

**THE C. ALMA BAKER TRUST
(CHARITABLE COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS**

For the year ended 30 June 2019

UK Charity Number 1113864

Company Registration Number 05745215



THE C. ALMA BAKER TRUST

**FINANCIAL STATEMENTS
YEAR ENDED 30 June 2019**

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THE C. ALMA BAKER TRUST

LEGAL AND ADMINISTRATIVE DETAILS

UK Company registration number	05745215
UK Charity registration number	1113864
NZ Charity registration number	CC41735
Directors and Trustees	Mr C R Boyes (Chair) Mr S F B Taylor Mr E F P Valletta Mr D H Wynne-Finch
Company Secretary	Mr E F P Valletta
Registered Office	Roythornes Solicitors Enterprise Campus Alconbury Weald Huntingdon Cambridgeshire PE28 4XA
Directors of C Alma Baker Trust (NZ) Limited	Professor D M West Professor H T Blair Mr L J C Johnstone Dame M M Millard (Chair) Mr T G Mandeno Mr D H Wynne-Finch Professor S T Morris (from 15 February 2020)
Secretary of C Alma Baker Trust (NZ) Limited	Ms J Olsen
Bankers	Unity Trust Bank plc Four Brindley Place Birmingham B1 2JB Barclays Bank plc Market Hill Huntingdon Cambridgeshire PE29 3AE (account closed June 2019)
Investment advisers	Canaccord Genuity Wealth Management (London) Craigs Investment Partners (Auckland)
Solicitors	Roythornes Solicitors Enterprise Campus Alconbury Weald Huntingdon Cambridgeshire PE28 4XA Rennie Cox Level 15, 126 Vincent Street P O Box 6647, DX CP28002 Auckland, 1141, New Zealand
Auditors	RSM UK Audit LLP Abbotsgate House Bury St Edmunds Suffolk IP32 7FA

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

The Trustees, who are the Directors of the company for the purpose of the Companies Act, present their Annual Report of The C. Alma Baker Trust (the charitable company) for the year ended 30 June 2019 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year. The Trustees confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum & Articles of Association and the Charities SORP FRS102.

Constitution

The C. Alma Baker Trust was created by a Trust Deed dated 6 July 1981, and shortly thereafter the Executors of the late Charles Alma Baker CBE transferred to the Trust the residuary estate from his Estate which included his freehold property known as Limestone Downs, RD 5, Tuakau, New Zealand.

With effect from the 1 July 2006 the Trust became a charitable company limited by guarantee with its Memorandum & Articles of Association reflecting, with some amendments, the original objects of the Trust as set out in the Trust Deed of 6 July 1981.

In the event of the charitable company being wound up, each member has guaranteed to contribute £10.

Structure, Governance and Management

On establishing the Trust, the Trustees appointed a New Zealand Committee to administer the farming operation at Limestone Downs. Following the incorporation of the Trust, the New Zealand Committee were appointed as directors of a newly incorporated New Zealand subsidiary company called C. Alma Baker Trust (NZ) Limited (New Zealand company number 1807573).

The terms of the original Trust Deed have also been incorporated in the Memorandum & Articles of Association of the New Zealand subsidiary company, but in all other respects the governance and day-to-day running of the farming operation at Limestone Downs remains the same.

The Directors are required to report to the Trustees on their activities regularly throughout the year and the Trustees receive copies of all Board papers. The Trustees visit New Zealand regularly on a rotational basis to meet with the Directors, agents, accountants, auditors, professional advisers, representatives of Massey University, recipients of awards and the management and staff of Limestone Downs.

Persons with Significant Control

The Company knows, or has reasonable cause to believe, that there is no registrable person or registrable legal entity in relation to the company with significant control.

Recruitment and Training of Trustees

There are currently four Trustees in the UK, who appoint the Directors of the New Zealand subsidiary.

Further Trustees may be appointed by ordinary resolution, however, during the year there were no such resolutions.

The Board of Directors of the New Zealand subsidiary company consists of seven members, six of whom must be resident in New Zealand, three of whom are appointed following the recommendation of the Vice Chancellor of Massey University in New Zealand. Professor Steve Morris was appointed to the Board on 15 February 2020.

The Directors are appointed for a period of five years and are not remunerated for their services. Trustees and Directors are selected for their agricultural and financial knowledge and experience. Trustees are encouraged to attend external training courses where this is considered appropriate.

The Trust also appoints Patrons who are chosen for dedicated services to the Trust and they are currently Sir Alan Frampton K.N.Z.M, David Frith C.B.E and Roger Moore.

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

Key Management Personnel

The Trustees consider that they, together with the Directors of The C. Alma Baker Trust (NZ) Limited, comprise the key management personnel of the Trust in charge of directing, controlling, running and operating the Trust on a day-to-day basis.

Dame Margaret Millard and Mr Lachie Johnstone are authorised by the UK Trustees to enter into transactions on behalf of the Trustees in New Zealand.

No Trustee, nor Board member, are remunerated for their services.

Objectives, Activities Undertaken and Public Benefit Status

The objects of the Trust are:

- a) the furtherance of the science of agriculture
- b) the furtherance of the science of horticulture
- c) the advancement of education; and
- d) such other purposes charitable in accordance with the Law of England as the Trustees shall from time to time think fit.

Charitable Aims

The overriding objective of the Trust is the support and maintenance of the farming enterprise at Limestone Downs which provides the opportunity for new ideas in agriculture to be fully explored by research and trial activities in a working farm environment in addition to providing grants for agricultural and horticultural research, education and general charitable uses.

The Trust achieves these aims by allowing researchers, visitors and students access to Limestone Downs together with provision of funds for research, education and general charitable uses. Success of these aims is measured by reports received from recipients.

Activities

At Limestone Downs, the centre of the Charity's activity, another season passed by with the usual farming challenges and a few new ones. Winter was initially wet, followed by a drier than normal September and October. Good rainfall was experienced in November/December, promoting good grass growth, and facilitating the growth on farm crops. January to May was a green dry period. There was a little rain but not sufficient to get grass production growing for the Autumn. Despite the illusion of grass in paddocks, there was actually minimal grass. The farm went into June close to 400mm of rain behind the previous season. The farming season forms the background to charitable activity.

Research and Extension

Limestone Downs is used regularly for research, training and extension activities within the local community.

Visitors included:

- Pukekohe High School for six (five previously) days' work experience with students gaining NCEA Agricultural credits.
- Pakuranga and Farm Cove Scout Groups.
- Massey University Soil science students spending a further two weeks studying rocks and soils. This continues to form a more widespread trial at Massey University analysing soil types with the aim of soil improvement in poorer countries – this follows on from the type of work that C Alma Baker was carrying out in the early Twentieth Century when he was experimenting with soil improvement and replacing goodness to the soil.
- Local Police brought out at risk youth to experience farming life, to hunt and to see the Police Force in a 'human' environment, out of their uniforms, and on the land. They shared kai (food) at the lodge after the hunt, with the meat processed through local butcheries and distributed to the families of the young

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

people. Anecdotally, the Police report they have a very high success rate with this venture for preventing repeat recidivism.

