research reports to be

published in summer 2020: one, in to the social significance of auction marts on rural communities, and the second, on the importance of a network of local abattoirs for the UK red meat supply chain.

The Fund also published The Village Survival Guide in summer 2019. Building on the success of Recharging Rural. Featuring a foreword from Fund ambassador Miranda Hart, the Guide launched on BBC Breakfast and to date has been downloaded over 12,000 times, and more than 600 copies have been sold! The Guide featured checklists, 'how to's' and case studies from communities all across the UK, which will assist those living in rural areas to come together and set up their own successful projects.

### Case Study - Pumphouse Community Brewery

Pumphouse Community Brewery were awarded a grant of £25,000 in April 2019. The grant from the Fund and Peoples Postcode Lottery enable them to hire their young head brewer, Aaron, as well as taking on local mum Karen to do their admin, and Bill, a retired police officer, as assistant brewer. "For 30 years I was proud to serve the community as a Police Officer. Now I am retired, The Prince's Countryside Fund has given me the opportunity to benefit the community again. My role at Pumphouse is helping to increase production and distribution, as well as building new skills and friendships."

Bill Holland, Assistant Brewer



### Tir Dewi

The Prince's Countryside Fund awarded a grant to Tir Dewi, a farm support network in Wales, in April 2019. Gareth, director of Tir Dewi, explains: "The pressure facing farmers can be huge. Simply having someone to talk to can be a lifeline. In other instances, we send volunteers on-farm and gradually work on the problems, not for the farmers but with them. Without us, there are

several farms that would have failed. The concerns of farmer mental health – farmer breakdown, hospitalization and suicide – are grave. Working with The Prince's Countryside Fund has made a significant difference; we simply wouldn't be able to survive without them."

## **Farm Resilience Programme**

In its fourth year, The Prince's Farm Resilience Programme has continued to provide farming families with access to free business skills training and advice. As a result of the recent agricultural policy reformation, we developed a 'Managing your Farmed Environment' session. The workshop encourages farmers to think about their wider environmental responsibilities on a landscape level and how these could be measured and/or monitored. Whilst there is still huge uncertainty about new policy, the workshop will remain flexible to allow for new direction to be incorporated when necessary. Managing your Farmed Environment has been well received and introduces concepts such as the 25-year Environment Plan, 'public money for public goods', and suggests practical advice on how to farm with the environment and access funding.

The Prince's Countryside Fund has entered into a partnership with the National Trust to run the programme for up to 45 of its farm tenants in three areas of the country - the Lake District, North Wales, and the South West. The feedback has been fantastic, with one coordinator saying: "One of the key findings is the value and benefit of providing a warm, welcoming and safe environment for people to come to, open up, share and discuss their challenges and to jointly then work our ideas, plans and solutions. Farming is lonely and communities are becoming more

isolated and split and I was guilty of making the assumption that everyone would know each other but in reality some would know each other to nod or say hello but had never really had the opportunity to get to know each other and to share their stories".

Morrisons, supporters of The Prince's Farm Resilience Programme, held a 'Seeing is believing' event in August 2019, attended by farmers in the year three Cairngorms group. The day began at a farm which supplies beef to Morrisons, moved on to the Morrison's' abattoir at Turriff. And ended in their Inverurie store. The feedback from the day was fantastic: "Just a wee note to say thank you very much for great day yesterday in Aberdeenshire. As a store lamb and store cattle producer, I found the day very informative and of great value to my business." The Fund are extremely grateful to Morrisons for their continued support and for putting this on for our farmers.

The Fund was awarded a grant from the NFU Mutual Charitable Trust, providing each of the 15 groups in the third year of the programme the opportunity to carry out additional events. The West Worcestershire group took a trip to Duchy Home Farm for a farm-tour, Exmoor held a BBQ lunch with a talk from a local Auctioneer on-farm which was kindly hosted by a participating farmer, and the Brecon Beacons group had a 'day-out' on farm. The morning session included a talk from Liz Price of The Wye and Usk Foundation discussing improving soils and protecting resources. After lunch, the group had a farm walk at Highgrove Farm with Ben Williams.

In total through all our activity, over £1m was provided to grant and programme funding with 77% of our expenditure on charitable activities.

## FINANCIAL RESULTS FOR THE YEAR

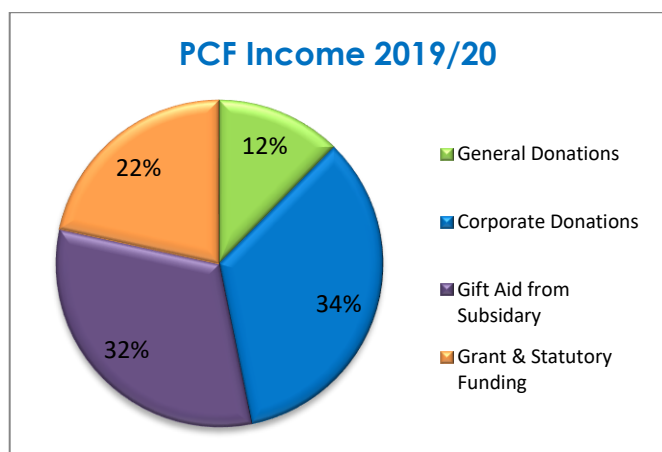
Incoming resources for the year were £1,511,233 (2019: £1,548,112) which included £476,397 (2019: £609,527) coming via Gift Aid and in-kind support from a range of companies of £20,816 (2019: £44,412).

