

**REGISTERED COMPANY NUMBER: 00819630 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 237934**

Report of the Trustees and  
Financial Statements for the Year Ended 31 July 2019  
for  
The Farmington Trust Limited

A D Accounts Limited  
Rural Enterprise Centre  
Vincent Carey Road  
Rotherwas  
Hereford  
Herefordshire  
HR2 6FE

The Farmington Trust Limited

Contents of the Financial Statements  
for the Year Ended 31 July 2019

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 26
Detailed Statement of Financial Activities	27 to 28

## The Farmington Trust Limited

### Report of the Trustees for the Year Ended 31 July 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Charity is established to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education especially but not exclusively Christian Education, likely to promote morality and the acceptance of moral standards in human conduct including especially:

- 1) To promote and facilitate in any part of the world the study of the lives, writings and teachings of men and women of all religions, particularly Christian lives, writings and teachings and of moral philosophers of all nationalities.
- 2) To organise residential or other courses of study and conferences and to establish paid residential or other fellowships and to provide accommodation, food, drink and other amenities (either free of charge or on such terms as may be thought fit) to persons attending such residential or other course of study and conferences.
- 3) To establish fellowships, scholarships and prizes.
- 4) To publish and publicise the results of any residential or other courses of study or conferences or other work of the Trust.
- 5) To purchase, take on, lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, equip and alter any buildings or erections on any such property.

These activities have been carried out in the name of the Farmington Institute which for twenty years prior to the 1 August 2015 has been based at Harris Manchester College in the University of Oxford. In the minds of many of the teachers, chaplains and schools who have been supported in their work by the Charity, the Farmington Institute has been perceived to its advantage, as being part of the College and thereby of the wider University. Against this background and as outlined in the report of the Trustees for the year ended 31 July 2015, on and with effect from 1 August 2015 the Charity and Harris Manchester College entered into a Co-Operation Agreement and in accordance with its terms:

- 1) The activities of the Farmington Institute were formally transferred to the College;
- 2) The Charity transferred the use of its building, via a sub-lease, to the College;
- 3) The Charity makes annual ongoing grants to the College to meet the total annual cost of the Farmington Institute;
- 4) The Charity, via its Trustees, is involved with the general governance of the College and more specifically the activities of the Farmington Institute;
- 5) The Charity made an additional single grant to the College of £5,001,645 which is included in the College's endowment and ring-fenced to support the common charitable purposes of the Charity and the College.

The Co-Operation Agreement provides for the relationship between the Charity and the College to be continually reviewed and, if successful, continue beyond an initial term of ten years.

The Charity aims to meet its objective indirectly by making the ongoing grants to fund the Farmington Institute at Harris Manchester College in accordance with the terms of the Co-Operation Agreement. In the year to 31st July 2019 the annual grant to the College to support the transferred activities was £632,561 (2018 - £518,553).

## **OBJECTIVES AND ACTIVITIES**

We summarise the activities of the Farmington Institute.

In the current and recent years the Farmington Institute has had, within the general aims set out above, the following target objectives:

- 1) To provide scholarships for teachers of RE in Secondary, Primary and Special Needs Schools. These Scholarships are tenable for up to one year and can be based either at a university or a school. The research should be of benefit to the individual teacher, the wider teaching community, and to school children.
- 2) To support head teachers by offering scholarships tenable for up to one term. The scholarships are to enable head teachers to undertake research on values and standards, and to have time to familiarize themselves with recent educational thinking, as well as to have the time and facilities for forward planning.
- 3) To offer fellowships to members of Her Majesty's Armed Forces, to undertake research on moral and ethical leadership in the University of Oxford.
- 4) To offer short-term fellowships and bursaries to clergy and ministers of religion and academics who are involved in RE.
- 5) To disseminate recent and interesting work in RE.
- 6) To build up a network of support for those involved in RE teaching.

### **Public benefit**

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

## **STRATEGIC REPORT**

### **Achievement and performance**

#### *Charitable activities*

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principal and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was of £632,561 (2018 - £518,553).

#### *The achievement and performance of the institute*

This year we have 40 scholars who are engaged in some of the most cutting edge research regarding religious education. Three of these scholars were nominated by the Church of England Foundation for Educational Leadership and chosen by the Farmington Institute. For every Scholar the Institute paid for a replacement teacher, an induction course, a tutor, travelling expenses, and reimbursement of agreed out of pocket expenses. All Scholars are required to make a public presentation of their research, attend an annual conference where they present their work, and produce a written report.

We now have some 700 reports (written by Farmington Scholars) on the key aspects of teaching religious education. These reports are constantly requested by other school teachers and interested parties.

The Institute has continued to support the Armed Forces and particularly chaplains, both individually and as groups. The Institute's Library has been used for hosting training courses for senior officers. Individually we have given two Scholarships to members of Her Majesty's Forces.

The Institute has supported the SPCK website on school assemblies.