- Sweetcorn was grown around the maize for the local school for fundraising to help get kids to AIMS – a National sporting event for Intermediate age children (11, 12 & 13 years old), larger than the Commonwealth Games!
- Sheep poo was also taken away from under the wool shed and sold for local community fundraisers.
- Scrapbooking clubs came out and stayed in the lodge.
- The estuary by the beach had lots of use in the summer with groups that have been coming out for over 30 years, as well as family just wanting to have family time away from busy life.
- Tramping clubs came out for walks around the tracks on the farm.
- Weekend horse treks around the farm.

On farm research work included:

- Ongoing work with Beef & Lamb Genetics with Massey University exploring the potential of beef bulls born into Dairy herds being used for food. Surplus calves from the dairy industry are a key component of New Zealand's (NZ's) beef industry and a resource that could be used extensively in beef production. Beef bulls with desirable characteristics for breeding with dairy cows such as ease of calving and short gestation length have been mated to the dairy herd and the progeny reared on Limestone Downs. The project is conducted by Massey University and funded by Beef & Lamb Genetics.
- Project on Flies and fly strike with NZ Merino. Flystrike reduces productivity and can cause considerable pain and death in sheep. Farmers have a range of preventative and control measures available to them, however, for these to be effective farmers need to know when the flystrike season begins and ends. Unfortunately, accurate knowledge of these timings is lacking in NZ. In contrast, models exist in other countries based on environmental conditions. Therefore, this study aims to develop a flystrike risk prediction model. On several sites across NZ, including Limestone Downs, weekly fly population data has been collected in addition to environmental and soil data. Over a two-year period this will allow for the development of a prediction model.
- Timing and causes of ewe mortality. The inability of ewes to remain productive within flock beyond five or six years limits overall farm productivity and profitability. Research to date has identified that a considerable level of annual ewe losses occurs around the lambing period, but the cause of these losses is unknown. Therefore, the purpose of this study was to determine the level, timing and cause of multiple bearing ewe losses during the very late pregnancy and lambing period. The study utilised Limestone Down ewes during the 2019 lambing season. The live weights and body condition scores in pregnancy were recorded. Ewes and lambs were monitored daily during the late pregnancy / lambing period and the timing and cause of losses determined.
- NZ Roofing Manufacturers Association working with different types of roofing products in coastal environments. Because of its coastal location and onshore winds Limestone Downs is working with NZ Roofing Manufacture's to assess different types of roofing products for their suitability for a coastal environment.
- Toltrazuril treatment for reducing the infections and intensity of Theileria Orientalis Ikeda in Dairy calves. Theileria is a tick-borne protazoan that has been in NZ for about eight years. Previous studies at Limestone Downs had established that calves become infected soon after they begin to graze pasture. The study by Massey University aims to determine if treating dairy calves with Toltrazuril will reduce the intensity of the infection but still allow the development of immunity which is important for the long-term control of this infection.
- Ongoing work with precision application of fertilizer.

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

Open Day

The annual Open Day was held on 19 February 2019 with about 130 people in attendance. Two Trustees (Simon Taylor and Edward Valletta) visited the Farm at this point. Speakers included:

- Lucy Coleman: (Dairy beef progeny test). Post calving performance of cows and heifers.
- Natalia Martin: Dairy beef growth and meat quality.
- Nicola Schreurs: Dairy-origin calves for beef at 8-12 months of age.
- Anne Ridler: Ewe udder defects and their effects on lamb survival.
- Adrian Brocksopp: Nitrogen reference points and farm environment plans.

Nicola Schreurs cooked sample beef from bulls of varying ages of the new generation meat for the attendees to try.

Practical Farming Scholarships for UK Young Farmers

Working in collaboration with the National Federation of Young Farmers Clubs, the Trustees interviewed 12 candidates to select four Young Farmers to each spend three months working on the Farm. The flights of the Young Farmers are paid for by the Trust and they are paid the NZ minimum agricultural wage whilst on the Farm. Following their stay on the Farm they are encouraged to spend a month touring NZ following which they are required to write a report for the Trustees on their stay. Over 130 students have now been involved in this project which has, in many cases, been attributed to changing lives.

General Grants for Research and other activities

The Trust made three Research Awards to Phd students totalling NZ \$61,970 covering the following areas:

- Nutrient loss to water under intensive sheep grazing.
- Timing and causes of ewe mortality (see above).
- Identifying the most suitable type of calf for New Generation Beef (see above).

Postgraduate Scholarships were awarded to six students (four Masters, two Phd) totalling NZ\$80,000 covering the following areas:

- Behavioural effects of a thoracic squeeze on very young mammals that are neurologically mature at birth.
- Soil Health: Assessment of soil health parameters under intensively cropped agrosystems, with particular focus on the impact of long-term maize production on soil carbon and soil nitrogen stocks, using a paired site approach.
- Agricultural Plant Breeding: Genotyping NZ soil protectant tree crops for a brighter breeding future.
- Idiopathic primary photosensitisation in lambs consuming forage brassica.
- Should we select ewes from hogget-born lambs? What are the long-term effects of this selection?
- Forages for Fat. Quality and fat characteristics of meat from lambs finished on different summer forages.

One Fellowship was awarded to the value of \$15,000 to investigate the role of genetic variation in influencing epidemiologically important traits in the bacterial genus *Campylobacter*.

In addition, £2,698 of grants for general charitable uses. Fewer grants were awarded in the year with a view to reducing farm debt.

Public Benefit

The Trustees have had regard to the Charity Commission guidance on public benefit. The activities of the Trust provide benefit for the public through increased food production via sustainable farming methods and through the recipients of the various on-farm research trials, Open Day, research grants and awards. The Trust continues to sponsor four UK students every year to work on the farm.

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

Financial Review

Results for the Year

The consolidated statement of financial activities shows total income for the year of £2,205,574 (2018 - £2,004,315) and a total expenditure of £2,113,174 (2018 - £1,732,468). The total expenditure includes an exchange rate loss of £71,197 (2018 – gain of £237,536). This is due to unfavourable exchange rate movements in the year. Investment losses totalled £161,311 (2018 – gain of £659) and gains on revaluation of fixed assets amounted to Nil (2018 - £815,982).

This gives a net deficit in the movement in funds of £68,911 (2018 – surplus of £1,088,488) and total funds at 30 June 2019 of £9,089,693 (2018 - £9,158,604).

During the year ended 30 June 2019, the land on which the farm is sited was valued in the financial statements at NZ\$14,450,000 in line with the current accounting policy of valuing the land based on its value assessed for rateable purposes as estimated by the Waikato District Council every three years. During the year ended 30 June 2018, there was a new assessment of the rateable value by the Waikato District Council, valuing the land at NZ\$15,900,000. This valuation has been reflected in the 2019 financial statements.

A formal market valuation of the land was carried out in July 2017 for mortgage purposes, which valued the land at NZ\$26,400,000.

The future trading situation requires tight budgetary controls to accommodate the continuing low milk price. The sale of Transferrable Development Rights in the previous year, completed in this year, generated substantial funds without affecting the capital value of the property.