The income from the trading subsidiary comes mainly from commercial participators who support the charity's brand on a wide range of products and materials.

The charity received £703,841 (2019: £378,566) directly in donations from companies and individuals.

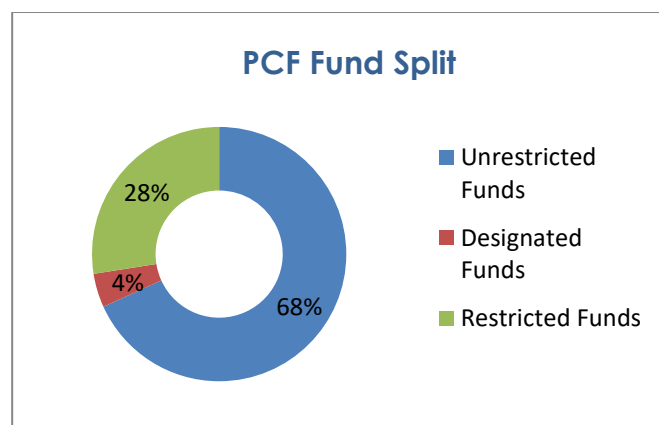
In January 2020, the charity was awarded a grant of £250,000 from the People's Postcode Lottery with the assistance of The Prince of Wales's Charitable Foundation to support isolated rural communities to deliver vital community support.

During 2019/20 the charity awarded 31 grants totalling £567,576 (2019: 30 awarded totalling £703,429) bringing the total grants awarded over the 10 years of the Fund's existence to over £9m. In 2019/20, £38k (2019: £1,000) was awarded from restricted funds supporting those affected by the flooding in Yorkshire. A further £21k was awarded from Designated funds in relation to the Yorkshire floods in July 2019. Grants totalling £220,362 (2019: £209,200) were awarded from the restricted funds received from the People's Postcode Lottery. Full details are given in note 5 to the accounts.



The net incoming resources for the year on unrestricted funds was a negative movement of £18,484 (2019: £359,304), designated funds were showing a positive movement of £37,547 and restricted funds showed a negative movement of £80,421 mainly due to the delivery of the Farm Resilience Programme (2019: negative £179,280)

giving an overall net negative movement on funds of £61,358 (2019 positive £180,024). During the year the Trustees agreed to hold £50,000 of funds for Emergency purposes and therefore designated funds during the year, to ensure that this amount was readily available. At the end of March 2020, the company held unrestricted funds of £791,655, £49,900 of designated funds with a further £318,475 held as restricted funds (see note 12 of the accounts).



## RISK MANAGEMENT

The Trustees have considered the major risks to which the charity is exposed, reviewed them along with the systems and procedures in place to manage them. The Trustees consider that at present the charity is not running any significant financial risks; its operational risks relate to maintaining its profile and fund-raising capacity, its grant making activities and to its ability to maximise the impact that its grants have in areas of need and deprivation. The knowledge and experience of the staff, of the Trustees and the networks in which they operate in the opinion of the Trustees provide mitigation of these risks. The charity is continually considering ways in which the impact of its programmes could be improved without adding unnecessarily to the level of administration or support costs.

Due to the potential impact which COVID-19 could have on the sector the Executive Team have been reviewing their programme outreach and funding streams. PCF has adapted where needed, but have assessed that at present, we have resilience to continue to deliver due to our reserves.

## GRANT MAKING POLICY

The Trustees have established a grant making policy to achieve the charity's objective for public benefit to support projects in England, Wales, Scotland and Northern Ireland that clearly

contribute towards one or more of the goals of the charity. The charity invites applications for grants from organisations to support capital; project and resource funding that contribute to the sustainability of British farming, rural communities and the countryside particularly in areas of greatest need.

In addition, grants are allocated by the Trustees from their “emergency” funding to meet immediate and urgent needs arising from events, which can have a devastating effect on rural communities. Full details of the application process and criteria are available from the charity’s website.

<http://www.princescountrysidefund.org.uk/grant-giving-programme/grant-programme>

## **RESERVES AND RESERVES POLICY**

The charity holds total funds of £1,160,030 at the end of March 2020 (2019: £1,221,388). Of these £318,475 (2019: £398,895) are held as restricted funds where the application of the funds is limited within the overall objectives of the charity; £49,900 (2019: £12,353) are held as designated funds and £791,655 (2019: £810,140) are held as unrestricted funds.

The Trustees of the Fund are currently reviewing the reserves levels required for the Fund during 2020/21 financial year through the lens of the impact COVID-19 and the decision to grow the charitable activities of the Fund. The current level of free reserves is set no less than £200,000.

The Trustees consider that this level will provide sufficient funds to respond to applications for grants, to cover essential support for programmes undertaken and governance costs.

The balance held as unrestricted funds at 31 March 2020 was £791,655 all of which may be regarded as free reserves. The current level of reserves therefore exceeds the £200,000 level agreed by trustees.



