

The A Team Foundation Limited

**Annual Report and Financial
Statements**

5 April 2018

Company Limited by Guarantee
Registration Number
03775136 (England and Wales)

Charity Registration Number
1077094

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Reference and administrative information

Directors	Mr Benjamin Arbib Mrs Tamara Arbib
Registered office	61 Grosvenor Street London W1K 3JE
Company registration number	03775136 (England and Wales)
Charity registration number	1077094
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment managers	Thesis Asset Management Ltd Exchange Building, St John's Street Chichester West Sussex PO19 1UP
Solicitors	Wilsons Alexandra House St Johns Street Salisbury SP1 2SB

Directors' report Year ended 5 April 2018

The directors present their statutory report together with the financial statements of The A Team Foundation Limited for the year ended 5 April 2018.

This report has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 19 of the attached financial statements and comply with the Memorandum and Articles of Association of The A Team Foundation Limited, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The A Team Foundation Limited is a company limited by guarantee (Registration Number 03750780) and a registered charity (Registration Number 1077094).

Directors

The names of the directors who served during the period are set out as part of the reference and administrative information on page 1 of these Annual Report and Financial Statements.

The Articles of Association require a minimum of two directors and a maximum of seven. Directors may co-opt any person duly qualified to fill a vacancy in their number or as an additional director. Decisions on investments and donations are taken by all directors.

Directors' responsibilities statement

The charitable company's directors (who are also trustees of the Foundation for the purposes of charity law) are responsible for preparing the 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 directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of The A Team Foundation Limited and of its income and expenditure for the financial year then ended. In preparing these financial statements, the directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Directors' responsibilities statement (continued)

- ◆ 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 the charity will continue in operation.

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

Each of the directors confirms that:

- ◆ so far as the director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Risk management

The directors have identified the major risks to which the charity is exposed and remain confident that they have in place systems and procedures to mitigate the risks. They feel that the main risk to which the charity is exposed is the protection of assets and income. The income of the charity is mainly derived from the portfolio of investments held within the charity. The directors monitor the performance of the investments and regularly review their investment policy, meeting on a quarterly basis to consider the investment yields and capital growth.

Key management personnel

The directors are the key management and as such have not at any time received any remuneration for their services.

OBJECTIVES, ACTIVITIES AND RELEVANT POLICIES

Charitable objectives and activities

The charity's principal activity is its grant-making programme. In accordance with its Articles of Association the charity is to promote any charitable purpose or support any charity selected by the directors. The directors seek through their grant-making programme to support charitable projects in areas identified as being of particular interest to them. These areas include the promotion of a greater understanding of the links between the consumption and production of foods and their effects on human health, social wellbeing and the environment. The directors do not anticipate any changes to their grant making priorities.

The directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year. Whilst the directors are mindful of their own obligation to ensure that the charity benefits the public generally, they take some assurance from the fact that recipients of grants are themselves regulated to ensure that they operate for the public benefit.

Grant making policy

The directors take a strategic approach to grant-making and do not respond to unsolicited applications. Potential recipients of grants are identified by the directors individually, in areas where it is perceived that public benefit will be achieved. The opportunity to benefit is not restricted in any way except that grants are principally made to charitable organisations within the UK, not least to facilitate the directors being able to follow up on efficacy of the grants made.

Investment policy

The investment strategy is set by the directors, who consider the charity's income requirements, the risk profile and the view of economic and market conditions. The investment objectives are to obtain a balanced return from both capital growth and income. The directors meet on a regular basis to consider the charity's portfolio and investment performance.

Fund raising policy

The charity does not undertake any fund raising activities.

ACHIEVEMENTS AND PERFORMANCE

During the year ended 5 April 2018, grants payable amounted to £927,293 (2017 - £289,153). Details of the grants and recipients are provided in note 3 to the accounts. An impact assessment of three grants made in the year is provided below.

Agroecology Fund

Contributions into the Fund for Agroecology

The AgroEcology Fund (AEF) is a pooled donor fund focused on agroecology globally. Since establishment AEF has grown from four to twenty-one donors. Their four grant cycles have awarded \$4 million to 201 collaborating organizations over multiple continents. Their philanthropic model pools the wisdom and expertise from among their grantees, advisors and donors to further collaboration among groups amplifying sustainable food systems that respect the knowledge of small farmers, women, youth and indigenous communities. Grantees are expanding farmer knowledge and practice, strengthening women's leadership, and are advocating for favourable policies conducive to agroecology.