Total bank loans outstanding at the year end of £4,939,250 (2018: £5,379,099) were drawn down to fund necessary development of the dairy farm. Net repayments of bank loans of £439,849 occurred during the year.

Investment Policy

As set out by its constitution, the charitable company has complete discretion to invest money which is not immediately required for expenditure.

The current investment strategy of the Trust is to continue to maintain its investments for the long term.

The Trustees maintain investment portfolios in the United Kingdom and New Zealand which are prudently managed by investment managers Canaccord Genuity Wealth Management and Craigs Investment Partners respectively. The Trustees encourage recommendations from the investment managers within an agreed risk profile. The Trustees have closely monitored the returns on their investments in line with the difficult climate during the year and discuss their aims for the portfolio at each quarterly meeting.

Reserves Policy

Total reserves held at the reporting date were £9,089,693 (2018: £9,158,604). The Trustees have set aside £7,016,197 (2018: £6,913,084) as designated funds to reflect the investments and tangible fixed assets, which are required to generate income for carrying out the charitable activities, so are not readily available for use. General funds stand at £2,073,496 (2018: £2,245,520).

The Trustees are committed to ensuring the continuity of the working farm at Limestone Downs and otherwise to preserving the capital of the Trust in order to meet the Trust's objectives. The Trustees, therefore, adopt a reserves policy with a view to maintaining the viability of the farm and to provide for contingencies. All surpluses not required for the management of the Trust or retained for working capital are applied for the furtherance of the science of agriculture, the advancement of education and other charitable purposes as they arise.

The Trustees consider the level of general funds to be adequate, but not excessive, and they continue to monitor the level of reserves required.

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

Risk management

The Trustees, with the assistance of the New Zealand Board of Directors of C. Alma Baker Trust (NZ) Limited, have assessed the major risks to which the Trust is exposed. In particular, the Trustees are aware of the inherent risks within the farming industry, and are satisfied that systems have been established to mitigate those risks. HazardCo in New Zealand have produced a farm process and procedures review which was reported to the NZ Board and the recommendations have been implemented. For further information, please refer to discussion on going concern basis.

Going concern

The Trustees have assessed whether the use of going concern assumption is appropriate in preparing these accounts.

The Trust is dependent on the performance of the farm which is in turn dependent on external factors such as livestock and milk prices. The farm has focussed on creating a new management structure which will help to increase efficiency within the farm. This, together with increasing milk and livestock prices will increase the profitability of the farm.

Post year the end the Trustees have taken the decision to transfer the assets and liabilities of the UK Trust to the New Zealand operations. As such these financial statements have been prepared on a basis other than going concern. As demonstrated above the Trust will be able to meet liabilities as they fall due and therefore no adjustments to the financial statements have been necessary as a result of this decision. It is expected the transfer will occur prior to the end of the 30 June 2021 year.

Grant Making Policy

The Trustees are responsible for setting the policy in respect of grant making. The Trustees invite applications via the Secretary of the New Zealand subsidiary for agricultural and horticultural research awards, post graduate scholarships in agricultural and horticultural science, Maori Award and the CAB Fellowship. All applicants are considered by the Directors who advise the Trustees on respective merits and all papers are reviewed by the Trustees before grants are approved within an agreed budget. The Young Farmers Practical Farmers Awards are made by the Trustees with assistance and publicity from the England and Wales Young Farmers Club. The Trustees also grant a few general charitable grants annually in accordance with the objects of the Trust. All grants are approved by the Trustees.

Future Matters

Following the creation of the Dairy Unit at Limestone Downs the Trust is continuing to integrate the new project with the existing sheep and beef enterprises and to harmonise all management issues.

Trustees' indemnity insurance

Qualifying third party indemnity provision is in place for the benefit of all trustees of the charitable company.

THE C. ALMA BAKER TRUST

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2019

Trustees' responsibilities statement

The Charity Trustees (who are also directors of The C. Alma Baker Trust for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity 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 the group and of the income and expenditure of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements and other information included in the annual report, may differ from legislation in other jurisdictions.

Each of the Trustees confirms that:-

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

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

This Report was approved by the Board on:

19th August 2020
Dated

C R Boyes 

THE C. ALMA BAKER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE C. ALMA BAKER TRUST FOR THE YEAR ENDED 30 JUNE 2019

Opinion

We have audited the financial statements of The C. Alma Baker Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2019 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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.

Emphasis of matter – Non going concern basis of accounting

We draw attention to note 1 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1, the Trust expects to transfer its net assets and to cease operations in the period ended 30 June 2021 and the Trustees have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE C. ALMA BAKER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE C. ALMA BAKER TRUST FOR THE YEAR ENDED 30 JUNE 2019

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

THE C. ALMA BAKER TRUST

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE C. ALMA BAKER TRUST FOR THE YEAR ENDED 30 JUNE 2019

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Laragh Jeanroy (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
IP32 7FA

21 August 2020

THE C. ALMA BAKER TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 30 JUNE 2019

	Note	General Funds £	Designated Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOME FROM					
Charitable activities					
Farm income	2	2,053,486	-	2,053,486	1,846,607
Investments	3	29,113	-	29,113	47,942
Other	4	122,975	-	122,975	109,766
Total income		2,205,574	-	2,205,574	2,004,315
EXPENDITURE ON:					
Raising funds					
Investment manager fees		9,159	-	9,159	9,375
Charitable activities					
Charitable grants	5	85,721	-	85,721	80,363
Charitable donations	6	1,019	-	1,019	3,144
Costs relating to farming	7	1,624,614	392,661	2,017,275	1,639,586
TOTAL EXPENDITURE		1,720,513	392,661	2,113,174	1,732,468
NET INCOME BEFORE GAINS/(LOSSES)					
		485,061	(392,661)	92,400	271,847
Net gains on investments	12	-	(161,311)	(161,311)	659
NET INCOME/(EXPENDITURE)	10	485,061	(553,972)	(68,911)	272,506
TRANSFERS BETWEEN FUNDS					
	18	(657,085)	657,085	-	-
OTHER RECOGNISED GAINS					
Gains on revaluation of fixed assets	11	-	-	-	815,982
NET MOVEMENT IN FUNDS		(172,024)	103,113	(68,911)	1,088,488
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 July		2,245,520	6,913,084	9,158,604	8,070,116
Total funds carried forward at 30 June	19	2,073,496	7,016,197	9,089,693	9,158,604

THE C. ALMA BAKER TRUST

CONSOLIDATED BALANCE SHEET YEAR ENDED 30 JUNE 2019

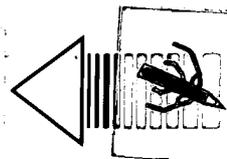
	Note	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		10,782,548		10,987,152
Investments	12		1,172,899		1,305,031
TOTAL FIXED ASSETS			11,955,447		12,292,183
CURRENT ASSETS					
Stocks	14	1,993,261		1,921,911	
Debtors	15	107,140		97,239	
Cash at bank and in hand		231,138		351,530	
		2,331,539		2,370,680	
LIABILITIES					
Creditors: amounts falling due within one year	16	(258,043)		(125,160)	
NET CURRENT ASSETS			2,073,496		2,245,520
TOTAL ASSETS LESS CURRENT LIABILITIES			14,028,943		14,537,703
CREDITORS: amounts falling due after more than one year	17		(4,939,250)		(5,379,099)
TOTAL NET ASSETS			9,089,693		9,158,604
FUNDS AND RESERVES					
Designated fund	18		7,016,197		6,913,084
General fund			2,073,496		2,245,520
TOTAL FUNDS	19		9,089,693		9,158,604