The Institute has continued to sponsor and support the Head Teachers' Forum. These meetings continued to be valuable to the head teachers who have taken part; many of whom have remained in touch with each other long after their time in the Forum came to an end. The meetings themselves also keep Farmington closely in touch with what is happening in the educational world as well as building a supportive network of head teachers. This forum has been so successful that we are now setting up plans to develop an additional forum in the Lincolnshire/Yorkshire area and one in the Liverpool area.

## **STRATEGIC REPORT**

The Institute has continued the tradition of hosting groups of teachers and children from local schools. These have included meetings of teachers from Headington School Partnerships Group, Cherwell School, Bayards Hill School, New College School, Sibford School, Reading School, Magdalen College School, River Learning Trust and Oxford Spires School.

The Institute has continued the tradition of providing opportunities for clergy and ministers to have sabbaticals; this year by offering two.

Mini-scholarships are given in order to undertake particular pieces of work. This year we have given seven.

We are continually grateful to the universities who host our Scholars and would like to record our grateful thanks to the following who have generously agreed to do this this year:

- Bath, Bath Spa University, Religions, Philosophies & Ethics, Department of Humanities
- Belfast, St Mary's University College; Stranmillis University College; Queen's University Belfast
- Cambridge, University of Cambridge, Faculty of Education/Homerton College
- Durham, University of Durham, St Chad's College
- Exeter, University of Exeter, School of Education (preferably Spring or Summer term)
- Glasgow, University of Strathclyde, School of Education, John Anderson Campus
- Lampeter/Carmarthen, University of Wales Trinity Saint David
- Lincoln, Bishop Grosseteste University
- Liverpool, Liverpool Hope University, Department of Theology & Religious Studies; and Liverpool John Moores University
- Norwich, University of East Anglia, Centre for Spirituality & Religion in Education, School of Education & Lifelong Learning
- Oxford, University of Oxford, Harris Manchester College (residential, max 8 weeks, or non-residential)
- Warwick, University of Warwick, Institute of Education, Warwick Religions & Education Research Unit
- York, York St John University

### **Financial review**

#### *Financial position*

For the year ended 31 July 2019, net income amounted to £341,977 (2018 - £526,662). Net assets totalled £23,661,878 (2018 - £23,319,901). Details of the financial position of the Charity are set out in the following accounts.

#### *Principal funding sources*

Income generated from investments held in the Designated Fund and Endowment Fund, together with rental income received on properties let by the Trust.

#### *Investment policy and objectives*

The Farmington portfolio is up 11% year to date (8<sup>th</sup> November 2019) which is slightly behind the Composite benchmark (11.9%) but ahead of ARC Balanced (10%) and CPI + 3% (3.5% to end of September).

We remain marginally overweight equities (by 1.5%) with a bias within our overseas equity allocation. We retain an 8% relative underweight position in bonds with 5% in Private Equity, 3.5% in cash and the remainder in multi asset funds and alternative.

Our performance has been driven by equities where we have outperformed the composite benchmark in aggregate for the year to date with strong performance in all areas including structured products. Our underweight position in bonds together with a bias towards short duration has been a headwind, but our Gold and alternative assets have performed relatively well.

More recently our exposure to non-sterling assets has given back some of its gains as sterling has advanced by more than 5% against the dollar over the last month. Our Gold position has also given back some of its profit but has still delivered a return of 14% year to date.

## The Farmington Trust Limited

### Report of the Trustees for the Year Ended 31 July 2019

#### **Financial review**

Markets have welcomed the first signs of better economic data and are more optimistic about the prospects for a US/China trade deal. Corporate earnings have fallen from last years highs but have not been as bad as some have feared. These have largely been supported by share buybacks and cost cutting. However, we need to see better economic and revenue growth to provide more sustainability to the rally. Nearer home, the outcome for the UK election is uncertain although sterling has discounted the possibility of a hard Brexit. Currency volatility remains high and we are happy to retain a neutral equity allocation for the time being, although we have been adding more mid cap UK exposure with the addition of a FTSE 250 tracker and will be ready to add more domestic UK exposure depending on the outcome of the UK election

#### *Reserves policy*

The Statement of Financial Activities summarises the incoming resources and funds expended and these are analysed between unrestricted funds, restricted funds and endowment funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Part of an unrestricted fund may be designated as a separate fund.

Free reserves available for day to day activities amounted to minus £5,077 (2018 – plus £155,592) (unrestricted current assets less unrestricted current liabilities).

Funds held are adequate and available to meet the obligations of the trust.

#### **Future plans**

In accordance with the Co-Operation Agreement with Harris Manchester College the Charity has agreed to devote its resources for a minimum period of ten years exclusively in support of the activities of the Farmington Institute at Harris Manchester College.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

### **Recruitment and appointment of new trustees**

The Trustees may from time to time appoint any person as a Trustee to fill a vacancy or as an addition to the number of Trustees. At each Annual General Meeting the two trustees who have served the longest since their last appointment resign and, if willing, offer themselves for re-appointment.