## FUTURE PLANS

As this is written, we are grappling with the multiple effects of Covid-19 on our farming and rural communities. The effects will continue to be seismic across the UK countryside. Alongside the farming help charities, who we co-ordinate with, we will need to support where we can, including providing assistance to those who are suffering from the consequences of the disease and the magnified effects of rural isolation and those whose businesses have been worst affected, whether as a result of the supply chain disruption or on their diversified incomes. The wide effects of Covid - 19 are not all immediate and the Fund will need to provide considered support in the medium and long term, notwithstanding the impact on our own funding. Review of budgets suggests that we can continue our programs but with increased effort on ensuring a funding pipeline is secure.

Prior to Covid -19, the move into our Tenth anniversary year, under the vision of our Patron, HRH, The Prince of Wales, our Trustees gave us the opportunity to reflect on our achievements and identify a new strategy. We had considered how the Fund should be best positioned to take on the future challenges affecting farming and the countryside, which are many, fluid, and complex and this has put us in the best position to adapt to the new strains on the countryside driven by the disease.

The issues are diverse. They include firstly, how we should best help small farm businesses to recover, and bridge the financial and cultural gap between what will be demanded of them as newly nominated guardians of public goods, and as long

- practiced and efficient producers of food.

Secondly, how should we help them combat the myriad effects of climate change? Thirdly, how can we

all work well with a population increasingly disassociated from the day to day realities of farming, but nevertheless reminded of its huge importance by recent challenges to the supply chain? With agriculture at its core, our rural landscape will also continue to be under extreme pressure, with a continued loss of services, the costs of housing and remote living, and the consequent departure of younger families.

Yet within such a challenging landscape, the Fund's message is optimistic. We can logically champion family farming as a resilient force for good, its diversity recently proven, a local solution providing positive change on many fronts, and the rural economy as a diverse and welcoming place for entrepreneurship which stands to benefit hugely from new innovations and technology, and the new focus of work away from the city.

Reflecting the work of our Patron, the Fund's role as a bridge and convener is critical. Much is talked about farming futures in theoretical language which does not engage on the ground. The opportunities for partnership and co-operation can be missed. In the efforts to promote planetary sustainability, farming can be unfairly vilified, and misunderstandings can reduce joint effort between those who share the same goals. Because of this, and the challenges we face in fundraising for every part of the work we undertake, we will continue to work collaboratively with other organisations, absolutely focused on the most beneficial activities, through our grants and initiatives, which bring together commercial and sustainable outcomes for those we support. We need to identify and measure the charitable impact we can have and ensure we continue to evolve our support and remain relevant. Together as we learn from the effects of the pandemic, we want to work towards a sustainable and resilient countryside, encouraging good commercial practices which will also improve the environment.

In operational terms, this means that we must build a stronger fundraising and stewardship team and infrastructure. We will continue to be flexible, adapting our grant making activity to ensure it reacts to the immediate situation whilst ensuring that we have a stronger, evidenced, and more measurable and focused impact in the longer term. Here, the importance of building resilience cannot be underestimated, and we can plan for necessary growth in assisting more farms through transition, informing, guiding, and building the capacity of other organisations alongside us to provide increased support.

This year, whilst confident of delivery we will of course remain conservative in our income forecasts and be ready for additional activity as new funds are generated and to offer activity accordingly. Our plan allows us to prioritise and build on work already achieved, to respond most appropriately to the circumstances in which we find ourselves, both with proven support and with new ideas which look ahead to build a strong future.

## **FUNDRAISING**

The Trustees of the charity take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications of the charity's activities.

We are committed to achieving high standards in fundraising and ensure that our fundraising activities do not put undue pressure on our valued supporters and individuals, especially those that are vulnerable. The Prince's Countryside Fund is registered with the Fundraising Regulator. Our Development Committee ensures that our fundraising activities comply with the Fundraising Regulator's Code of Fundraising, legal and regulatory requirements.

We work with companies and commercial participators who are reputable and whose activities do not have an adverse impact on the charity's core objectives and our Founder's vision for the charity. We are pleased to report that the Trustees are not aware of any complaints made in respect of fundraising during the period.

## **GOING CONCERN**

The Trustees have considered the plans they have for the future, the level of reserves held and the cash projections together with the charity's ability to match its costs to its income. The Trustees consider that these give reasonable assurance of the adequacy of resources for the foreseeable future. The accounts have therefore been prepared on the basis that the charity is a going concern. The impact COVID-19 may have on the Fund is considered monthly, with updated cashflows and reduced income modelling. The Trustees review this on a quarterly basis.

## **TRUSTEE RECRUITMENT**

Trustees are recruited from those with an interest in the aims of the Fund and in particular, the ways in which business can provide support to rural and farming communities; new trustees are briefed on the Fund's aims and objectives with guidance on their role as appropriate to their existing knowledge and understanding. A Nomination Committee is held to discuss Trustee recruitment, followed by approval by the PCF Board. New Trustees will then be approved by the PWCF board. An induction programme is offered to new Trustees which includes guidance from the Charity Commission. They also receive an induction pack, which includes the Fund's Memorandum and Articles of Association, the latest annual report and accounts and the Fund's most recent business plan.