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

These financial statements were approved and authorised for issue by the Trustees on 19/8/20... and are signed on their behalf by:



CR BOYES (CHAIR)
Trustee



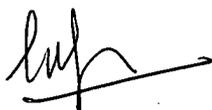
THE C. ALMA BAKER TRUST

COMPANY BALANCE SHEET
YEAR ENDED 30 JUNE 2019

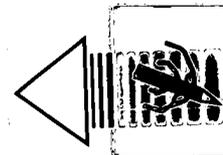
	Note	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		10,640,682		10,861,247
Investments	12		631,230		750,659
Investment in subsidiary undertaking	13		38		38
TOTAL FIXED ASSETS			11,271,950		11,611,944
CURRENT ASSETS					
Debtors	15	36,450		113	
Cash at bank and in hand		231,077		351,471	
		<u>267,527</u>		<u>351,584</u>	
LIABILITIES					
Creditors: amounts falling due within one year	16	(1,487,393)		(1,743,971)	
NET CURRENT LIABILITIES			(1,219,866)		(1,392,387)
TOTAL ASSETS LESS CURRENT LIABILITIES			10,052,084		10,219,557
CREDITORS: amounts falling due after more than one year	17		(1,188,590)		(1,280,738)
TOTAL NET ASSETS			8,863,494		8,938,819
FUNDS AND RESERVES					
Designated fund	18		10,083,360		10,331,206
General fund			(1,219,866)		(1,392,387)
TOTAL FUNDS	19		8,863,494		8,938,819

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

These financial statements were approved and authorised for issue by the Trustees on 19/8/20 and are signed on their behalf by:



CR BOYES (CHAIR)
Trustee



THE C. ALMA BAKER TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 30 JUNE 2019

	Notes	2019	2018
Cash flows from operating activities:			
Net cash provided by operating activities	A	606,656	784,982
Cash flows from investing activities:			
Investment income		29,113	47,942
Loan interest paid		(263,453)	(289,909)
Purchase of tangible fixed assets		(54,588)	(17,377)
Proceeds from the disposal of tangible fixed assets		-	-
Proceeds from the disposal of investments		262,408	92,040
Purchase of investments		(262,725)	(212,108)
Net cash used in investing activities		(289,245)	(379,412)
Cash flows from financing activities:			
Loan advances		1,320,655	256,148
Loans repaid		(1,925,636)	-
Net cash provided by financing activities		(604,981)	256,148
Change in cash and cash equivalents in the year		(287,570)	661,718
Cash and cash equivalents as 1 July	B	333,577	(148,095)
Exchange difference on cash and cash equivalents		67,088	(180,046)
Cash and cash equivalents as 30 June	B	113,095	333,577

A Reconciliation of net movement in funds to net cash provided by operating activities

Net income	(68,910)	272,506
Adjustments for:		
Depreciation charge	250,698	282,591
Gains on investments	161,310	(659)
(Gains)/losses on foreign exchange	71,197	(237,735)
Losses on disposal of fixed assets	8,494	76
Investment income and interest receivable including rent receivable	(29,113)	(47,942)
Interest payable	263,453	289,909
Decrease/(increase) in stocks	(71,350)	283,820
(Increase)/decrease in debtors	(9,902)	(124)
Decrease in creditors	30,779	(57,460)
Net cash provided by operating activities	606,656	784,982

B Analysis of cash and cash equivalents

Cash at bank and in hand	231,138	351,530
Cash held by investment managers	6,941	4,927
Bank overdraft	(124,984)	(22,880)
Total cash and cash equivalents	113,095	333,577

THE C. ALMA BAKER TRUST

CHARITABLE COMPANY STATEMENT OF CASH FLOWS YEAR ENDED 30 JUNE 2019

	Notes	2019	2018
Cash flows from operating activities:			
Net cash used in by operating activities	A	(233,019)	(105,161)
Cash flows from investing activities:			
Investment income		209,024	209,661
Loan interest paid		(69,884)	(71,402)
Purchase of tangible fixed assets		-	-
Proceeds from the disposal of tangible fixed assets		-	-
Proceeds from the disposal of investments		262,408	92,040
Purchase of investments		(125,219)	(209,335)
Net cash used in investing activities		276,329	20,964
Cash flows from financing activities:			
Loans repaid		(129,545)	-
Net cash provided by financing activities		(129,545)	-
Change in cash and cash equivalents in the year		(86,235)	(84,197)
Cash and cash equivalents as 1 July	B	356,398	325,886
Exchange difference on cash and cash equivalents		(32,145)	114,709
Cash and cash equivalents as 30 June	B	238,018	356,398

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

Net movement in funds	(75,325)	258,305
Adjustments for:		
Depreciation charge	216,886	213,607
Gains on investments	(15,746)	(49,860)
(Gains)/losses on foreign exchange	69,542	(211,431)
Losses on disposal of tangible fixed assets	3,679	-
Investment income and interest receivable including rent receivable	(209,024)	(209,661)
Interest payable	69,884	71,402
Decrease in debtors	(36,337)	2,709
Decrease in creditors	(256,578)	(180,232)
Net cash used in by operating activities	(233,019)	(105,161)

B Analysis of cash and cash equivalents

Cash at bank and in hand	231,077	351,471
Cash held by investment managers	6,941	4,927
Total cash and cash equivalents	238,018	356,398

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

1. ACCOUNTING POLICIES

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

These financial statements have been prepared for the year ended 30 June 2019. The C. Alma Baker Trust is a private company limited by guarantee incorporated in England. The registered office of the company is Roythornes Solicitors Enterprise Campus, Alconbury Weald, Huntingdon, Cambridgeshire, PE28 4XA.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The Trustees consider the key area of judgement which impacts on the amounts recognised in the financial statements is:

The functional currency of the group

On preparation of the financial statements management make judgements as to what the functional currency of the charity is based on what they believe to be the primary economic environment.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual result. The Trustees do not consider any estimates to have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

GOING CONCERN

The Trustees have assessed whether the use of going concern assumption is appropriate in preparing these accounts.

The Trust is dependent on the performance of the farm which is in turn dependent on external factors such as livestock and milk prices. The farm has focussed on creating a new management structure which will help to increase efficiency within the farm. This, together with increasing milk and livestock prices will increase the profitability of the farm.

Post year the end the Trustees have taken the decision to transfer the assets and liabilities of the UK Trust to the New Zealand operations. As such these financial statements have been prepared on a basis other than going concern. As demonstrated above the Trust will be able to meet liabilities as they fall due and therefore no adjustments to the financial statements have been necessary as a result of this decision. It is expected the transfer will occur prior to the end of the 30 June 2021 year.