In their third round of funding, which took place in 2017, AEF supported 53 collaborating organizations within 10 joint initiatives from around the world. The A Team Foundation's contribution joins their fourth round, which amounts to a combined award of \$1.2 million, given to 12 collaboratives with a total of 66 collaborating organizations across Africa, Asia, and the Americas.

A recipient in 2017, The Alliance for Food Sovereignty in Africa (AFSA), brings together smallholder farmers, pastoralists, hunter/gatherers, indigenous peoples, faith-based institutions, and environmentalists from across Africa. AFSA is an essential actor in the struggle for food sovereignty and agroecology. AFSA received a grant of \$200,000 from AEF to build a movement for agroecology in Africa by motivating varied African civil society groups to learn about the practice of agroecology, communicate about its benefits for African farming families, and consumers and to influence policy makers. AFSA promotes agroecology as the agriculture of the future – one which nourishes farming families and the earth.

Gaia Foundation

Seed Sovereignty Programme

The Seed Sovereignty Programme supports the development of a bio-diverse and resilient seed system in the UK and Ireland, underpinned by the pillars of food and seed sovereignty. Seeds are the starting point of 9 out of 10 bites of food available in the world today. Enlightened seed production is faced by a barrage of challenges; loss of biodiversity, corporate consolidation, industrialised food system, greater regulations, privatisation of plant breeding, loss of knowledge and skills, limited resources, and lack of awareness. The seed sovereignty programme provides an enlightened alternative. Firstly, by cultivating a regional and national network of seed-co-operatives assisted by central co-ordinators. Secondly, by supporting farmers and growers to develop skills and knowledge through training, a portal containing a database of growing/harvesting information and additional initiatives such as seed trials. And finally, by fostering a supportive environment for the seed system to thrive

ACHIEVEMENTS AND PERFORMANCE (continued)

Gaia Foundation (*continued*)

through engagement with young farmers, public awareness campaigning, lobbying, and advocacy.

The programme was launched at the beginning of 2018 and the first six months have seen a team of 5 skilled and experienced Regional Coordinators take up posts across the country, 38 growers trained in seed production, and active participation in outreach and events reaching approximately 500 engaged growers, horticulturists and activists. Whilst the regional 'seed hubs' are still in the process of being established, Gaia estimate that around 100 growers are now linked in to these 5 regions through training or variety trials. At present, the scale of training is modest, but interest is mounting, and most courses are oversubscribed. There are many organisations, alliances and networks that are wishing to understand more about seed saving and are demonstrating an appetite for the knowledge. More established seed producers are offering their expertise and resources in educating future seed savers. The website is now launched; www.seedsovereignty.info, giving a platform for communication and a place to provide resources and information about Seed Sovereignty and how to take part.

Human Food Project

Human Food Project

The Human Food Project is a scientific study that questions the impact of the Western environment on our microbiome, the overuse of antibiotics, anti-microbial products, modern architecture, an increase in caesarean births, reduced breast-feeding, and an industrialised food supply has all impacted on the micro bacterial diversity of our guts. Jeff Leach, the project's founder asks 'Has the modern world shifted our microbiome in such a way that it might be at the root of our epidemic modern diseases?' This is the second year of the A Team's support and the Human Food Project's fifth year with the tribe. They are studying the Hadza people of Tanzania to understand what their experience of life limited to modern exposures has on their microbiome. The Hadza still acquire 90-95% of their calories from hunted-gathered foods, as their ancestors have done for many thousands of years. They live submersed in the natural environment, intimately connected to their surroundings and the rich microbial reservoir, their children are born naturally, and breast fed for 2-3 years. Using all the various interconnected research areas, a potentially paradigm-shifting theory is emerging. The diversity of micro bacteria in the environment equates to diversity of micro bacteria in the human gut, which then equates to increased human health.