Training needs for new and existing Trustees are assessed on an on-going basis to reflect the changing requirements in the sector.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of PCF for the purposes of company law) are responsible for preparing the Report of Directors and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

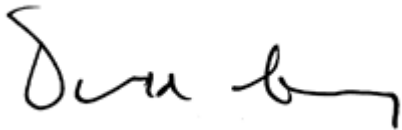
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware. The directors have each taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Trustees and signed on 27 August 2020 on their behalf by:

Lord Curry of Kirkharle  
Chair of the Trustees

A handwritten signature in black ink, appearing to read 'Lord Curry', with a stylized flourish at the end.

27 August 2020

## Independent Auditor's Report to the Members of The Prince's Countryside Fund

### Opinion

We have audited the financial statements of The Prince's Countryside Fund for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



## **Independent Auditor's Report to the Members of The Prince's Countryside Fund (continued)**

### **Other matters 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' Annual Report which includes the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has 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 Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- proper and 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also 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**

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

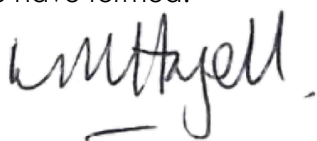
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Independent Auditor's Report to the Members of The Prince's Countryside Fund (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, and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions, we have formed.



.....

Liz Hazell (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

71 Queen Victoria Street  
London  
EC4V 4BE

Chartered Accountants Statutory  
Auditors

Date: 9 September 2020.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
**FOR THE YEAR ENDING 31 MARCH 2020**

		<b>General Fund £</b>	<b>Designated Fund £</b>	<b>Restricted Fund £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
	Note					
<b>Income from:</b>						
Donations		602,641	-	101,200	<b>703,841</b>	378,566
Grant Funding		9,359	-	315,250	<b>324,609</b>	555,676
Investment income		6,386	-	-	<b>6,386</b>	4,343
Commercial Trading Activities		476,397	-	-	<b>476,397</b>	609,527
<b>Total incoming resources</b>		<u>1,094,783</u>	<u>-</u>	<u>416,450</u>	<u><b>1,511,233</b></u>	<u>1,548,112</u>
<b>Resources Expended:</b>						
Charitable activities	3	(716,675)	(21,182)	(770,551)	<b>(1,508,408)</b>	(1,289,390)
Expenditure on raising funds		(64,183)	-	-	<b>(64,183)</b>	(78,698)
<b>Total Expenditure</b>		<u>(780,858)</u>	<u>(21,182)</u>	<u>(770,551)</u>	<u><b>(1,572,591)</b></u>	<u>(1,368,088)</u>
<b>Net income/(expenditure) for the year</b>		<u>313,925</u>	<u>(21,182)</u>	<u>(354,101)</u>	<u><b>(61,358)</b></u>	<u>180,024</u>
<b>Transfers between funds</b>	12	(332,409)	58,729	273,680	-	-
<b>Net movement in funds</b>		<u>(18,484)</u>	<u>37,547</u>	<u>(80,421)</u>	<u><b>(61,358)</b></u>	<u>180,024</u>
Fund balances brought forward		<u>810,139</u>	<u>12,353</u>	<u>398,896</u>	<u><b>1,221,388</b></u>	<u>1,041,364</u>
<b>Fund balances carried forward</b>	12	<u><u>791,655</u></u>	<u><u>49,900</u></u>	<u><u>318,475</u></u>	<u><u><b>1,160,030</b></u></u>	<u><u>1,221,388</u></u>

All of the charitable company's operations are represented by continuing activities.

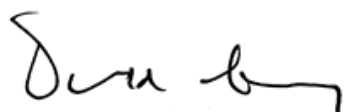
The charitable company has no recognised gains or losses other than those shown above.

The notes on pages 16 to 28 form part of these financial statements.

**BALANCE SHEET**  
AS AT 31 March 2020  
COMPANY NUMBER: 07240359

	Notes	2020	2019
		£	£
<b>INVESTMENT</b> (in Subsidiary)	7	1	1
<b>CURRENT ASSETS</b>			
Debtors: Amounts falling due within one year	8	944,512	743,427
Cash at Bank and in Hand		<u>1,180,383</u>	<u>1,806,791</u>
		<b>2,124,895</b>	<b>2,550,218</b>
<b>CREDITORS:</b> amounts falling due within one year	9	<u>861,822</u>	<u>1,098,850</u>
<b>NET CURRENT ASSETS</b>		<b>1,263,073</b>	<b>1,451,368</b>
<b>CREDITORS:</b> amounts falling outside of one year	10	<u>103,044</u>	<u>229,981</u>
<b>NET ASSETS</b>		<b>1,160,030</b>	<b>1,221,388</b>
<b>Represented By:</b>			
Unrestricted Funds	12	791,655	810,140
Designated Funds	12	49,900	12,353
Restricted Funds	12	<u>318,475</u>	<u>398,895</u>
<b>Total</b>		<b><u>1,160,030</u></b>	<b><u>1,221,388</u></b>

Approved by the Trustees and signed on their behalf on 27 August 2020 by:



Lord Curry of Kirkharle  
Chair of the Trustees



The Charity has taken advantage of the small company exemption in preparing these accounts.