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

1. ACCOUNTING POLICIES (continued)

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES

As permitted by s408 Companies Act 2006, the charitable company has not presented its own Statement of Financial Activities. The charitable company's net expenditure for the year was £75,325 (2018: income of £1,074,287).

BASIS OF CONSOLIDATION

The financial statements of the parent and the subsidiary have been consolidated on a line by line basis.

All intragroup transactions and balances between group companies are eliminated on consolidation.

The consolidated financial statements consolidate the financial statements of The C. Alma Baker Trust and of its subsidiary, C. Alma Baker Trust (NZ) Limited, for the year ended 30 June 2019.

The charitable company financial statements are the financial statements of the parent, The C. Alma Baker Trust.

FUND ACCOUNTING

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Trust and may be applied at the discretion of the Trustees.

The designated fund is monies set aside out of general funds to reflect the value of investments, which provide income for the Trust, and the net book value of tangible fixed assets net of any loans used for the development of the assets, which are used to carry out charitable activities.

INCOME

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from all investments is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

Farm income is included in the Statement of Financial Activities when there is an unconditional right to the income.

The surpluses on the sale of transferrable titles are recognised in other income when there is an unconditional right to the income. These consist of development rights held on the farm.

EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs, support costs and grant making. Support costs, including governance costs, are allocated on a direct cost proportional basis. The classification between activities is as follows:

- a) The costs of raising funds comprising fees payable to the charity's professional investment managers.
- b) Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to the farm activities and those costs of an indirect nature necessary to support them.

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

1. ACCOUNTING POLICIES (continued)

Grant payments are recognised when a legal or constructive obligation arises, which results in the payment being unavoidable. Grants are made for the furtherance of the science of agriculture, for the advancement of education, and for general charitable purposes.

Salaries are apportioned between direct costs, support costs and grant making. The apportionment is based on time spent by staff on each activity.

INVESTMENTS

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quote market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets, other than freehold land, are stated at cost less depreciation. Freehold land is stated at existing use value. Existing use value is based on its value as assessed for rateable purposes. Last year the rateable value was revalued to NZ\$15,900,000.

With the exception of freehold land, depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold building	- 1% straight line for concrete buildings - 2% straight line for wooden buildings - 4 – 13% straight line for other structures
Farm development	- 1 – 45% straight line
Vehicles, plant & equipment	- 20% straight line
Forestry	- 0%

STOCK

Stock comprises livestock, which is held only in the New Zealand subsidiary. Livestock is stated at its fair value less estimated point of sale costs. Fair value is based on New Zealand's "The National Average Market Values of Specified Livestock Denominations". Realised changes resulting from the disposal of livestock are reported as part of farm income.

LEASES

Rental income from assets leased under operating leases is recognised on a straight-line basis over the term of the lease. Rent free periods or other incentives given to the lessee are accounted for as a reduction to the rental income and recognised on a straight-line basis over the lease term.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

RETIREMENT BENEFITS

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

1. ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

OTHER FINANCIAL ASSETS

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

CLASSIFICATION OF FINANCIAL LIABILITIES

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including trade, group, other creditors and accruals, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

TAXATION

The company is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

The company is unable to recover the UK input VAT associated with the supply of goods and services. The irrecoverable VAT is included in the total cost applicable to each expense heading. Expenses incurred in New Zealand are exclusive of New Zealand Goods and Services Tax (GST) except where not recoverable.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date, with the exception of tangible fixed assets which are translated into sterling at the acquisition or subsequent valuation date. Transactions in foreign currencies are translated into sterling at the average exchange rate for the year. Exchange differences are taken into account in arriving at the net movement in funds.

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

1. ACCOUNTING POLICIES (continued)

Assets and liabilities of overseas subsidiaries are translated into the Group's presentation currency at the rate ruling at the reporting date. Income and expenses of overseas subsidiaries are translated at the average rate for the year as the Trustees consider this to be a reasonable approximation to the rate at the date of the transaction.

2. FARM INCOME

	2019	2018
	£	£
Sheep	654,950	580,362
Cattle	473,292	359,039
Dairy	821,829	803,151
Wool	57,974	45,255
Hives	12,436	12,729
Rental	27,198	27,776
Other	5,807	18,295
	<u>2,053,486</u>	<u>1,846,607</u>

3. INVESTMENT INCOME

	2019	2018
	£	£
UK dividend income	13,546	12,815
Overseas dividend income	9,264	34,774
UK bank interest	97	37
Overseas bank interest	6,206	316
	<u>29,113</u>	<u>47,942</u>

4. OTHER INCOME

	2019	2018
	£	£
Sale of transferrable titles	46,401	109,766
Sale of New Zealand Emissions Trading Scheme - New Zealand Unit's	76,574	-
	<u>122,975</u>	<u>109,766</u>

5. CHARITABLE GRANTS

	2019	2018
	£	£
For the furtherance of the science of agriculture		
Research awards	32,112	38,936
Fellowship	7,773	-
	<u>39,885</u>	<u>38,936</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

5. CHARITABLE GRANTS (continued)

	2019 £	2018 £
For the advancement of education		
Post graduate scholarships	33,682	23,868
UK Students' travel to New Zealand	5,644	7,050
Maori education grants	-	2,652
Ministry of Education school bus grant	708	-
East of England Agricultural Society	1,000	1,000
	<u>41,034</u>	<u>3,570</u>
Related salaries and wages (see note 9)	-	-
Support costs (see note 8)	<u>4,802</u>	<u>6,857</u>
Total	<u><u>85,721</u></u>	<u><u>80,363</u></u>

6. CHARITABLE DONATIONS

	2019 £	2018 £
Donations payable		
Other donations	-	796
Malaysian Palm Oil Association	-	250
The Worshipful Company of Farmers – James Hoban grant	-	2,000
Whirlow Hall Farm Trust	290	-
Oxfam	500	-
ZANE	200	-
Support costs (see note 8)	29	98
	<u>1,019</u>	<u>3,144</u>

7. COSTS RELATING TO FARMING

	2019 £	2018 £
Salaries and wages (see note 9)	226,311	361,780
Livestock expenses	501,795	105,558
Dairy expenses	416,510	549,183
Wool expenses	51,818	37,673
Farm operating costs	54,975	36,760
Repairs and maintenance	7,273	10,322
Vehicle running expenses	4,488	9,015
Standing charges	50,459	50,645
Depreciation	250,055	285,031
Extension activities	1,148	-
Loss on disposal of fixed assets	4,797	-
Foreign exchange (gains)/losses	71,197	(237,536)
Loan interest paid	263,453	289,909
Support costs (see note 8)	112,996	141,246
	<u><u>2,017,275</u></u>	<u><u>1,639,586</u></u>

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

8. SUPPORT COSTS

	2019	2018
	£	£
Management fees	-	15,195
Salaries and wages (see note 9)	19,022	30,158
Trustees' expenses	19,286	9,541
New Zealand committee expenses	14,719	10,640
Administration fees and other costs	19,707	32,316
Bank charges	416	467
Consultancy fees	-	5,212
Company secretarial fees	2,372	-
Governance costs	42,818	45,472
	<u>118,340</u>	<u>149,001</u>