Over the last year, the project increased its study of the microbial world of infants, mothers and siblings. As time progresses, the project will collect longitudinal samples (multiple time points throughout the life of the child) from the same individuals over seasons, years and at the various stages of life (i.e. birth, exclusive breast feeding, breast feeding and intro of solids, then solids only). It requires a lot of work with vast numbers of samples of 50-100 individuals, their homes and their environments as the project seeks to understand the transfer of microbes. The Hadza human milk oligosaccharides (HMOs) project is showing

ACHIEVEMENTS AND PERFORMANCE (continued)

Human Food Project (continued)

interesting results – demonstrating that Hadza women harbour an extraordinary diversity of microbes in breast milk. Additional samples for more robust analysis and correlations will continue throughout 2018/19. The project has authored five papers which are in the process of being peer-reviewed.

In addition to grants, the charity has made loans to the following organisations in the year:

Regenerative Earth

Rio Oro Watershed Fund, \$25,000

In February 2018, The A Team Foundation gave a loan to the Rio Oro Watershed Fund - a project of Regenerative Earth – To support in the effort to buy, protect, and sustainably steward the property at La Finca Rio Oro in the Osa Peninsula, Costa Rica. Nested within a significant watershed in the Osa Peninsula, Costa Rica, a privately-owned keystone property is for sale and actively being marketed. It is in need of immediate protection and sustainable stewardship. Whoever owns and controls the development and conservation of this 3,600-acre property will set the tone and anchor the development trajectory of the entire watershed. Regenerative Earth are seeking a buyer or capital partner who will help ensure this land is sustainably developed, ensuring that the ancient forests, waterways, and coastal zones of the Rio Oro Watershed, and the species that live within will be assured a future of health and well-being.

Since the announcement of the sale sparked a call to action, Regenerative Earth have completed an initial due diligence and analysis of the property inclusive of sustainable economic opportunities, conservation needs, and local community needs. In terms of becoming financially self-sustaining, they are looking to establish an educational/spiritual/healing/retreat centre along with developing additional product lines through the organic and agroforestry farms that exist on the Peninsula. They have also laid out an incremental step-by-step pathway that will allow the keystone property to be secured and create the necessary pro-forma and corporate structure to sustainably preserve and steward it. The loan from the A Team assists them to progress through the feasibility which includes raising capital for closing the purchase.

The Ecological Land Co-operative

Land Purchase Loan: further draw down of £160,650.00 from a £350,000.00 loan facility

The Ecological Land Co-operative (ELC) is a social enterprise and not-for-profit community benefit society set up in 2007 to address the lack of opportunities for new entrants to ecological farming and horticulture. The central aim for ELC's mission is to widen the access to land for affordable and sustainable use. It is achieved by acquiring land where the combination of ownership and planning restrictions make it largely or entirely inaccessible to ecological stewardship and gaining planning permission for those new uses.

Over the last year, significant progress has been made as the drawdown of £160,650 purchased the site on the Gower Peninsula, Wales. The ELC can now move forward at their

ACHIEVEMENTS AND PERFORMANCE (continued)

The Ecological Land Co-operative (continued)

site in Arlington (Sussex) as their planning application has finally been approved after a year of obstruction.

The original site at Greenham Reach has become profitable for the tenants. In April 2018, the ELC submitted applications for the removal of the temporary condition from the original planning permission granted at appeal to give each of their smallholder's permanent permission to live on their holdings. They are currently awaiting a decision on this application. The ecological impact of the Greenham Reach holdings has been measured over the year in two commissioned ecological reports. One is from Ecologic Consultants, who have been visiting for the past three years and making a more qualitative assessment. The second was from Dr Philip Wilson who co-wrote the ELC's first ecological report back in 2009: he was looking at overall changes since then. In summary, the natural ecosystems and wildlife remain well cared for and biodiversity is increasing. Both reports give a positive bill of health for Greenham Reach. A noteworthy highlight is that an adder was seen on Wild Geese Acres in August. Dr Wilson's report highlights that in a very short space of time, these fields have been positively transformed and can now be considered a site of significant local importance for biodiversity.

During 2017 the successful release of a share offer meant that more capital has been raised, which has enabled them to greatly increase capacity. The share offer also doubled the ELC membership. The ELC hit their initial target of £340,000 with a week to go and decided to stretch the target further by an extra £100,000. They ended up raising just over £445,000. Due to the increase of members, a new role was created, the 'Membership and Engagement Manager', to nurture the community. As of June 2018, there are 21 stewards' members, 5 workers and 248 investor members of the cooperative.

There are two land acquisition prospects on the horizon, both are located in the South West of England.