# **CASHFLOW STATEMENT** **FOR THE YEAR ENDING 31 MARCH 2020**

	Year ended 2020 £	Year ended 2019 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	<b>(632,794)</b>	<b>(262,623)</b>
<b>Cash flows from investing activities:</b>		
Interest	6,386	4,343
<b>Net cash provided by (used in) investing activities</b>	<b>6,386</b>	<b>4,343</b>
<b>Change in cash and cash equivalents in the period</b>	<b>(626,409)</b>	<b>(258,280)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,806,791</b>	<b>2,065,071</b>
<b>Cash and cash equivalents at the end of the period (Note 17)</b>	<b>1,180,383</b>	<b>1,806,791</b>
<b>Reconciliation of net incoming resources to net cash (outflow)/inflow from operating activities</b>		
	Year Ended 2020 £	Year Ended 2019 £
Net income/(expenditure) :		
- Unrestricted funds	(18,485)	143,454
- Designated funds	37,547	12,353
- Restricted funds	(80,421)	24,217
<b>Net Income/(expenditure) for the period as per the (SOFA)</b>	<b>(61,359)</b>	<b>180,024</b>
<b>Adjustments for:</b>		
Interest received	(6,386)	(4,343)
(Increase) in Debtors	(201,084)	81,703
(Decrease)/Increase in Creditors less than one year	(237,028)	(609,008)
(Decrease)/Increase in Creditors greater than one year	(126,937)	89,001
<b>Net cash provided by/ (used in) operating activities</b>	<b>(632,794)</b>	<b>(262,623)</b>

The notes on pages 16 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

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**1. ACCOUNTING POLICIES**

**a) Charitable Status**

The company is limited by guarantee (company registration number 07240359) and is a registered charity in England and Wales (1136077). The address of the registered office is 137 Shepherdess Walk, London N1 7RQ.

**b) Basis of Accounting**

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

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) (second edition) and the Companies Act 2006, and comply with all applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Prince's Countryside Fund constitutes a public benefit entity as defined by FRS 102.

**Critical accounting judgements and key sources of estimation uncertainty**

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Financial information for the comparative year is shown in note 18.

**c) Going Concern**

As highlighted in the report of the trustees, having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis. The impact COVID-19 may have on the Fund is considered monthly, with updated cashflows and reduced income modelling. The Trustees review this on a quarterly basis.

**d) Incoming Resources**

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

**e) Resources Expended**

Liabilities are recognised as resources are expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

## Notes (Continued)

### 1. ACCOUNTING POLICIES (continued)

#### f) Grant Making Costs

Grants payable are payments made to third parties in furtherance of the charitable objects of the charity. Single or multi-year grants are accounted for when the trustees have agreed to pay the grant without condition and have notified the recipient, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charity.

Grants approved but not yet paid are shown as creditors in the accounts.

#### g) Management and Administrative Costs

The Prince's Countryside Fund does not employ any staff; management services are provided by The Prince of Wales's Charitable Foundation, the ultimate parent company, under agreed service levels and charging rates.

#### h) Financial Instruments

The Prince's Countryside Fund 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 amortised cost using the effective interest method (equating to the present value). Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors and accrued income. Financial liabilities held at amortised cost comprise trade and other creditors and accrued expenditure.

#### i) Funds

The charity has Unrestricted Reserves, Designated Funds and Restricted Funding. Those funds that are received with restrictions as to their use within the charity's overall objectives are treated as restricted and held as such. Details of such funds are given in note 12.

#### j) Donated Services and Facilities

Donated professional services and donated facilities are recognised as income when the Foundation has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use of the item or service is probable and that economic benefit can be measured reliably.

On receipt, donated services and donated 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.

#### k) Investments

The Prince's Countryside Fund has an investment in one wholly owned subsidiary, Countryside Fund Trading Ltd. This is held at the cost of investment.

## Notes (Continued)

### 2. TRUSTEES

No remuneration or expenses were received by any Trustee. (2019: Nil)

### 3. ANALYSIS OF CHARITABLE EXPENDITURE

	Activities undertaken directly (£)	Grant funding of activities (£)	Grants Written Off/ Reimbursed (£)	Support Costs (£)	Total 2020 (£)	Total 2019 (£)
<b>Unrestricted Fund</b>						
Core Programme	302,132	283,386	(44,219)	175,376	716,675	723,806
<b>Restricted Fund</b>						
FRP	354,580	-		55,450	410,030	343,620
Rural 4	20,738	220,362	-	35,423	276,523	253,161
PCF & CFT Transfer	5,042	-	-	-	5,042	16,501
Village Survival Guide	20,000	-	-	-	20,000	30,000
Jordan's Bursary	16,310	-	-	-	16,310	-
Mull Abattoir	5,000				5,000	-
Emergency Fund	-	37,646	-	-	37,646	1,000
<b>Designated Fund</b>						
Emergency Fund	-	21,182	-	-	21,182	-
<b>Total Charitable Activities</b>	723,802	562,576	(44,219)	266,249	1,508,408	1,368,088

The figures above include governance costs totalling £16,146 comprising of the annual audit fee plus the cost of time relating to the company secretary. In the previous financial year, governance costs included the annual audit fee plus trustee expenses totalling £12,086.