Support costs are allocated based on the proportion of direct costs incurred by each activity and are split as follows:

	2019	2018
	£	£
Raising funds	515	800
Charitable grants	4,816	6,857
Charitable donations	29	98
Costs relating to farming	112,980	141,246
	<u>118,340</u>	<u>149,001</u>

9. STAFF COSTS, TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL

	2019	2018
	£	£
Staff costs:		
Wages and salaries	240,086	383,308
Pension costs	5,247	8,630
Total staff costs	<u>245,333</u>	<u>391,938</u>
Staff costs analysed by function:		
Farming		
- Direct costs	226,311	361,780
- Support costs	19,022	30,158
	<u>245,333</u>	<u>391,938</u>
Grant giving	-	-
Total staff costs	<u>245,333</u>	<u>391,938</u>
Average number of employees:		
Full time	10	10
Employees paid above £60,000	1	1

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

9. STAFF COSTS, TRUSTEES' REMUNERATION AND KEY MANAGEMENT PERSONNEL

None of the Trustees (who are also directors) received any remuneration or benefits in kind during the year. A family member of a Trustee received £750 (2018 – Nil) for administrator services. No other payments were made to persons connected to Trustees. Costs related to travel and meetings amounting to £19,286 (2018 - £9,541) were reimbursed to four (2018 – four) Trustees.

Key management personnel

The Trustees consider that they together with the directors of The C. Alma Baker Trust (NZ) Limited are the key management personnel of the charity in charge of directing, controlling, running and operating the material charitable activities on a day to day basis. No trustees or directors received any remuneration during the year.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging

	2019	2018
	£	£
Auditor's remuneration		
UK Auditor's remuneration		
- audit fees – current year	10,500	10,300
- non-audit services	2,885	5,522
New Zealand Auditor's remuneration		
- audit fees	9,984	9,951
- non-audit services	20,262	19,699
Amount of stocks recognised as an expense/(credit) during the year	284,154	94,131
Depreciation	250,698	285,031

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

11. TANGIBLE FIXED ASSETS

GROUP TANGIBLE FIXED ASSETS

	Freehold land	Freehold buildings	Farm development	Forestry	Vehicle, plant & equipment	Total
	£	£	£	£	£	£
Cost or valuation						
1 July 2018	7,028,097	2,622,502	2,449,768	46,956	566,548	12,713,871
Additions	-	-	-	-	54,588	54,588
Disposals	-	(5,266)	-	-	(4,815)	(10,081)
Revaluation	-	-	-	-	-	-
30 June 2019	7,028,097	2,617,236	2,449,768	46,956	616,321	12,758,378
Depreciation						
1 July 2018	-	571,388	667,732	-	487,599	1,726,719
Charge for the year	-	72,863	144,023	-	33,812	250,698
Eliminated on disposal	-	(1,587)	-	-	-	(1,587)
30 June 2019	-	642,664	811,755	-	521,411	1,975,830
Net book value 30 June 2019	7,028,097	1,974,572	1,638,013	46,956	94,910	10,782,548
Net book value 30 June 2018	7,028,097	2,051,114	1,782,036	46,956	78,949	10,987,152

All of the tangible fixed assets are held in New Zealand and are used for the direct furtherance of the Trust's objectives.

The freehold land has been included in the balance sheet at valuation, as assessed for rateable purposes. This is assessed every three years.

The historic cost of the freehold land at 30 June 2019 is £1,439,603 (2018 - £1,439,603).

The land and buildings are subject to a formal charge as security for the bank overdraft and loan to finance the development work with regards to the dairy farm (see note 17).

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

11. TANGIBLE FIXED ASSETS (continued)

CHARITABLE COMPANY TANGIBLE FIXED ASSETS

	Freehold land £	Freehold buildings £	Farm development £	Total £
Cost or valuation				
At 1 July 2018	7,028,097	2,622,502	2,449,768	12,100,367
Disposals	-	(5,266)	-	(5,266)
At 30 June 2019	<u>7,028,097</u>	<u>2,617,236</u>	<u>2,449,768</u>	<u>12,095,101</u>
Depreciation				
1 July 2018	-	571,388	667,732	1,239,120
Charge for the year	-	72,863	144,023	216,886
Eliminated on disposal	-	(1,587)	-	(1,587)
30 June 2019	<u>-</u>	<u>642,664</u>	<u>811,755</u>	<u>1,454,419</u>
Net book value 30 June 2019	<u>7,028,097</u>	<u>1,974,572</u>	<u>1,638,013</u>	<u>10,640,682</u>
Net book Value June 2018	<u>7,028,097</u>	<u>2,051,114</u>	<u>1,782,036</u>	<u>10,861,247</u>

All tangible fixed assets are held in New Zealand and are used for the direct furtherance of the Trust's objectives.

The freehold land has been included in the balance sheet at valuation, as assessed for rateable purposes. This is assessed every three years.

The historic cost of the freehold land at 30 June 2019 is £1,439,603 (2018 - £1,439,603).

The land and buildings are subject to a formal charge as security for the bank overdraft and loan to finance the development work with regards to the dairy farm (see note 17).

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

12. INVESTMENTS

	GROUP		CHARITABLE COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Market value at 1 July	1,300,104	1,266,107	745,732	607,983
Additions	262,725	212,108	125,219	209,335
Disposals	(262,408)	(92,040)	(262,408)	(92,040)
Realised gains in the year	18,551	(4,609)	18,551	(4,609)
Unrealised gains/(losses) in the year	(179,862)	5,268	(12,946)	54,469
Exchange gain/(losses)	26,848	(86,730)	10,141	(29,406)
Market value at 30 June	1,165,958	1,300,104	624,289	745,732
Cash held by investment managers	6,941	4,927	6,941	4,927
Total value of investments at 30 June	1,172,899	1,305,031	631,230	750,659
Cost at 30 June	1,451,069	1,246,429	700,749	633,615

Shares held in Fonterra Co-operative Group Limited are subject to a formal charge as security for a loan to finance development work with regards to the dairy farm (see note 17).

13. INVESTMENT IN SUBSIDIARY UNDERTAKING

The subsidiary, C. Alma Baker trust (NZ) Limited, is a company incorporated in New Zealand and wholly owned by the charitable company. Its registered office is Campbell Tyson Limited, Level 2, 1 Wesley Street, Pukekone, 2120NZ.

The principal activity of the subsidiary is the maintenance of the farming enterprise carried out at Limestone Downs which provides opportunities, through intensive farming systems, for new ideas to agriculture to be fully explored by research and trial activities in a working farm environment.

The farming business is conducted with good farm management so as to remain viable and produce an income for charitable distribution purposes. Equally it is conducted to encompass the charitable company's agricultural research purposes.

The company's Memorandum of Association provides for the grant of periodic leases of Limestone Downs (farmland) to C. Alma Baker Trust (NZ) Limited. The current lease runs for a period of 5 years from 1 July 2016 with an annual rental of NZ\$180,000.