Investment performance

There were various acquisitions and disposals of investments made during the year. The realised investment gains for the year ended 5 April 2018 were £25,545 (2017 – gains of £240,541) and the unrealised gains on investments for the year ended 5 April 2018 were £1,620,910 (2017 – £1,270,936).

The Investment portfolio yielded dividends and interest amounting to £258,681, (2017 - £256,331) in the year. The directors consider investment performance to be in line with market conditions. In addition, interest was earned on cash held in short term deposit accounts and secured loans amounting to £3,333 (2017 - £2,189).

FINANCIAL REVIEW

Results for the period

During the year ended 5 April 2018, the unrestricted funds generated income of £276,324 (2017 - £258,520), mainly from investments, and incurred expenditure of £1,066,392, (2017 - £386,531) of which 87% related to grants payable, which resulted in a net deficit on unrestricted funds of £790,068. After a transfer of £801,865 (2017 - £290,686) from the expendable endowment fund this gave a balance of £254,544 (2017 - £242,747) on the unrestricted funds as at 5 April 2018.

After investment management fees of £11,546, net investment gains of £1,646,455 (2017 - net investment gains of £1,511,477) and the transfer of £801,865 to the unrestricted fund the expendable endowment fund totalled £15,139,185 (2017 - £14,306,141) at 5 April 2018.

Reserves policy and financial position

As at 5 April 2018 total funds of £15,393,729 were carried forward in accordance with the directors' policy on reserves. The policy is to expend the income generated by the endowment fund to the fullest extent possible, in as much that the directors are able to identify suitable recipients during the year. The endowment will be invested with the intent to, as far as possible, retain its capital value and produce an annual income.

FUTURE PLANS

The directors are satisfied with their grant making policy and it is their intention to support a wide and varied number of charities.

Approved by the directors and signed on their behalf by: BENJAMIN ARBIB



Director

Approved on: 02/01/19

The A Team Foundation Limited

Registered Company Number 03750780 (England and Wales)

Independent auditor's report to the members of The A Team Foundation Limited

Opinion

We have audited the financial statements of The A Team Foundation Limited (the 'charitable company') for the year ended 5 April 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 5 April 2018 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the directors' 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 directors 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

Independent auditor's report Year ended 5 April 2018

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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ 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 directors' report. We have nothing to report in respect of the following matters in relation to which the 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 directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors 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 directors 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

Independent auditor's report Year ended 5 April 2018

influence the economic decisions of users taken on the basis of these financial statements.

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

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.



Katharine Patel, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 January 2019

Statement of financial activities year to 5 April 2018

	Notes	Unrestricted funds £	Expendable endowment £	Total 2018 £	Total 2017 £
Income from:					
Investment income	1	258,681	—	258,681	256,331
Interest receivable	2	17,043	—	17,043	2,189
Donations received	12	600	—	600	—
Total income		276,324	—	276,324	258,520
Expenditure on:					
On charitable activities	3/4	1,066,392	11,546	1,077,938	392,155
Total expenditure		1,066,392	11,546	1,077,938	392,155
Net expenditure before investments gains		(790,068)	(11,546)	(801,614)	(133,635)
Net gains on investments	7	—	1,646,455	1,646,455	1,511,477
Net income/(expenditure) before transfers		(790,068)	1,634,909	844,841	1,377,842
Transfer between funds		801,865	(801,865)	—	—
Net movement in funds for the year		11,797	833,044	844,841	1,377,842
Fund balances brought forward at 6 April 2017		242,747	14,306,141	14,548,888	13,171,046
Fund balances carried forward at 5 April 2018		254,544	15,139,185	15,393,729	14,548,888

All recognised gains and losses are included in the statement of financial activities.

All of the charity's activities are derived from continuing operations.

Balance sheet as at 5 April 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Investments	7		14,374,443		13,134,730
Current assets					
Debtors:	8				
Amounts falling due within one year		—		8,945	
Amounts falling due after one year		317,496		139,000	
		<u>317,496</u>		<u>147,945</u>	
Cash at bank	9	1,220,748		1,278,919	
		<u>1,538,244</u>		<u>1,426,864</u>	
Current liabilities					
Creditors: amounts falling due within one year	10	(279,008)		(12,706)	
Net current assets			<u>1,259,236</u>		<u>1,414,158</u>
Total assets less current liabilities			15,633,679		14,548,888
Non-current liabilities					
Creditors: amounts falling due after more than one year	11	(239,950)			—
Net assets			<u>15,393,729</u>		<u>14,548,888</u>
The funds of the charity					
<i>Capital funds</i>					
Expendable endowment fund			15,139,185		14,306,141
<i>Income funds</i>					
Unrestricted funds – general fund			254,544		242,747
Total charity funds			<u>15,393,729</u>		<u>14,548,888</u>