The charity undertakes its charitable activities through direct support as well as through grant making and awarded grants to a number of enterprises (see note 5 below) in furtherance of its charitable activities.

The Charity's staff, including the Director of the Fund who manages the day-to-day operations, are all employed by the ultimate parent The Prince of Wales's Charitable Foundation and are recharged to The Prince's Countryside Fund on the strict cost basis.



## Notes (Continued)

The Fund benefited from a wide range of in-kind support this year from the corporates who provide our primary funding and from a number of individual supporters. A total of £20,816 has been included as both income and expenditure in these accounts.

### 4. STAFF COSTS

The Charity's Staff Costs are allocated as follows:

	<b>Total 2020</b>	<b>Total 2019</b>
Salaries and wages	228,988	196,360
Social security	23,029	20,353
Pension and healthcare	15,102	10,991
<b>Total Staff Costs</b>	<b>267,119</b>	<b>227,704</b>

The Prince's Countryside Fund has 9 members of staff (based on average headcount) whose salaries are partially recharged to Countryside Fund Trading Limited.

The staff costs totalled £357,467 (2019: £325,247) of which, £90,347 (2019: £97,543) was recharged to Countryside Fund Trading Limited. The total staff cost to The Prince's Countryside Fund is £267,119 (2019: £227,704).

The total cost to The Prince's Countryside Fund of the key management personnel is £60,502 (2019: £59,026).

No salaries were paid to Trustees in the current or previous year.

The number of employees whose emoluments for the year were over £60,000 (including taxable benefits in kind but not employer pension contributions), fell within the following bands:

	<b>Number 2020</b>	<b>Number 2019</b>
£60,000- £69,000	1	-

## Notes (Continued)

5. GRANTS AWARDED IN THE PERIOD	£
<b>Unrestricted</b>	
BLS Community Trust	1,623
Groundwork South	29,929
Just Farmers	20,000
Young Farmers Club of Ulster	30,000
YANA (Clan Trust)	25,000
Tir Dewi	25,000
Plunkett Foundation	40,000
The Courthouse Kesh Limited	25,000
Community Supported Agricultural Network	25,000
Barnard Castle Farmers Market	2,000
Durham Wildlife Trust	9,833
National Hedgelaying Society	20,000
Dry Stone Walling Association	20,000
Mull Abattoir Slaughterhouse	10,000
	<b>283,385</b>
<b>Emergency</b>	
Mull Abattoir	5,000
Addington Fund	50,000
Addington Fund	5,000
Lincolnshire Rural Support	3,829
	<b>63,829</b>
<b>Rural 4 – Funded by People’s Postcode Lottery</b>	
Citizens Advice County Durham	20,000
Pumphouse Community Brewery	24,500
Barton Bendish Village Hall	25,000
Great Barrow Community Shop	24,994
Berwick Film and Media Arts Festival	5,000
Settle Community & Business Hub	25,000
The Thorold Arms Community Benefit Society	22,368
The Borrowdale Institute	10,000
Daventry Area Community Transport	25,000
Fenland Association for Community Support	7,500
KPT Development Trust	1,000
Lincs Digital	20,000
Yorkshire Rural Support Network	10,000
	<b>220,362</b>

The total amount of new grants issued in 2019/20 was £567,576. Please note that after a review of outstanding grants, The Fund has written off and been reimbursed for grants to the value of £44,219 during the financial year.

## Notes (Continued)

### 6. THE RESULTS ARE STATED AFTER CHARGING

	2020 £	2019 £
Auditor's remuneration	9,765	9,180

### 7. FIXED ASSET INVESTMENTS

	2020 £	2019 £
Investment in subsidiary	1	1

The investments in subsidiary companies are stated at cost of investment.

Subsidiary	Company Number	Registered Office	Class of Shares	Percentage of holding
Countryside Fund Trading	07274582	137 Shepherdess Walk, London, N1 7RQ	Ordinary	100%

### 8. DEBTORS:

	2020 £	2019 £
Due from subsidiary undertaking	476,397	632,578
Accrued Income	462,691	102,782
Prepayments	5,424	7,867
Other Debtors	-	200
	<b>944,512</b>	<b>743,427</b>

### 9. CREDITORS: amounts falling due within one year

	2020 £	2019 £
Trade Creditors	-	10,245
Amounts due to grant recipients	512,975	759,820
Amounts due to subsidiary undertaking	-	-
Accrued Costs	348,847	328,785
	<b>861,822</b>	<b>1,098,850</b>

## Notes (Continued)

### 10. CREDITORS: amounts falling due outside of one year - In 2 to 5 years

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts due to grant recipients	103,044	229,980

### 11. Movements in the year on Amounts due to grant recipients

	<b>£</b>
Opening Balance 1 April 2019	989,800
Grants awarded in the period	567,576
Payments made in the period	(897,138)
Grants written off in the period	(44,219)
<b>Closing Balance 31 March 2020</b>	<b>616,019</b>



## Notes (Continued)

### 12. FUNDS

Funds comprised of seven restricted funds and one designated fund:

Emergency Fund - established as a result of an emergency appeal to help the farmers' facing hardships from the severe flooding seen in recent years. During the year the Board of Trustees agreed to ensure, that £50k is reserved in this fund at all times by designating a further £12k to the existing funds.

