

**The A Team Foundation
Limited**

**Annual Report and Financial
Statements**

5 April 2017

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
Company secretary	Mrs Paula Doraisamy
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 2017

The directors present their statutory report together with the financial statements of The A Team Foundation Limited for the year ended 5 April 2017.

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 15 to 17 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), effective from accounting periods commencing 1 January 2015 or later.

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 trustees 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.

ACHIEVEMENTS AND PERFORMANCE

During the year ended 5 April 2017, grants payable amounted to £289,153 (2016 - £137,192). Details of grants are provided in Note 3 to the accounts.

Compassion in World Farming

Alliance to Save Our Antibiotics £10,000

The Foundation has supported Compassion in World Farming since 2014, co-funding their campaign Alliance to Save Our Antibiotics. The campaign has made progress in its cause to ban the routine, preventative use of antibiotics in healthy animals in the UK and for dramatic reductions to farm use of the 'Critically Important' antibiotics. Compassion are campaigning for the adoption of farming practices that prioritise animal health and welfare, reducing the initial need for antibiotics. To maintain the momentum of years one and two, the campaign received funding from the Foundation to keep the farm antibiotics issue firmly on the political agenda through public, political and professional circles, to provide for farmers, providers and retailers, a well-evidenced case for practical action, and to achieve an EU-wide ban on routine use of antibiotics.

Through an interim report supplied in March 2017, Compassion note that lobbying and advocacy has received a good share of the effort; there are numerous mentions of MPs who are associated with interest and whose opinions align to the Alliance's cause. Alliance has provided scientific evidence to Channel Four for an upcoming TV show related to the processes behind food production. Alliance has also been repeatedly vocal in their communications, numerous appearing in conferences and on radio and print. Whilst also meeting with opposing viewpoints; the Veterinary Medicines Association (VMA), the British Veterinary Association (BVA), the industry umbrella body; the Responsible Use of Medicines in Agriculture Alliance (RUMA), to address points of difference, and to work towards resolution including identifying practical routes forward. Alliance's scientific work has influenced the European Medicines Agency, to review the method used for setting the "maximum residue levels" for antibiotic residues in food and now both organisations are working together on progress. Alliance's work within the European Commission has been duly noted and they were awarded second prize in a prestigious EU award for NGOs working to combat antibiotic resistance, off the back of which it seems doors have been opened to further the discourse. In the months leading up to the report, Compassion are developing their solutions-driven mode of working and are actively developing partnerships with key industry bodies to navigate the path ahead.

ACHIEVEMENTS AND PERFORMANCE (continued)

Gaia Foundation

Seed Sovereignty Programme £25,000

The Seed Sovereignty Programme has been developed from the feasibility study that the Foundation funded in 2015-2016. The feasibility study outlined areas of challenges and opportunities related to seed security in the UK and mapped the existing networks. Using that information, a strategy was produced in how best to progress the Seed Sovereignty Programme. The aim of which, is to support 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. We cannot have food security without seed security yet most in the UK and Ireland have yet to make the connection between food and seed. 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 - part funded by the Foundation and part match funded – is providing 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 through engagement with young farmers, public awareness campaigning, lobbying, and advocacy.

A six-month report informed the Foundation of the programme's progress. Using the information gathered during the feasibility study, combined with the focus of creating regional hubs, a national map is developing of who and what currently exists and what is their potential for expansion. At present, the leading areas of activity are in London, Wales, the South-West, and Scotland. There are many organisations with a keen interest in how the seed programme overlaps with their own areas and agendas, providing optimism for collaboration. The Autumn will see the first set of training days in Wales with work progressing in the South West. Conversations are happening between DEFRA and the Seed programme's co-ordinator about how best to support seed producers post-Brexit and an option is in the adolescent stages of being proposed. Public awareness has gained momentum through the Gaia Foundation's communications initiatives.