Approved by the directors and signed on their behalf by: BENJAMIN ARBIB



Director

Approved on: 02/01/19

The A Team Foundation Limited

Company Registration Number 03775136 (England and Wales)

Statement of cash flows Year to 5 April 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(726,927)	(516,872)
Cash flows from investing activities:			
Investment income		258,681	256,331
Interest received		3,333	2,189
Proceeds from the disposal of investments		1,561,103	4,571,595
Purchase of investments		(1,154,361)	(3,774,742)
Net cash provided by investing activities		668,756	1,055,371
Change in cash and cash equivalents in the year		(58,171)	538,500
Cash and cash equivalents at 6 April 2017	B	1,278,919	740,419
Cash and cash equivalents at 5 April 2018	B	1,220,748	1,278,919

Notes to the statement of cash flows for the year to 5 April 2018.

A Reconciliation of net movement in funds to net cash used in operating activities

	2018 £	2017 £
Net movement in funds (as per the statement of financial activities)	844,841	1,377,842
Adjustments for:		
Interest receivable	(17,043)	(2,189)
Investment income	(258,681)	(256,331)
Movements in market value of investments	(1,620,910)	(1,270,936)
Gains on disposal of investments	(25,545)	(240,541)
(Increase) in debtors	(169,551)	(114,852)
Increase (decrease) in creditors	519,962	(9,865)
Net cash used in operating activities	(726,927)	(516,872)

B Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	1,220,748	1,278,919
Total cash and cash equivalents	1,220,748	1,278,919

Principal accounting policies 5 April 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost except for the modification to a fair value basis as specified in the accounting policies below.

The charity constitutes a public benefit entity as defined by FRS 102.

All financial information is presented in British Pounds Sterling (£), the charity's functional currency, and has been rounded to the nearest pound (£).

Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the directors to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the directors' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include a directors' valuation of certain investments in UK private limited companies.

Assessment of going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The directors consider that the expected investment returns and investment performance of the charity's investment portfolio will be sufficient to generate financial resources to allow the charity to continue its charitable activities for the foreseeable future and meet liabilities as they fall due.

Income

Investment income includes dividends and interest on the charity's portfolio of listed investments. Dividends are recognised once the dividend has been declared and the charity has received notification that the dividend is due.

Interest on the charity's investment portfolio and funds held on deposit is recognised when receipt is probable and the amount can be measured reliably using the effective interest method. Included as interest receivable is any financing element where grant commitments are offered by the charity over a period greater than one year from the balance sheet date.

Income from donations is recognised in the period in which the charity becomes entitled to the donation and where receipt is probable and its amount can be measured reliably.

Expenditure

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. It includes VAT which cannot be recovered.

Expenditure on charitable activities comprises grants payable and related support and governance costs.

Grants payable

Grants payable are recognised when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.

Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, personnel and governance costs. Governance costs include audit costs and legal costs relating to the charity's compliance with regulation and good practice.

Investment management fees incurred in managing the investments of the endowment are charged against the endowment fund.

Fixed asset investments

The charity's investment in quoted shares and similar investments are initially measured at cost and subsequently at market value. Investment gains and losses, whether realised or unrealised, are recognised in the statement of financial activities in the period in which they arise.

The charity's investment in unquoted shares and similar investments are initially carried at cost and subsequently at market value unless the market value cannot be measured reliably in which case the investments are valued at cost less impairment. Investment gains and losses, whether realised or unrealised, together with impairment charges are recognised in the statement of financial activities in the period in which they arise.

Financial assets and liabilities

Financial assets and financial liabilities are recognised in the balance sheet when the charity becomes party to the contractual provisions of the instrument.

Debtors

Other debtors and loans receivable are initially recognised at their settlement amount and subsequently at amortised cost or their recoverable amount. Impairment provisions are recognised when there is objective evidence, such as significant financial difficulties on the part of the counterparty or default or a significant delay in payment, that the charity will be unable to collect all of the amounts due.

Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

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

Creditors and provisions are initially recognised at fair value, being the amount the charity anticipates it will pay to settle the debt, and subsequently at amortised cost.

Non-current creditors are measured at their present value at the balance sheet date where the time value of money is material. On initial recognition, the financing element of non-current creditors is recognised as income as interest receivable and the subsequent unwinding of the discount is charged against income as an interest expense.

Financial instruments

The company only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the company and their measurement basis is as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 8. Prepayments are not financial instruments.

Cash and cash equivalents – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and grant commitments are basic financial instruments and are measured at amortised cost or present value as detailed in notes 10 and 11. Taxation and social security are not included in the financial instrument disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Principal accounting policies 5 April 2018

Foreign currency transactions and balances

Cash held in foreign currency accounts are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Fund accounting

The unrestricted funds represent funds available for the general charitable purposes of the charity at the discretion of the directors.

The expendable endowment fund represents monies retained as capital in accordance with the donor's wishes.

Notes to the financial statements 5 April 2018

1 Investment income

	2018 £	2017 £
Investment management fee rebates	3,825	3,825
Investments listed on a recognised stock exchange		
Dividends – UK unit trusts	40,977	58,029
Dividends – UK investments	19,789	—
Dividends – Overseas investments	41,757	35,909
Interest – UK unit trusts	152,333	158,568
	<u>258,681</u>	<u>256,331</u>

2 Interest receivable

	2018 £	2017 £
Short term deposits	—	457
Loan interest receivable	3,312	1,706
Other interest – Tax Supplements	21	26
Discount on initial recognition of non-current grant liabilities	13,710	—
	<u>17,043</u>	<u>2,189</u>

Notes to the financial statements 5 April 2018

3 Charitable expenditure

	2018 £	2017 £
Grants payable:		
CLIC Sargent	-	500
Compassion in World Farming	10,000	10,000
Eco Peace	-	2,000
Food Ethic Council	-	2,000
Fundaciopara La Conservacion	17,950	4,279
The Gaia Foundation (4 grants)	195,000	45,000
Human Food Project (4 grants)	666,902	194,076
Land Work Alliance	5,000	-
New Venture Fund (Agroecology Fund)	19,941	798
Programme Farming Ltd	5,000	10,000
Real Farming Trust	5,000	1,500
SellaVenture	-	18,000
Soil Association	1,000	1,000
Team Rubicon 2	1,500	-
Total grants payable	927,293	289,153
Grant administration	-	11,052
Foreign currency translation losses (gains)	26,644	(9,952)
Support and governance costs (note 4)	124,001	101,902
Total charitable expenditure	1,077,938	392,155

A reconciliation of grants payable and grant commitments as shown above and notes 10 and 11 are as follows:

	2018 £	2017 £
Grant commitments at 6 April 2017	10,000	20,000
Grants made during the year, less lapsed commitments	927,293	287,448
Total grants payable	937,293	307,448
Grants paid during the year	(407,625)	(297,448)
Discounting on initial recognition of non-current grant liabilities	(13,710)	-
Commitments at 5 April 2018	515,958	10,000

The above grants commitments fall due as follows:	2018 £	2017 £
Within one year (note 10)	276,008	10,000
After one year (note 11)	239,950	-
	515,958	10,000

Notes to the financial statements 5 April 2018

4 Support and governance costs

	2018 £	2017 £
Consultancy and wage costs	95,836	83,629
Investment management fees	11,546	5,624
Governance costs	16,619	12,649
	124,001	101,902

Analysis of governance costs:

	2018 £	2017 £
Auditor's remuneration	3,519	3,006
Legal fees	4,800	8,150
Bank charges	735	640
Other expenses	7,565	853
	16,619	12,649

5 Staff costs, directors' remuneration and key management personnel

	2018 £	2017 £
Staff costs comprised:		
Salaries and wages	15,469	3,611
Social security costs	2,753	250
	18,222	3,861

The Foundation employed one employee from January 2017 (2017 - None).

No remuneration was paid to any director in respect of their services during the year (2017 – None).

One director was involved in monitoring and due diligence activities connected to the making of grant payments and expenditure of £1,042 was incurred and directly paid to third parties for travel, subsistence and accommodation related to these activities. (2017 – £6,738)

The directors' of the charity are considered to be the key management personnel.