Most of the assets of the Charity have derived from gifts and legacies from our Founder, the late Hon. Robert Wills. These include a large amount of agricultural property in and around the town of Northleach in the Cotswolds. The balance of the liquid assets is managed by Cazenove & Co. In the recruitment and appointment of new Trustees persons have been sought who have expertise related to (i) the management of agricultural property, and in particular local knowledge of the property at Northleach; (ii) the management of our liquid investment funds; (iii) the management of charitable trusts; and (iv) the propose of the Farmington Trust as set out below under "Objectives and Activities", in particular those relating to education and research in religion and morality.

### **Induction and training of new trustees**

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

## The Farmington Trust Limited

### Report of the Trustees for the Year Ended 31 July 2019

#### **Related parties**

The Trustees are members of a sub-committee of the governing body of Harris Manchester College charged with overseeing the activities of the Farmington Institute.

Mr H M Henderson, Chairman of the Trustees, is a member of the governing body of Harris Manchester College and has formerly worked with Cazenove & Co, the Trust's stockbrokers.

The Rev. Dr. Sir Ralph Waller, KBE, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, is the former Principal of Harris Manchester College, having retired on 30 September 2018. He is an Emeritus Fellow of the College.

The Rev. Prof. Jane Shaw, appointed as a trustee during the year, is the Principal of Harris Manchester College, having commenced her appointment on 1<sup>st</sup> October 2018, and is a Pro-Vice Chancellor of the University of Oxford.

Mr R D C Henderson, a Trustee, is a member of the investment committee of Harris Manchester College.

Sir John Kemp-Welch formerly worked with Cazenove & Co, the Trust's stockbrokers.

Mrs Annette Duffell, Company Secretary, is the former Bursar of Harris Manchester College and is an Emeritus Fellow of the College.

Mr G W Hudson, a volunteer and a member of the Finance and Investment Sub-Committee, is a member of the governing body of Harris Manchester College and has also been involved in the property development work carried out in Northleach.

Policy decisions of the charity are made by the Trustees with the involvement of the Company Secretary, Mr George Hudson, a volunteer and former Company Secretary, and Sir Ralph Waller, who serves as Director of the Farmington Institute. Sir Ralph Waller is the former Principal of Harris Manchester College. On a day to day basis invoices are approved by either Sir Ralph Waller or Mr George Hudson, (unless an invoice is more than an agreed limit in which case approval of both parties is required) with the oversight of the Company Secretary and our accountants and subject to being within the budget. All payments are made via online banking.

The budget for the year, at which income and expenditure is forecast, is created within the Finance Sub-committee. A major element of the budget is the Ongoing Grant to Harris Manchester College for the funding of the activities of the Farmington Institute, the amount of which is determined by a formula contained within the Co-operation Agreement and is based on the average of the twelve last quarterly valuations of the endowment together with the Net Rental Income drawn from the most recently available audited financial statements. This is then further approved at the Trustees meeting. The Finance & Investment Sub-committee reviews the investment policy about suitable investments, together with the projected income and capital growth of those investments

Further details concerning the structure of the charity can be found in the Reference and Administrative Details.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

00819630 (England and Wales)

##### **Registered Charity number**

237934

##### **Registered office**

Harris Manchester College  
Mansfield Road  
Oxford  
OX1 3TD

The Farmington Trust Limited

Report of the Trustees  
for the Year Ended 31 July 2019

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

H M Henderson (Chairman)  
P N H Gibbs  
R D C Henderson  
Sir J Kemp-Welch  
I L H Ormerod  
Rev. Prof. J Shaw  
Dr C Wills  
P J H Wills  
R H Wills  
Hon R I H Wills

**Finance Sub-Committee**

Certain powers of the governors can be delegated to a Finance Sub-Committee. This committee shall consist of a minimum of three governors.

**Members of the Finance & Investment Sub-Committee:**

Mrs A L Duffell  
Mr P N H Gibbs  
Mr H M Henderson  
Mr R D C Henderson (Chairman)  
Mr G W W Hudson  
Sir J Kemp-Welch

**Company Secretary**

Mrs A L Duffell

**Auditors**

A D Accounts Limited  
Rural Enterprise Centre  
Vincent Carey Road  
Rotherwas  
Hereford  
HR2 6FE

**Solicitors**

Burges Salmon  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4AH

**Bankers**

Coutts and Co  
440 The Strand  
London  
WC2R 0QS

The Farmington Trust Limited

Report of the Trustees  
for the Year Ended 31 July 2019

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Investment Advisors**

Cazenove Capital Management Ltd  
12 Moorgate  
London  
EC2R 6DA

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of The Farmington Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, A D Accounts Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 November 2019 and signed on the board's behalf by:

Mrs A L Duffell - Secretary

Report of the Independent Auditors to the Trustees of  
The Farmington Trust Limited

**Opinion**

We have audited the financial statements of The Farmington Trust Limited (the 'charitable company') for the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2019 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.

**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 Auditors 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 Report of the Independent Auditors 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.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

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

Report of the Independent Auditors to the Trustees of  
The Farmington Trust Limited

**Responsibilities of trustees**

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.

**Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A D Accounts Limited  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Rural Enterprise Centre  
Vincent Carey Road  
Rotherwas  
Hereford  
Herefordshire  
HR2 6FE

11<sup>th</sup> December 2019

The Farmington Trust Limited

Statement of Financial Activities  
for the Year Ended 31 July 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 funds £	Total 2018 funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	352,000	-	-	352,000	82,000
Investment income	3	355,497	-	135,554	491,051	538,446
Other income		52,451	-	-	52,451	41,795
<b>Total</b>		<u>759,948</u>	<u>-</u>	<u>135,554</u>	<u>895,502</u>	<u>662,241</u>
<b>EXPENDITURE ON</b>						
Raising funds	4	68,067	-	31,707	99,774	111,499
<b>Charitable activities</b>	5					
Attributable to grant making		804,083	-	-	804,083	579,737
Other		-	-	-	-	790
<b>Total</b>		<u>872,150</u>	<u>-</u>	<u>31,707</u>	<u>903,857</u>	<u>692,026</u>
Net expenditure before investment gains/(losses)		(112,202)	-	103,847	(8,355)	(29,785)
Net gains/(losses) on investments	12	170,136	-	180,196	350,332	556,447
<b>NET INCOME/(EXPENDITURE)</b>		57,934	-	284,043	341,977	526,662
<b>Transfers between funds</b>	20	7,414	-	(7,414)	-	-
<b>Net movement in funds</b>		65,348	-	276,629	341,977	526,662
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		15,188,659	9,636	8,121,606	23,319,901	22,793,239
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>15,254,007</u>	<u>9,636</u>	<u>8,398,235</u>	<u>23,661,878</u>	<u>23,319,901</u>

The notes form part of these financial statements

The Farmington Trust Limited

Balance Sheet  
At 31 July 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	13	270,373	-	-	270,373	271,513
<b>Investments</b>						
Investments	14	7,310,714	-	8,052,425	15,363,139	15,117,561
Investment property	15	<u>7,917,063</u>	<u>-</u>	<u>345,810</u>	<u>8,262,873</u>	<u>8,151,167</u>
		<u>15,498,150</u>	<u>-</u>	<u>8,398,235</u>	<u>23,896,385</u>	<u>23,540,241</u>
<b>CURRENT ASSETS</b>						
Debtors	16	51,198	-	-	51,198	82,935
Cash at bank		<u>6,451</u>	<u>9,636</u>	<u>-</u>	<u>16,087</u>	<u>137,735</u>
		57,649	9,636	-	67,285	220,670
<b>CREDITORS</b>						
Amounts falling due within one year	17	<u>(62,726)</u>	<u>-</u>	<u>-</u>	<u>(62,726)</u>	<u>(55,442)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>						
		<u>(5,077)</u>	<u>9,636</u>	<u>-</u>	<u>4,559</u>	<u>165,228</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		15,493,073	9,636	8,398,235	23,900,944	23,705,469
<b>CREDITORS</b>						
Amounts falling due after more than one year	18	<u>(239,066)</u>	<u>-</u>	<u>-</u>	<u>(239,066)</u>	<u>(385,568)</u>
<b>NET ASSETS</b>						
		<u>15,254,007</u>	<u>9,636</u>	<u>8,398,235</u>	<u>23,661,878</u>	<u>23,319,901</u>
<b>FUNDS</b>						
20						
Unrestricted funds:						
General fund					597,884	795,701
Designated fund					10,167,646	10,074,617
Investment revaluation reserve					<u>4,488,477</u>	<u>4,318,341</u>
					15,254,007	15,188,659
Restricted funds					9,636	9,636
Endowment funds					<u>8,398,235</u>	<u>8,121,606</u>
<b>TOTAL FUNDS</b>						
					<u>23,661,878</u>	<u>23,319,901</u>

The notes form part of these financial statements

The Farmington Trust Limited

Balance Sheet - continued

At 31 July 2019

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 18 November 2019 and were signed on its behalf by:

H M Henderson -Trustee

The Farmington Trust Limited

Cash Flow Statement  
for the Year Ended 31 July 2019

	Notes	2019 £	2018 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	(482,313)	(596,629)
Interest paid		<u>-</u>	<u>(790)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(482,313)</u>	<u>(597,419)</u>
<b>Cash flows from investing activities:</b>			
Purchase of investment property		(111,706)	(757,346)
Quoted investments		104,754	834,815
Interest received		228	2,440
Dividends received		<u>263,542</u>	<u>324,764</u>
<b>Net cash provided by (used in) investing activities</b>		<u>256,818</u>	<u>404,673</u>
<b>Cash flows from financing activities:</b>			
Income attributable to endowment		135,554	156,391
Expenditure attributable to endowment		<u>(31,707)</u>	<u>(29,639)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>103,847</u>	<u>126,752</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(121,648)</u>	<u>(65,994)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>137,735</u>	<u>203,729</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>16,087</u></u>	<u><u>137,735</u></u>

The notes form part of these financial statements

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2019	2018
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	341,977	526,662
<b>Adjustments for:</b>		
Depreciation charges	1,140	1,147
Gain on investments	(350,332)	(556,447)
Interest received	(228)	(2,440)
Interest paid	-	790
Dividends received	(263,542)	(324,764)
Income attributable to endowment	(135,554)	(156,391)
Expenditure attributable to endowment	31,707	29,639
Decrease/(increase) in debtors	31,737	(2,021)
Decrease in creditors	<u>(139,218)</u>	<u>(112,804)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>(482,313)</u>	<u>(596,629)</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Gifts in kind are shown on the Statement of Financial Activities as donations and on the Balance Sheet as assets at their market values.