Gaia Foundation

We Feed the World £20,000

The We Feed the World project brings together a body of world-renowned photographers celebrating the work of the small farmers who feed 80% of the world's population. Through iconic imagery, from across six continents, it showcases the diverse, resilient and productive food system whilst also, highlighting challenges. An impressive archive of people, places and food; each with a story, each showing the impact that our choices in an interconnected world make. The narrative of the body of work seeks to change the paradigm that the small scale farmer is struggling or poor and replace it with strong and positive images of people who provide so much more in a way of service than simply food for market. At first, it is to be publicly exhibited in London and then to travel globally.

ACHIEVEMENTS AND PERFORMANCE (continued)

The show will lead the viewer through a series of stories that helps them in understanding the concepts of a sustainable food system, how it operates, and how to work in the future. Accompanying the exhibition will be a book featuring the photographs and reiterating the narrative.

At present, the exhibition has attained the work of over 40 world class photographers and respective farmers. The body of work is still growing and a prestigious photo-editor and art director is involved in curating its development. The exhibition's network has grown through partners and collaborators, thus furthering the project's potential. The development of the network has seen an increase in the involvement of civil society and NGOs, this has provided an opportunity for representatives to further support the show. Importantly, a date has been set for the exhibition in London: during Easter 2018.

Human Food Project.

Human Food Project \$253,000

The Human Food Project is a scientific study that questions the impact from the overuse of antibiotics, anti-microbial products, modern architecture, an increase in caesarean births, reduced breast-feeding, an industrialised food supply, upon the human microbiome. Geoff 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 of modern diseases?' Since 2012, the Human Food Project has been studying the Hadza people of Tanzania to understand what a lifestyle - limited to modern exposure - has on their microbiome. The Hadza tribe 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. During the three years before the A Team begun funding the project, there has been a vast amount of data collection; through swabbing the microbial journey of the Hadza's digestion, that which they kill and forage, the tools they use to hunt, and a numerous amount of data from swabbing the natural landscape and water sources. All this data started to formulate ideas and hypothesis' and, in 2016, the first few scientific papers from the project appeared in journals such as *Science* and *Nature*.

The project is working against time, the Hadza are quickly gaining access to antibiotics, being impacted by cultural tourism and losing their hunting lands to encroaching pastoralists. The work up to 2016 has set the foundations. Decisions informed by data set objectives and they are as follows: Sampling individual members of the Hadza, day in and day out for months on end, to understand the seasonal influence of their diverse diet. Studies focusing on infants from birth to three years old, capturing the changing baby microbiome from the birth canal, through breast feeding, introduction of first foods, and finally shift towards an adult-esque biome (Geoff Leach strongly believes that this will shed light on important developmental changes with implications that could lead to understanding optimal human microbiome health). In studying children, the project sets a hope that it might uncover an important microbial signal that could prove very useful to the western world.

ACHIEVEMENTS AND PERFORMANCE (continued)

The Ecological Land Co-operative

Loan for Land Purchase – Wilbees Farm, Arlington, East Sussex

The Ecological Land Co-operative (ELC) is a social enterprise and not-for-profit community benefit society set up in 2009 to address the lack of opportunities for new entrants to ecological farming and horticulture. They currently have two sites, Greenham Reach (Mid Devon) and now, Arlington (East Sussex). In 2015, the ELC approached the A Team to finance a land purchase of Arlington based on the success of their established enterprise at Greenham Reach.

The A Team Foundation assisted the ELC in purchasing a 7.5-hectare field in the village of Arlington, East Sussex. The land is to be farmed agro-ecologically, leased in small-holder plots to new entrant farmers. The ELC are at present seeking permission from Wealden Council to establish three affordable residential smallholdings (worker dwellings) for the new entrants and a single timber-framed barn.

Current land markets and policies come together to favour agro-industrial forms of farming and fuel land concentration. Along with speculative investors, urban developers and recreational uses, access to land has become a critical issue for small holder farmers. The ELC addresses this by taking big plots of land and dividing them into smaller plots with affordable and manageable tenancies. The ELC farms are agro-ecological, therefore preserving the local ecology (building resilience and soil growth into the landscape), providing community outreach, keeping the rural aesthetic, and all whilst allowing new generations in to a vastly overaged sector.