	Balance at 1 April 2019 (£)	Income (£)	Costs (£)	Grants awarded (£)	Transfer (£)	Balance at 31 March 2020 (£)
Unrestricted Funds	810,139	1,094,782	(541,690)	(239,167)	(332,409)	791,655
<b>Unrestricted Funds</b>	<b>810,139</b>	<b>1,094,782</b>	<b>(541,690)</b>	<b>(239,167)</b>	<b>(332,409)</b>	<b>791,655</b>
Emergency Fund (Designated)	12,353	-	-	(21,182)	58,729	49,900
<b>Designated</b>	<b>12,353</b>	<b>-</b>	<b>-</b>	<b>(21,182)</b>	<b>58,729</b>	<b>49,900</b>
Emergency Fund	37,647	100	-	(37,647)	-	100
PCF & CFT Trf	16,983	-	(5,042)	-	-	11,941
FRP	-	136,350	(410,030)	-	273,680	-
Rural -4	324,266	250,000	(56,161)	(220,362)	-	297,743
Mull Abbatoir	-	5,000	-	(5,000)	-	-
Jordans Bursary	-	25,000	(16,309)	-	-	8,691
Village Survival	20,000	-	(20,000)	-	-	-
<b>Restricted Funds</b>	<b>398,896</b>	<b>416,450</b>	<b>(507,542)</b>	<b>(263,009)</b>	<b>273,680</b>	<b>318,475</b>
<b>Total</b>	<b>1,221,388</b>	<b>1,511,232</b>	<b>(1,049,232)</b>	<b>(523,358)</b>	<b>-</b>	<b>1,160,030</b>

Emergency Fund – a restricted fund where individuals have donated funds to be used for emergency appeals and floods.

PCF & CFT Trf – funds received in 2017/18 from The Prince of Wales's Charitable Foundation to cover any costs associated with the transfer of ownership.

The Farm Resilience Programme (FRP) - funds were negative for the year due to costs for the programme outweighing, income. The shortfall is covered by Unrestricted Funds as agreed by the Board of Trustees. This is shown as a transfer of £273,680.

Rural 4 - funds have been received via The People's Postcode Lottery, which are restricted for use on Rural Communities.

Mull Abattoir – a one of restricted donation of £5,000 was received during the year to be granted to the Mull Abattoir.

Jordan's Bursary - income has been received during the year from Jordan's Ryvita. These funds are restricted to be used on a bursary programme.

Village Survival - funds had also been received last financial year, restricted for The Village Survival research project. This project concluded in July 2019.

## Notes (Continued)

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

(2020)	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Investment	1	-	-	1
Net current assets	867,562	49,900	344,223	1,262,685
Liabilities > 1 year	(77,295)	-	(25,749)	(103,044)
<b>Total Funds</b>	<b>790,268</b>	<b>49,900</b>	<b>318,474</b>	<b>1,158,642</b>

(2019)	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Investment	1	-	-	1
Net current assets	989,090	12,353	449,925	1,451,368
Liabilities > 1 year	(178,951)	-	(51,030)	(229,981)
<b>Total Funds</b>	<b>810,140</b>	<b>12,353</b>	<b>398,895</b>	<b>1,221,388</b>

### 14. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company at the 31 March 2020 was The Prince of Wales's Charitable Foundation (PWCF); a charitable company registered with both the Charity Commission in England and Wales and Companies House (Charity No. 1127255). PWCF's principle activity is to transform lives by building sustainable communities through their grant making programme. PWCF is the controlling member of PCF. Copies of the consolidated financial statements for the group can be obtained by writing to the Company Secretary at Clarence House, London, SW1A 1BA.

### 15. RELATED PARTY TRANSACTIONS

The following Trustees are directors or senior managers of companies, which currently have commercial participation agreements with Countryside Fund Trading Limited.

Trustee Connection	Company	Amount (£)
Mark Allen	DAIRY CREST LTD	50,000
Edwin Booth	E H BOOTH AND CO LTD	25,000
Rob Collins	WAITROSE LTD	150,000
Steven McLean	MARKS & SPENCER	25,000
Paul Murphy	THE JORDANS AND RYVITA COMPANY, A DIVISION OF ABF GRAIN PRODUCTS LTD	25,000

## Notes (Continued)

There were no outstanding invoices for any of the above companies at 31 March 2020. The Companies and the directors also contributed to the work of the charity by their in-kind support.

During the year, the Charity received gift aid from Countryside Fund Trading Limited of £476,397 (2019: £609,527).

At the year-end the Charity was owed £476,397 (2019: £632,578) by Countryside Fund Trading.

## 16. FINANCIAL INSTRUMENTS

At the balance sheet date the charity held financial assets at amortised cost comprising cash and short term deposits, trade debtors, other debtors and accrued income of £2,122,036 (2019: £2,550,217) and financial liabilities at amortised cost, comprising trade creditors, other creditors and accrued expenditure of £860,351 (2019: £1,098,850). Total interest income received in respect of financial assets held at amortised cost totalled £5,093 (2019: £4,343).