Grants are recognised once all conditions for their receipt have been met.

Investment income is accounted for on the date payable and includes attributable tax recoverable.

Rental income is recognised when receivable.

Rental premiums are recognised over the term of the lease for which they have been received.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### **Raising funds**

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

### **Governance costs**

Governance costs are associated with the Governance arrangements of the Charity which relate to the general running of the charity as opposed to those costs associated with the charitable activities. The costs include external audit.

Support costs are general and overhead costs which are not specific to Governance, costs of generating funds as direct charitable activities but which enable these activities to be undertaken. These costs are allocated on a direct basis to each activity and disclosed in note 8.

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	- in accordance with the lease term
Improvements to property	- 4% on cost
Library	- 10% on reducing balance

Assets costing more than £100 are capitalised at cost. On disposal of assets in the ordinary course of business adjustments are made to the depreciation charge to reflect difference between, the actual and estimated aggregate depreciation.

**Investment property**

Investment properties are stated at the Governors' best estimate of the market value. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been set aside by the Trustees from assets and investments transferred from Broadfield Trust and the estate of the Honourable E R H Wills.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds have been donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Listed investments**

Listed investments are stated at their market value. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**2. DONATIONS AND LEGACIES**

	2019 £	2018 £
Donations	<u>352,000</u>	<u>82,000</u>

The above donations have been received for the following purposes:

Kings Mound	100,000	-
Cavendish Court	200,000	80,000
The Post Office (Northleach)	50,000	-
Other	<u>2,000</u>	<u>2,000</u>
	<u>352,000</u>	<u>82,000</u>

Donations received during the year for 'Kings Mound', 'Cavendish Court' and 'The Post Office (Northleach)' have all been attributed to Designated Funds.

**3. INVESTMENT INCOME**

	2019 £	2018 £
Rents received	227,281	211,242
Dividends and interest	263,542	324,764
Interest - cash deposits	228	86
Interest - deferred premium	<u>-</u>	<u>2,354</u>
	<u>491,051</u>	<u>538,446</u>

**4. RAISING FUNDS**

**Investment management costs**

	2019 £	2018 £
Investment management costs	61,645	61,549
Cost of rental properties	<u>38,129</u>	<u>49,950</u>
	<u>99,774</u>	<u>111,499</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Attributable to grant making	<u>632,561</u>	<u>171,522</u>	<u>804,083</u>

**6. GRANTS PAYABLE**

	2019 £	2018 £
Attributable to grant making	<u>632,561</u>	<u>518,553</u>

The total grants paid to institutions during the year was as follows:

	2019 £	2018 £
Harris Manchester College - Grant B	<u>632,561</u>	<u>518,553</u>

On the 1 August 2015 The Farmington Trust Limited entered into a Co-Operation Agreement with The Principals and Fellows of the Manchester Academy and Harris College in the University of Oxford. The agreement was to transfer the activities of Farmington Institute and use of the building under sub-lease to the College for an initial period of ten years with regular reviews. To support this agreement £5,001,645 of investments were transferred to the College which are ring fenced to support the common charitable purposes of the Trust and the College. The College also receive an annual grant to meet the projected annual cost of the transferred activities, which in the current year was £632,561 (2018 - £518,553). Included in this total grant are wages of £52,451 (2018 - £41,795) paid on behalf of the Farmington Institute and in lieu of payment to the Farmington Institute as part of the on going grant.

**7. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Attributable to grant making	<u>165,877</u>	<u>525</u>	<u>5,120</u>	<u>171,522</u>

During the year, the charity received a refund of £1,685 in relation to an overpayment of council tax for the Farmington building in 2015/16.

A new lease has been taken out during the year for the use of Kings Mound. The total amount payable in the year for rent and expenses was £100,995.

Support costs, included in the above, are as follows:

	2019 Attributable to grant making £	2018 Total activities £
Wages	52,451	41,795
Pensions paid for past service	6,385	6,385
Other operating leases	100,995	-
Office costs	(1,685)	-
Insurance	774	771
Corporate Secretary	3,005	2,413
Accountancy	2,590	2,806
Legal and professional costs	222	372
Depreciation of tangible and heritage assets	1,140	1,147
Bank charges	525	495
Auditors' remuneration	<u>5,120</u>	<u>5,000</u>
	<u>171,522</u>	<u>61,184</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2019

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Auditors' remuneration	5,120	5,000
Depreciation - owned assets	1,140	1,147
Other operating leases	<u>100,995</u>	<u>-</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2019 nor for the year ended 31 July 2018.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2019 nor for the year ended 31 July 2018.