The company has been valued in the accounts at the original nominal value of its share capital £38 (NZ\$ 100). For the year ended 30 June 2019, it had total income of £3,962,879 (NZ\$1,064,076) (2018 - £1,846,607 (NZ\$3,481,593)) and a net deficit of £175,451 (NZ\$338,591) (2018 - £1,719 (NZ\$3,241)). The total funds at 30 June 2019 amounted to £226,237 (NZ\$428,267) (2018 - £203,903 (NZ\$398,018)).

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

14. STOCKS

	2019 £	2018 £
Beef/sheep livestock	1,322,671	1,324,891
Dairy livestock	670,590	597,020
	<u>1,993,261</u>	<u>1,921,911</u>

15. DEBTORS

	GROUP		CHARITABLE COMPANY	
	2019 £	2018 £	2019 £	2018 £
Farm trade debtors	-	58,786	-	-
Prepayments	-	10,188	-	113
Taxation recoverable	22,504	25,431	-	-
Sundry debtors	84,636	2,834	36,450	-
	<u>107,140</u>	<u>97,239</u>	<u>36,450</u>	<u>113</u>

16. CREDITORS: amounts falling due within one year

	GROUP		CHARITABLE COMPANY	
	2019 £	2018 £	2019 £	2018 £
Bank overdraft	124,984	22,880	-	-
Farm trade creditors	91,750	42,585	10,650	24,141
Accruals	30,659	35,043	13,385	16,534
GST payable	10,650	24,652	14,630	24,652
Sundry creditors	-	-	-	-
Amounts due to C Alma Baker Trust (NZ) Limited	-	-	1,448,728	1,678,644
	<u>258,043</u>	<u>125,160</u>	<u>1,487,393</u>	<u>1,743,971</u>

17. CREDITORS: amounts falling due after more than one year

	GROUP		CHARITABLE COMPANY	
	2019 £	2018 £	2019 £	2018 £
Bank of New Zealand – loan				
As at 1 July	5,379,099	5,627,462	1,280,738	1,406,866
Advances in the year	1,320,655	256,148	-	-
Repayment	(1,925,636)	-	(129,545)	-
Exchange differences	165,132	(504,511)	37,397	(126,128)
At 30 June	<u>4,939,250</u>	<u>5,379,099</u>	<u>1,188,590</u>	<u>1,280,738</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

17. CREDITORS: amounts falling due after more than one year (continued)

The group, and the charitable company, has negotiated facilities with the Bank of New Zealand ("the bank") to assist with the dairy conversion at Limestone Downs, Waikato, New Zealand. The Trust is not required to pay the loans back until October 2021 at which point NZ\$9,350,000 will be due, in various instalments. The interest rate varies between 4.66% to 5.64% depending on the rate prevailing when the facilities were negotiated.

The charitable company has also provided an interlocking guarantee to the bank in terms of the bank's standard guarantee form for C. Alma Baker trust (NZ) Limited.

18. DESIGNATED FUNDS

GROUP	At 1 July 2018	Utilised/ released	Transfers	Gains and losses	At 30 June 2019
Designated fund	6,913,084	(553,972)	657,085	-	7,016,197

	At 1 July 2017	Utilised/ released	Transfers	Gains and losses	At 30 June 2018
Designated fund	6,084,435	140,227	(127,560)	815,982	6,913,084

The designated fund represents the book value of the charitable group's fixed assets less the related loan obligations. This fund was separated from the general fund in recognition of the fact that the tangible fixed assets are required for the charitable group's operational activities and the investments are required to fund charitable activities and cannot be realised with ease, in order to meet future contingencies. Transfers in the year relate to movements in fixed assets and loan obligations.

CHARITABLE COMPANY	At 1 July 2018	Utilised/ released	Transfers	Gains and losses	At 30 June 2019
Designated fund	10,331,206	(242,216)	(5,630)	-	10,083,360

	At 1 July 2017	Utilised/ released	Transfers	Gains and losses	At 30 June 2018
Designated fund	9,469,357	(67,025)	112,892	815,982	10,331,206

The designated fund represents the book value of the charitable company's fixed assets less the related loan obligations. This fund was separated from the general fund in recognition of the fact that the fixed assets could not be realised with ease, in order to meet future contingencies. The tangible fixed assets are required for the charitable company's operational activities and the investments are required to fund charitable activities. Transfers in the year relate to movements in fixed assets and loan obligations.

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	General funds	Designated funds	2019 total funds
	£	£	£
Tangible fixed assets	-	10,782,548	10,782,548
Investments	-	1,172,899	1,172,899
Stocks	1,993,261	-	1,993,261
Debtors	107,140	-	107,140
Cash at bank and in hand	231,138	-	231,138
Creditors: amounts falling due with one year	(258,043)	-	(258,043)
Creditors: amounts falling due after more than one year	-	(4,939,250)	(4,939,250)
	<u>2,073,496</u>	<u>7,016,197</u>	<u>9,089,693</u>
GROUP – Previous year	General funds	Designated funds	2018 total funds
	£	£	£
Tangible fixed assets	-	10,987,152	10,987,152
Investments	-	1,305,031	1,305,031
Stocks	1,921,911	-	1,921,911
Debtors	97,239	-	97,239
Cash at bank and in hand	351,530	-	351,530
Creditors: amounts falling due with one year	(125,160)	-	(125,160)
Creditors: amounts falling due after more than one year	-	(5,379,099)	(5,379,099)
	<u>2,245,520</u>	<u>6,913,084</u>	<u>9,158,604</u>
CHARITABLE COMPANY	General funds	Designated funds	2019 total funds
	£	£	£
Tangible fixed assets	-	10,640,682	10,640,682
Investments	-	631,230	631,230
Investments in subsidiary undertaking	-	38	38
Debtors	36,450	-	36,450
Cash at bank and in hand	231,077	-	231,077
Creditors: amounts falling due with one year	(1,487,393)	-	(1,487,393)
Creditors: amounts falling due after more than one year	-	(1,188,590)	(1,188,590)
	<u>(1,219,866)</u>	<u>10,083,360</u>	<u>8,863,494</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

CHARITABLE COMPANY – Previous year	General funds	Designated funds	2018 total funds
	£	£	£
Tangible fixed assets	-	10,861,247	10,861,247
Investments	-	750,659	750,659
Investments in subsidiary undertaking	-	38	38
Debtors	113	-	113
Cash at bank and in hand	351,471	-	351,471
Creditors: amounts falling due with one year	(1,743,971)	-	(1,743,971)
Creditors: amounts falling due after more than one year	-	(1,280,738)	(1,280,738)
	<u>(1,392,387)</u>	<u>10,331,206</u>	<u>8,938,819</u>

20. FINANCIAL INSTRUMENTS

The carrying amount of the group's financial instruments as at 30 June was:

	2019 £	2018 £
<u>Financial assets</u>		
Debt instruments measured at amortised cost	66,677	84,217
Equity instruments held at fair value through SOFA	<u>1,172,899</u>	<u>1,305,031</u>
<u>Financial liabilities</u>		
Measured at amortised cost	<u>5,168,683</u>	<u>5,479,607</u>

The carrying amount of the charitable company's financial instruments as at 30 June was:

	2019 £	2018 £
<u>Financial assets</u>		
Equity instruments held at fair value through the SOFA	<u>631,230</u>	<u>750,659</u>
<u>Financial liabilities</u>		
Measured at amortised cost	<u>2,665,333</u>	<u>3,000,057</u>

21. OPERATING LEASES

At the year end the charitable company was contracted with its subsidiary, under non-cancellable operating leases, for the following future minimum rents receivable:

	2019 £	2018 £
Amounts receivable in:		
Less than one year	95,087	92,213
Between one and five years	<u>95,087</u>	<u>184,426</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

22. RELATED PARTY TRANSACTIONS

Rent of £93,272 (NZ\$180,000) (2018: £95,470 (NZ\$180,000)) was paid by The C Alma Baker Trust (NZ) Limited to the Charity. In addition, the Charity received a dividend of £186,027 (NZ\$357,000) (2018: £189,289 (NZ\$355,000)) from its subsidiary. The intercompany balance at 30 June is £39,042 (NZ\$73,906) (2018: £1,678,644 (NZ\$3,276,713)).