6 Taxation

The A Team Foundation Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 5 April 2018

7 Investments

Fixed asset investments comprise both listed and unlisted investments as follows:

Investments	2018 Listed £	2018 Unlisted £	2018 Total £	2017 Total £
Market value at start of year	12,144,766	989,964	13,134,730	12,420,104
Additions at cost	1,331,404	—	1,331,404	3,884,875
Capital distributions	(29)	(177,014)	(177,043)	(110,133)
Disposals at carrying value (proceeds £1,561,103; realised gain £25,545)	(1,535,558)	—	(1,535,558)	(4,331,054)
Revaluation gains in year	1,608,591	12,319	1,620,910	1,270,936
Market value at end of year	13,549,174	825,269	14,374,443	13,134,730
Historical cost	9,770,076	287,148	10,057,224	10,124,850

Capital distributions have been accounted for as a reduction in the carrying value of the underlying investment.

The amounts recognised in the statement of financial activities arising from changes in investments are:

	2018 £	2017 £
Gains on disposal	25,545	240,541
Movements in market value	1,620,910	1,270,936
	1,646,455	1,511,477

Investments comprise:

	Quoted Investments 2018 £	Unquoted Investments 2018 £	Total 2018 £	Total 2017 £
Investment assets in the UK				
- UK Equities	825,300	573,942	1,399,242	962,495
- UK Unit & Investment Trusts	6,749,220	-	6,749,220	5,677,749
- UK Fixed Interest	782,973	-	782,973	824,182
	8,357,493	573,942	8,931,435	7,464,426
Investment assets outside the UK				
- Overseas Equities	5,191,682	-	5,191,682	5,254,282
- Overseas Private Equity Funds	-	251,326	251,326	416,022
	5,191,682	251,326	5,443,008	5,670,304
Total	13,549,175	825,268	14,374,443	13,134,730

The following individual holdings had a market value in excess of 5% of the entire investment portfolio at the year end:

	2018 £	2017 £
. Amazon	2,302,390	2,040,867
. P2P Global Investment	782,973	824,182
. Ocado	825,300	388,553
. Fundsmith Equity Fund	1,050,985	975,426
. Lansdowne Developed Market Long Only Fund	880,469	735,851
. T Bailey Evenlode	1,297,387	1,291,852
. Trojan Income Fund	1,016,714	1,099,950

Notes to the financial statements 5 April 2018

8 Debtors

	2018 £	2017 £
<i>Due within one year:</i>		
Income tax repayment	—	8,945
	<u>—</u>	<u>8,945</u>
<i>Due after one year:</i>		
Loan (see below)	317,496	139,000
	<u>317,496</u>	<u>139,000</u>

The Foundation has provided a £299,650 secured loan to the Ecological Land Co-op which is interest bearing at 2% per annum, paid bi-annually. The loan is repayable from 2021.

The Foundation advanced a \$25,000 loan to Regenerative Earth. The loan is repayable by a single payment on 12 February 2020 and interest bearing at 5% (compounded annually).

9 Cash at bank and short term deposits

	2018 £	2017 £
C Hoare & Co	456,006	107,508
Thesis Unit Trust Management	764,742	1,171,411
Cash at bank	1,220,748	1,278,919

10 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals	3,000	2,706
Grant commitments (note 3)	276,008	10,000
	<u>279,008</u>	<u>12,706</u>

11 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Grant commitments (note 3)	239,950	-

12 Related party transactions

Mr B Arbib is a director of Thamesis Limited. The charity holds 10 ordinary 5 pence shares in Thamesis Limited which represents 6.25% of its issued share capital. The charity holds the shares at their nominal value.

A donation of £600 was received in the year from Craze Foods Limited, a company in which Mr B Arbib and Mrs T Arbib are both directors.

Notes to the financial statements 5 April 2018

13 Analysis of net assets between funds

	Expendable endowment £	Unrestricted funds £	Total 2018 £
Fund balances at 5 April 2018 are represented by:			
Investments	14,374,443	—	14,374,443
Debtors: amounts falling due within one year	—	317,496	317,496
Cash at bank and short term deposits	764,742	456,006	1,220,748
Creditors: amounts falling due after one year	—	(239,950)	(239,950)
Creditors: amounts falling due within one year	—	(279,008)	(279,008)
Net assets	15,139,185	254,544	15,393,729