## 17. Analysis of changes in debt

	At start of year £	Cash flows £	At Year end £
<b>Cash and Cash equivalents</b>			
Cash	1,806,792	(626,409)	1,180,383
	<b>1,806,792</b>	<b>(626,409)</b>	<b>1,180,383</b>
<b>Borrowings</b>			
<b>Total</b>	<b>1,806,792</b>	<b>(626,409)</b>	<b>1,180,383</b>

## Notes (Continued)

### 18. PRIOR YEAR COMPARISONS

#### SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Incoming Resources</b>				
Donations	1	233,664	144,902	<b>378,566</b>
Grant Funding		235,576	320,100	<b>555,676</b>
Investment Income		4343	-	<b>4,343</b>
Commercial Trading Operations		609,527	-	<b>609,527</b>
<b>Total Income</b>		<b><u>1,083,110</u></b>	<b><u>465,002</u></b>	<b><u>1,548,112</u></b>
<b>Resources Expended</b>				
Charitable Activities	3&4	(625,108)	(644,282)	(1,289,390)
Fundraising Costs		(78,698)	-	(78,698)
<b>Total Expenditure</b>		<b><u>(723,806)</u></b>	<b><u>(644,282)</u></b>	<b><u>(1,368,088)</u></b>
<b>Net Income/ (Expenditure) for the Period</b>		<b>359,304</b>	<b>(179,280)</b>	<b>180,024</b>
Gross transfers between funds		(215,850)	203,497	-
Balance brought forward 1 April		<u>666,686</u>	<u>374,678</u>	<u>1,041,364</u>
Balance carried forward 31 March		<b><u>810,140</u></b>	<b><u>398,895</u></b>	<b><u>1,221,388</u></b>

## Notes (Continued)

### 19. PRIOR YEAR COMPARISONS

#### FUNDS

	Balance at 1 April 2018 (£)	Income (£)	Costs (£)	Grants awarded (£)	Transfer (£)	Balance at 31 March 2019 (£)
Unrestricted Funds	666,686	1,142,529	(478,392)	(304,833)	(215,850)	810,140
<b>Unrestricted Funds</b>	<b>666,686</b>	<b>1,142,529</b>	<b>(478,392)</b>	<b>(304,833)</b>	<b>(215,850)</b>	<b>810,140</b>
Emergency Fund (Designated)	-	-	-	-	12,353	12,353
<b>Designated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,353</b>	<b>12,353</b>
Emergency Fund	38,647	-	-	(1,000)	-	37,647
Somerset	1,097	-	-	-	(1,097)	-
PCF & CFT Trf	33,484	-	(16,502)	-	-	16,982
FRP	-	139,026	(343,620)	-	204,594	-
Rural 4	301,452	275,975	(93,961)	(159,200)	-	324,266
Village Survival	-	50,000	(30,000)	-	-	20,000
<b>Restricted Funds</b>	<b>374,680</b>	<b>465,001</b>	<b>(484,083)</b>	<b>(160,200)</b>	<b>203,497</b>	<b>398,895</b>
<b>Total</b>	<b>1,041,366</b>	<b>1,607,530</b>	<b>(962,475)</b>	<b>(465,033)</b>	<b>-</b>	<b>1,221,388</b>

Restricted funds comprise of six funds:

Emergency Fund - established as a result of an emergency appeal to help the farmers' facing hardships from the severe flooding seen in recent years. During the year the Board of Trustees agreed to ensure, that £50k is reserved in this fund at all times by designating a further £12k to the existing funds.

The Somerset Fund was set up to help emergency flooding in Somerset. This Fund has now been closed.

PCF & CFT Trf – were funds were received in 2017/18 from The Prince of Wales's Charitable Foundation to cover any costs associated with the transfer of ownership.

The Farm Resilience Programme (FRP) - funds were negative for the year due to costs for the programme outweighing, income. The shortfall is covered by Unrestricted Funds as agreed by the Board of Trustees. This is shown as a transfer of £204,594.

Rural 4 - funds have been received via The People's Postcode Lottery, which are restricted for use on Rural Communities.

Village Survival - funds have also been received during the year, restricted for The Village Survival research project, which is due for completion in July 2019.

**Notes (Continued)**

**20. PRIOR YEAR COMPARISONS**

**ANALYSIS OF CHARITABLE EXPENDITURE**

	<b>Activities undertaken directly</b>	<b>Grant funding of activities</b>	<b>Grants Written Off/ Reimbursed</b>	<b>Support Costs</b>	<b>Total 2019</b>
<b>Unrestricted Fund</b>					
Core Programme	182,150	493,229	(188,405)	236,832	<b>723,806</b>
<b>Restricted Fund</b>					
Farm Resilience Programme	299,146	-	-	44,474	<b>343,620</b>
Rural 4 Programme	58,592	209,200	(50,000)	35,369	<b>253,161</b>
PCF & CFT Transfer Fund	16,501	-	-	-	<b>16,501</b>
Village Survival Guide	30,000	-	-	-	<b>30,000</b>
Scottish Rural Research	-	-	-	-	<b>-</b>
Emergency Fund	-	1,000	-	-	<b>1,000</b>
<b>Total Charitable Activities</b>	<b>586,389</b>	<b>703,429</b>	<b>(238,405)</b>	<b>316,675</b>	<b>1,368,088</b>