**10. STAFF COSTS**

	2019	2018
	£	£
Wages and salaries	52,451	41,795
Other pension costs	<u>6,385</u>	<u>6,385</u>
	<u>58,836</u>	<u>48,180</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Working on charitable activities	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

**11. MATERIAL TRANSFERS**

The investments are managed on a "total return" basis, based on 3.5% of the average value of the investments over the previous twelve quarters. A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis.

**12. NET GAINS/(LOSSES) ON INVESTMENT**

	2019	2018
	£	£
Investment portfolio	350,332	334,626
Investment properties	<u>-</u>	<u>221,821</u>
	<u>350,332</u>	<u>556,447</u>

**13. TANGIBLE FIXED ASSETS**

	Leasehold property £	Improvements to property £	Library £	Totals £
<b>COST</b>				
At 1 August 2018 and 31 July 2019	<u>295,000</u>	<u>4,095</u>	<u>15,391</u>	<u>314,486</u>
<b>DEPRECIATION</b>				
At 1 August 2018	26,000	2,164	14,809	42,973
Charge for year	<u>1,000</u>	<u>82</u>	<u>58</u>	<u>1,140</u>
At 31 July 2019	<u>27,000</u>	<u>2,246</u>	<u>14,867</u>	<u>44,113</u>
<b>NET BOOK VALUE</b>				
At 31 July 2019	<u>268,000</u>	<u>1,849</u>	<u>524</u>	<u>270,373</u>
At 31 July 2018	<u>269,000</u>	<u>1,931</u>	<u>582</u>	<u>271,513</u>

**14. FIXED ASSET INVESTMENTS**

	2019 £	2018 £
Listed investment portfolio	<u>15,363,139</u>	<u>15,117,561</u>

Included within investments held on Stock Exchange are investment assets outside the UK of £4,347,977 (2018 - £3,816,211). All other investment assets are investment assets in the UK.

The historical cost of the listed investments, excluding cash, held at 31 July 2019 was £12,523,491 (2018 - £12,094,042).

The following investments were held at 31 July 2019 with a value in excess of 5% of the market value of listed investments:

Trojan Income Fund  
Majedie UK Equity Fund  
Polar UK Value Opportunities Fund  
Vanguard FTSE UK All Share Index  
0.125% United Kingdom of Great Britain and Northern Ireland Treasury Stock  
iShare Physical Metals PLC

<b>Movement in fixed asset investments</b>	2019 £	2018 £
Market value 1 August (excluding cash held)	14,771,994	14,955,101
Additions at cost	4,712,092	4,504,916
Disposal proceeds	(4,589,245)	(5,047,729)
Gains on investment assets	350,332	334,626
Accrued interest (movement)	<u>(763)</u>	<u>25,080</u>
Market value at 31 July (excluding cash held)	15,244,410	14,771,994
Cash held at 31 July	<u>118,729</u>	<u>345,567</u>
<b>Market value of investments 31 July</b>	<u>15,363,139</u>	<u>15,117,561</u>

**15. INVESTMENT PROPERTY**

	£
<b>MARKET VALUE</b>	
At 1 August 2018	8,151,167
Additions	<u>111,706</u>
At 31 July 2019	<u><u>8,262,873</u></u>
<b>NET BOOK VALUE</b>	
At 31 July 2019	<u><u>8,262,873</u></u>
At 31 July 2018	<u><u>8,151,167</u></u>

A formal valuation had been undertaken by Mr L G Greaves FRICS at 31 July 2019, the market value was £8,262,873.

The historical cost of the property investments, held at 31 July 2019 was £4,937,231 (2018 - £4,825,525).

**16. DEBTORS**

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	-	1,159
Prepayments and accrued income	<u>51,198</u>	<u>15,582</u>
	<u><u>51,198</u></u>	<u><u>16,741</u></u>
Amounts falling due after more than one year:		
Deferred premium	<u>-</u>	<u>66,194</u>
Aggregate amounts	<u><u>51,198</u></u>	<u><u>82,935</u></u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Lease premiums	44,669	44,669
Accrued expenses	<u>18,057</u>	<u>10,773</u>
	<u><u>62,726</u></u>	<u><u>55,442</u></u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Lease premiums	232,066	378,568
Security premiums	<u>7,000</u>	<u>7,000</u>
	<u><u>239,066</u></u>	<u><u>385,568</u></u>

**19. LEASING AGREEMENTS**

Minimum lease payments under operating leases fall due as follows:

	2019 £	2018 £
Within one year	100,000	-
Between one and five years	<u>100,000</u>	<u>-</u>
	<u><u>200,000</u></u>	<u><u>-</u></u>

During the year, the trust entered into a three year lease with the Balliol College for the use of the King's Mound property.