The assistance that the A Team provided took the form of a loan for land purchase, the total borrowed is £139,000.00 (100% of the land purchase).

Investment performance

There were various acquisitions and disposals of investments made during the year. The realised investment gains for the year ended 5 April 2017 were £240,541 (2016 – losses of £275,465) and the unrealised gains on investments for the year ended 5 April 2017 were £1,270,936 (2016 – £178,201).

The Investment portfolio yielded dividends and interest amounting to £252,506 (2016 - £266,506) 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 £2,189 (2016 - £3,501).

FINANCIAL REVIEW

Results for the period

During the year ended 5 April 2017, the unrestricted funds generated income of £258,520 (2016 - £278,284), mainly from investments, and incurred expenditure of £396,483 (2016 - £202,388) of which 73% related to grants payable. There was a small gain on foreign exchange of £9,952, which resulted in a net deficit of £128,011. After a transfer of £47,939 (2016 - £nil) from the expendable endowment fund this gave a balance of nil (2016 - £80,072) on the unrestricted funds as at 5 April 2017.

After net investment gains of £1,511,477 (2016 – net investment losses of £97,264) and a small gain on foreign exchange of £9,952 (2016 - £4,176), there was a net income gain on unrestricted funds of £1,383,466 (2016 – £80,072).

After net expenses of £5,623, net investment gains of £1,511,477 (2016 – net investment losses of £97,264) and the transfer of £47,939 to the unrestricted fund the expendable endowment fund totalled £14,548,888 (2016 - £13,090,974) at 5 April 2017.

Reserves policy and financial position

As at 5 April 2017 total funds of £14,548,888 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:



Director

BENJAMIN ARBIS

Approved on: 6th November 2017

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

We have audited the financial statements of The A Team Foundation Limited for the year ended 5 April 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. 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), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are also the trustees of the charitable company for the purposes of charity law. As explained more fully in the directors' responsibilities statement set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information which is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report Year ended 5 April 2017

Opinion on financial statements

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 2017 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the 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 where 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; or
- ◆ the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



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

16 November 2017

Statement of financial activities year to 5 April 2017

	Notes	Unrestricted funds £	Expendable endowment £	Total 2017 £	Total 2016 £
Income from:					
Investment income	1	256,331	-	256,331	273,501
Interest receivable	2	2,189	-	2,189	4,783
Total income		258,520	-	258,520	278,284
Expenditure on:					
On charitable activities	3	396,483	5,624	402,107	202,388
Total expenditure		396,483	5,624	402,107	202,388
Net gains on foreign exchange		9,952	-	9,952	4,176
Net gains/(losses) on investments	7	-	1,511,477	1,511,477	(97,264)
Net income/(expenditure) before transfers		(128,011)	1,505,853	1,377,842	(17,192)
Transfer between funds		290,686	(290,686)	-	-
Net income/(expenditure) and net movement in funds for the year		162,67	1,215,167	1,377,842	(17,192)
Fund balances brought forward at 6 April 2016		80,072	13,090,974	13,171,046	13,188,238
Fund balances carried forward at 5 April 2017		242,747-	14,306,141	14,548,888	13,171,046

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 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Investments	7		13,134,730		12,420,104
Current assets					
Debtors:	8				
Amounts falling due within one year		8,945		33,093	
Amounts falling due after one year		139,000		-	
		147,945		33,093	
Cash at bank	9	1,278,919		740,419	
		1,426,864		773,512	
Current liabilities					
Creditors: amounts falling due within one year	10	(12,706)		(12,570)	
Net current assets			1,414,158		760,942
Total assets less current liabilities			14,548,888		13,181,046
Non-current liabilities					
Creditors: amounts falling due after more than one year	11		-		(10,000)
Total net assets			14,548,888		13,171,046
The funds of the charity					
<i>Capital funds</i>					
Expendable endowment fund			14,306,141		13,090,974
<i>Income funds</i>					
Unrestricted funds – general fund			242,747-		80,072
Total charity funds			14,548,888		13,171,046

Approved by the directors and signed on their behalf by:

Director BENJAMIN ARBIS

Approved on: 6th November 2017

The A Team Foundation Limited

Company Registration Number 03775136 (England and Wales)



Statement of cash flows Year to 5 April 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(516,872)	(196,364)
Cash flows from investing activities:			
Investment income		256,331	273,501
Interest received		2,189	4,783
Proceeds from the disposal of investments		4,571,595	3,486,842
Purchase of investments		(3,774,742)	(3,557,182)
Net cash provided by investing activities		1,055,371	207,944
Change in cash and cash equivalents in the year		538,500	11,580
Cash and cash equivalents at 6 April 2016	B	740,419	728,839
Cash and cash equivalents at 5 April 2017	B	1,278,919	740,419

Notes to the statement of cash flows for the year to 5 April 2017.

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

	2017 £	2016 £
Net movement in funds (as per the statement of financial activities)	1,377,842	(17,192)
Adjustments for:		
Interest receivable	(2,189)	(4,783)
Investment income	(256,331)	(273,501)
Movements in market value of investments	(1,270,936)	(178,201)
(Gain)/loss on disposal of investments	(240,541)	275,465
(Increase) decrease in debtors	(114,852)	39,393
Decrease in creditors	(9,865)	(37,545)
Net cash used in operating activities	(516,872)	(196,364)

B Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	1,278,919	740,419
Total cash and cash equivalents	1,278,919	740,419

Principal accounting policies 5 April 2017

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) issued on 16 July 2014, Update Bulletin 1 issued on 2 February 2016, 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 comprises 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.

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. The unwinding of the discount is charged against income as an interest expense.

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 2017

1 Investment income

	2017 £	2016 £
Investment management fee rebates	3,825	6,996
Investments listed on a recognised stock exchange		
Dividends – UK unit trusts	58,029	129,518
Dividends – UK investments	-	1,250
Dividends – Overseas investments	35,909	45,326
Interest – UK unit trusts	158,568	90,411
	<u>256,331</u>	<u>273,501</u>

2 Interest receivable

	2017 £	2016 £
Short term deposits	457	3,501
Loan interest receivable	1,706	1,264
Other interest – Tax Supplements	26	18
	<u>2,189</u>	<u>4,783</u>

3 Charitable expenditure

	2017 £	2016 £
Grants payable:		
CLIC Sargent	500	-
Compassion in World Farming	10,000	-
Coventry University's Centre for Agroecology Water and Resilience	-	20,000
DUO Horses	-	2,920
Eco Peace	2,000	-
Ecology Trust – Ibiza Preservation Fund	-	3,572
Food Ethic Council	2,000	-
Fundaciopara La Conservacion	4,279	-
The Gaia Foundation (2 grants)	45,000	16,000
Feedback - Gleaning Network UK	-	20,000
Human Food Project (2 grants)	194,076	-
Liberty Foundation	-	1,000
Mercy Corps – Nepal Earthquake Appeal	-	5,000
New Venture Fund	798	-
Programme Farming Ltd	10,000	-
The Organic Research Centre (2 grants)	-	30,000
Real Farming Trust (2 grants)	1,500	6,000
SellaVenture (3 grants / 4 grants in 2015/16)	18,000	21,700
Soil Association	1,000	1,000
Starlight	-	10,000
Total grants payable	289,153	137,192
Grant commitments lapsed	-	(3,500)
Grant administration	11,051	-
Support and governance costs (note 4)	101,902	68,696
Total charitable expenditure	402,106	202,388

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

	2017 £	2016 £
Grant commitments at 6 April 2016	20,000	53,500
Grants made during the year, less lapsed commitments	287,448	133,692
Total grants payable	307,448	187,192
Grants paid during the year	(297,448)	(167,192)
Commitments at 5 April 2017	10,000	20,000

	2017 £	2016 £
The above grants commitments fall due as follows:		
Within one year (note 10)	10,000	10,000
After one year (note 11)	-	10,000
	10,000	20,000

4 Support and governance costs

	2017 £	2016 £
Consultancy and wage costs	83,629	54,809
Investment management fees	5,624	5,675
Governance costs	12,649	8,212
	101,902	68,696

Analysis of governance costs:

	2017 £	2016 £
Auditor's remuneration	3,006	2,340
Legal fees	8,150	3,914
Bank charges	640	442
Other expenses	853	1,516
	12,649	8,212

5 Staff costs, directors' remuneration and key management personnel

	2017 £	2016 £
Staff costs comprised:		
Salaries and wages	3,611	-
Social security costs	250	-
	3,861	-

The Foundation employed one employee from January 2017 (2016 - None).