**20. MOVEMENT IN FUNDS**

	At 1.8.18 £	Net movement in funds £	Transfers between funds £	At 31.7.19 £
<b>Unrestricted funds</b>				
General fund	795,701	(99,766)	(98,051)	597,884
Designated fund	10,074,617	(12,436)	105,465	10,167,646
Investment revaluation reserve	<u>4,318,341</u>	<u>170,136</u>	<u>-</u>	<u>4,488,477</u>
	15,188,659	57,934	7,414	15,254,007
<b>Restricted funds</b>				
Restricted	<u>9,636</u>	<u>-</u>	<u>-</u>	<u>9,636</u>
	9,636	-	-	9,636
<b>Endowment funds</b>				
Endowment fund	6,120,180	103,847	(7,414)	6,216,613
Investment revaluation reserve	<u>2,001,426</u>	<u>180,196</u>	<u>-</u>	<u>2,181,622</u>
	8,121,606	284,043	(7,414)	8,398,235
	<u>23,319,901</u>	<u>341,977</u>	<u>-</u>	<u>23,661,878</u>
<b>TOTAL FUNDS</b>	<u><u>23,319,901</u></u>	<u><u>341,977</u></u>	<u><u>-</u></u>	<u><u>23,661,878</u></u>

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	380,011	(479,777)	-	(99,766)
Designated fund	379,937	(392,373)	-	(12,436)
Investment revaluation reserve	-	-	170,136	170,136
	759,948	(872,150)	170,136	57,934
<b>Endowment funds</b>				
Endowment fund	135,554	(31,707)	-	103,847
Investment revaluation reserve	-	-	180,196	180,196
	135,554	(31,707)	180,196	284,043
<b>TOTAL FUNDS</b>	<u>895,502</u>	<u>(903,857)</u>	<u>350,332</u>	<u>341,977</u>

**Comparatives for movement in funds**

	At 1.8.17 £	Net movement in funds £	Transfers between funds £	At 31.7.18 £
<b>Unrestricted Funds</b>				
General fund	580,671	352,131	(137,101)	795,701
Designated fund	10,413,318	(508,668)	169,967	10,074,617
Investment revaluation reserve	3,923,034	395,307	-	4,318,341
	14,917,023	238,770	32,866	15,188,659
<b>Restricted Funds</b>				
Restricted	9,636	-	-	9,636
<b>Endowment funds</b>				
Endowment fund	6,026,294	126,752	(32,866)	6,120,180
Investment revaluation reserve	1,840,286	161,140	-	2,001,426
	7,866,580	287,892	(32,866)	8,121,606
<b>TOTAL FUNDS</b>	<u>22,793,239</u>	<u>526,662</u>	<u>-</u>	<u>23,319,901</u>

**20. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	505,850	(153,719)	-	352,131
Designated fund	-	(508,668)	-	(508,668)
Investment revaluation reserve	-	-	395,307	395,307
	505,850	(662,387)	395,307	238,770
<b>Endowment funds</b>				
Endowment fund	156,391	(29,639)	-	126,752
Investment revaluation reserve	-	-	161,140	161,140
	156,391	(29,639)	161,140	287,892
<b>TOTAL FUNDS</b>	<u>662,241</u>	<u>(692,026)</u>	<u>556,447</u>	<u>526,662</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.17 £	Net movement in funds £	Transfers between funds £	At 31.7.19 £
<b>Unrestricted funds</b>				
General fund	580,671	252,365	(235,152)	597,884
Designated fund	10,413,318	(521,104)	275,432	10,167,646
Investment revaluation reserve	3,923,034	565,443	-	4,488,477
	14,917,023	296,704	40,280	15,254,007
<b>Restricted funds</b>				
Restricted	9,636	-	-	9,636
<b>Endowment</b>				
Endowment fund	6,026,294	230,599	(40,280)	6,216,613
Investment revaluation reserve	1,840,286	341,336	-	2,181,622
	7,866,580	571,935	(40,280)	8,398,235
<b>TOTAL FUNDS</b>	<u>22,793,239</u>	<u>868,639</u>	<u>-</u>	<u>23,661,878</u>

**20. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	885,861	(633,496)	-	252,365
Designated fund	379,937	(901,041)	-	(521,104)
Investment revaluation reserve	-	-	565,443	565,443
	<u>1,265,798</u>	<u>(1,534,537)</u>	<u>565,443</u>	<u>296,704</u>
<b>Endowment funds</b>				
Endowment fund	291,945	(61,346)	-	230,599
Investment revaluation reserve	-	-	341,336	341,336
	<u>291,945</u>	<u>(61,346)</u>	<u>341,336</u>	<u>571,935</u>
<b>TOTAL FUNDS</b>	<u>1,557,743</u>	<u>(1,595,883)</u>	<u>906,779</u>	<u>868,639</u>

The Endowment Fund represents funds donated to the Charity.

A transfer is made from the Endowment Fund to the Unrestricted General Income Fund reflecting the difference between the income received on investments and the total return basis. The total return is calculated based on 3.5% of the average value of the investments over the previous twelve quarters.

The Designated Fund has been set aside by the governors from assets and investments transferred from Broadfield Trust and the Honourable E R H Wills.

The income generated from investments held in the Designated is included in the Unrestricted General Income Fund for the use in Charitable Activities.

Investment Management costs and net gains and losses on investments are split between the Endowment and Designated Fund in proportion to the opening fund values.