No remuneration was paid to any director in respect of their services during the year (2016 – None).

One director was involved in monitoring and due diligence activities connected to the making of grant payments. Expenditure of £6,738 was incurred and directly paid to third parties for travel, subsistence and accommodation. (2016 – £Nil)

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.

7 Investments

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

Investments	2017 Listed £	2017 Unlisted £	2017 Total £	2016 Total £
Market value at start of year	11,415,828	1,004,276	12,420,104	12,447,028
Additions at cost	3,884,875	-	3,884,875	3,557,182
Capital distributions	-	(110,133)	(110,133)	-
Disposals at carrying value (proceeds £4,571,595; realised gain £240,541)	(4,331,054)	-	(4,331,054)	(3,762,307)
Revaluation gains in year	1,175,115	95,821	1,270,936	178,201
Market value at end of year	12,144,766	989,964	13,134,730	12,420,104
Historical cost	9,660,687	464,163	10,124,850	10,661,252

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:

	2017 £	2016 £
Gains (losses) on disposal	240,541	(275,465)
Movements in market value	1,270,936	178,201
	1,511,477	(97,264)

Investments comprise:

	Quoted Investments 2017 £	Unquoted Investments 2017 £	Total 2017 £	Total 2016 £
Investment assets in the UK				
- UK Equities	388,553	573,942	962,495	772,257
- UK Unit & Investment Trusts	5,677,749	-	5,677,749	6,948,543
- UK Fixed Interest	824,182	-	824,182	869,412
	6,890,484	573,942	7,464,426	8,590,212
Investment assets outside the UK				
- Overseas Equities	5,254,282	-	5,254,282	3,399,558
- Overseas Private Equity Funds	-	416,022	416,022	430,334
	5,254,282	416,022	5,670,304	3,829,892
Total	12,144,766	989,964	13,134,730	12,420,104

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

	2017 £	2016 £
. Amazon	2,040,867	1,161,276
. Invesco Perpetual UK Strategic Income Accumulation Units	-	2,363,276
. P2P Global Investment	824,182	869,412
. Fundsmith Equity Fund	975,426	932,685
. Lansdowne Developed Market Long Only Fund	735,851	718,820
. T Bailey Evenlode	1,291,852	-
. Trojan Income Fund	1,099,950	1,005,199

8 Debtors

	2017 £	2016 £
Due within one year:		
Income tax repayment	8,945	10,077
Loan	-	17,016
Other debtors	-	6,000
	8,945	33,093
Due after one year:		
Loan (see below)	139,000	-
	139,000	-

The Foundation advanced a £139,000 secured loan to the Ecological Land Co-op in the year. The loan is repayable by a single payment on 21 May 2021 and interest bearing at 2% (paid bi-annually).

9 Cash at bank and short term deposits

	2017 £	2016 £
C Hoare & Co	107,508	361,259
Thesis Unit Trust Management	1,171,411	379,160
Cash at bank	1,278,919	740,419

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	2,706	2,570
Grant commitments (note 3)	10,000	10,000
	12,706	12,570

11 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Grant commitments (note 3)	-	10,000

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.

13 Analysis of net assets between funds

	Expendable endowment £	Unrestricted funds £	Total 2017 £
Fund balances at 5 April 2017 are represented by:			
Investments	13,134,730	-	13,134,730
Debtors: amounts falling due within one year	-	147,945	147,945
Cash at bank and short term deposits	1,171,411	107,508	1,278,919
Creditors: amounts falling due within one year	-	(12,706)	(12,706)
Net assets	14,306,141	242,747	14,548,888