The restricted fund represents amounts donated to fund fellowships as specified by the donor.

**20. MOVEMENT IN FUNDS - continued**

**Total return**

	Endowment £	Unapplied Total Return £	Total Endowment £
<b>At the beginning of the reporting period:</b>			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	<u>-</u>	<u>2,237,001</u>	<u>2,237,001</u>
	<u>5,538,795</u>	<u>2,237,001</u>	<u>7,775,796</u>
<b>Movement in the reporting period:</b>			
Investment return: dividends and interest	-	135,554	135,554
Investment return: realised and unrealised gains	-	180,195	180,195
Less: investment management costs	<u>-</u>	<u>(31,707)</u>	<u>(31,707)</u>
		284,042	284,042
Unapplied total return allocated to income in the reporting period	<u>-</u>	<u>(7,414)</u>	<u>(7,414)</u>
<b>Net movements in the reporting period</b>	<u>-</u>	<u>276,628</u>	<u>276,628</u>
<b>At the end of the reporting period</b>			
Gift component of the permanent endowment	5,538,795	-	5,538,795
Unapplied total return	<u>-</u>	<u>2,513,629</u>	<u>2,513,629</u>
<b>Total</b>	<u><u>5,538,795</u></u>	<u><u>2,513,629</u></u>	<u><u>8,052,424</u></u>

**21. RELATED PARTY DISCLOSURES**

During the year payments were made to Mr G W Hudson, the former company secretary and current member of the Finance and Sub-Committee, for reimbursements in relation to the renovation of the Post Office. The amounts totalled £65,361.

The Rev. Dr Sir Ralph Waller, KBE, who is directly employed by the Trust to provide his services as Director of the Farmington Institute within Harris Manchester College, was the Principal of Harris Manchester College until 30<sup>th</sup> September 2018 and his replacement by the Rev. Prof. Jane Shaw, the new Principal, whose appointment commenced on 1<sup>st</sup> October 2018.

In accordance with the terms of the Co-Operation Agreement, the Rev. Prof. Jane Shaw, being Principal of Harris Manchester College, was also appointed as a Trustee of The Farmington Trust Limited.

**22. GUARANTEE**

Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights or the contributions among themselves such amounts as may be required not exceeding £1.

The Farmington Trust Limited

Detailed Statement of Financial Activities  
for the Year Ended 31 July 2019

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
<b>INCOME AND ENDOWMENTS</b>					
<b>Donations and legacies</b>					
Donations	352,000	-	-	352,000	82,000
<b>Investment income</b>					
Rents received	227,281	-	-	227,281	211,242
Dividends and interest	127,988	-	135,554	263,542	324,764
Interest - cash deposits	228	-	-	228	86
Interest - deferred premium	-	-	-	-	2,354
	355,497	-	135,554	491,051	538,446
<b>Other income</b>					
Payroll contribution received	52,451	-	-	52,451	41,795
<b>Total incoming resources</b>	<b>759,948</b>	<b>-</b>	<b>135,554</b>	<b>895,502</b>	<b>662,241</b>
<b>EXPENDITURE</b>					
<b>Investment management costs</b>					
Investment management costs	29,938	-	31,707	61,645	61,549
Cost of rental properties	38,129	-	-	38,129	49,950
	68,067	-	31,707	99,774	111,499
<b>Charitable activities</b>					
Grants to institutions	632,561	-	-	632,561	518,553
<b>Other</b>					
Interest payable	-	-	-	-	790
<b>Support costs</b>					
<b>Management</b>					
Wages	52,451	-	-	52,451	41,795
Pensions paid for past service	6,385	-	-	6,385	6,385
Other operating leases	100,995	-	-	100,995	-
Office costs	(1,685)	-	-	(1,685)	-
Insurance	774	-	-	774	771
Corporate Secretary	3,005	-	-	3,005	2,413
Accountancy	2,590	-	-	2,590	2,806
Legal and professional costs	222	-	-	222	372
Depreciation of tangible and heritage assets	1,140	-	-	1,140	1,147
	165,877	-	-	165,877	55,689

This page does not form part of the statutory financial statements

The Farmington Trust Limited

Detailed Statement of Financial Activities  
for the Year Ended 31 July 2019

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
<b>Finance</b>					
Bank charges	525	-	-	525	495
<b>Governance costs</b>					
Auditors' remuneration	<u>5,120</u>	<u>-</u>	<u>-</u>	<u>5,120</u>	<u>5,000</u>
<b>Total resources expended</b>	<u>872,150</u>	<u>-</u>	<u>31,707</u>	<u>903,857</u>	<u>692,026</u>
<b>Net expenditure before gains and losses</b>	(112,202)	-	103,847	(8,355)	(29,785)
<b>Realised and unrealised recognised gains and losses</b>					
Fixed asset investments	170,136	-	180,196	350,332	334,626
Investment property	-	-	-	-	221,821
<b>Net income</b>	<u><u>57,934</u></u>	<u><u>-</u></u>	<u><u>284,043</u></u>	<u><u>341,977</u></u>	<u><u>526,662</u></u>