THE C. ALMA BAKER TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

23. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	General Funds £	Designated Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME FROM					
Charitable activities					
Farm income	2	1,846,607	-	1,846,607	1,897,327
Investments	3	47,942	-	47,942	37,794
Other	4	109,766	-	109,766	288,645
Total income		2,004,315	-	2,004,315	2,223,766
EXPENDITURE ON:					
Raising funds					
Investment manager fees		9,375	-	9,375	10,132
Charitable activities					
Charitable grants	5	80,363	-	80,363	116,101
Charitable donations	6	3,144	-	3,144	18,267
Costs relating to farming	7	1,779,154	(139,568)	1,639,586	2,057,172
TOTAL EXPENDITURE		1,872,036	(139,568)	1,732,468	2,201,672
NET INCOME BEFORE GAINS/(LOSSES)					
		132,279	139,568	271,847	22,094
Net gains on investments	12	-	659	659	74,953
NET INCOME	10	132,279	140,227	272,506	97,047
TRANSFERS BETWEEN FUNDS					
	18	127,560	(127,560)	-	-
OTHER RECOGNISED GAINS					
Gains on revaluation of fixed assets	11	-	815,982	815,982	-
NET MOVEMENT IN FUNDS		259,839	828,649	1,088,488	97,047
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 July		1,985,681	6,084,435	8,070,116	7,973,069
Total funds carried forward at 30 June	19	2,245,520	6,913,084	9,158,604	8,070,116

THE C. ALMA BAKER TRUST

MANGEMENT INFORMATION

FOR THE YEAR ENDED 30 JUNE 2019

THE FOLLOWING PAGES DO NOT FORM PART OF THE FINANCIAL STATEMENTS

THE C. ALMA BAKER TRUST

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 30 JUNE 2019

		UNRESTRICTED FUNDS		Total Funds
	Note	General Funds	Designated Funds	Total Funds
		£	£	2019
				£
				2018
				£
INCOME FROM				
Rental income	24	93,272	-	93,272
Investment income	25	209,024	-	209,024
Other income	26	122,975	-	122,975
Total income		<u>425,271</u>	<u>-</u>	<u>425,271</u>
EXPENDITURE ON:				
Raising funds				
Investment management fees		9,675	-	9,675
Charitable activities				
Charitable grants	27	89,765	-	89,765
Charitable donations	28	1,108	-	1,108
Costs relating to farming	29	157,832	247,821	405,653
TOTAL EXPENDITURE		<u>258,380</u>	<u>247,821</u>	<u>506,201</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS		166,891	(247,821)	(80,930)
Investment gains in the year		-	5,605	5,605
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		166,891	(242,216)	(75,325)
TRANSFERS BETWEEN FUNDS		5,630	(5,630)	-
OTHER RECOGNISED GAINS				
Gains on revaluation of fixed assets		-	-	815,982
		<u>172,521</u>	<u>(247,846)</u>	<u>(75,325)</u>
RECONCILIATION OF FUNDS				
Fund balances brought forward at 1 July		(1,392,387)	10,331,206	8,938,819
Total funds carried forward at 30 June		<u>(1,219,866)</u>	<u>10,083,360</u>	<u>8,863,494</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CHARITABLE COMPANY FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

24. RENTAL INCOME

	2019 £	2018 £
Limestone Downs	<u>93,272</u>	<u>95,470</u>

25. INVESTMENT INCOME

	2019 £	2018 £
UK dividends	13,546	12,815
Dividends from C Alma Baker trust (NZ) Limited	179,953	188,289
Overseas dividends	9,222	8,204
UK bank interest	97	37
Oversea bank interest	6,206	316
	<u>209,024</u>	<u>209,661</u>

26. OTHER INCOME

	2019 £	2018 £
Sale of transferrable titles	46,401	109,766
Sale of NZETS NZU's	76,574	-
	<u>122,975</u>	<u>109,766</u>

27. CHARITABLE GRANTS

	2019 £	2018 £
For the furtherance of the science of agriculture		
C. Alma Baker Fellowship	-	-
East of England Agricultural Society	1,000	1,000
Research awards	32,112	38,936
	<u>33,112</u>	<u>39,936</u>
For the advancement of education		
Post graduate scholarships	33,682	23,868
UK Students' travel to New Zealand	5,644	7,050
Maori education grant	-	2,652
Fellowship	7,773	-
	<u>47,099</u>	<u>33,570</u>
Related salaries and wages	-	-
Support costs	<u>9,554</u>	<u>43,862</u>
Total	<u>89,765</u>	<u>117,368</u>

THE C. ALMA BAKER TRUST

NOTES TO THE CHARITABLE COMPANY FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2019

28. CHARITABLE DONATIONS

	2019	2018
	£	£
Donations payable		
Malaysian Palm Oil Association	-	250
The Worshipful Company of Farmers – James Hoban grant	-	2,000
Oxfam	290	-
ZANE	200	-
Whirlow Hall Farm Trust	500	-
Other donations	-	796
Support costs	118	1,818
	<u>1,108</u>	<u>4,864</u>

29. COSTS RELATING TO FARMING

	2019	2018
	£	£
Depreciation on freehold buildings and farm development	216,886	213,607
Loss on disposal of fixed assets	3,679	-
Extension Activities	1,148	-
Foreign exchange (gain)/loss	69,884	(240,839)
Loan interest paid	69,542	71,402
Farm operating costs	1,500	-
Support costs (note 30)	43,014	26,358
	<u>405,653</u>	<u>70,528</u>

30. SUPPORT COSTS

	2019	2018
	£	£
Management fees	-	15,194
Trustees' expenses	19,286	9,541
Administration fees and other costs	10,941	24,017
Bank charges	243	246
Printing and stationery	113	-
Governance costs – auditors' fees (see note 32)	23,132	28,157
	<u>53,715</u>	<u>77,155</u>

31. EMPLOYEE INFORMATION AND TRUSTEES REMUNERATION

The charitable company does not employ any staff.

None of the Trustees (who are also directors) nor any person connected with them received any remuneration or benefits in kind during the year. Costs relating to travel and meetings amounting to £19,286 (2018 - £9,541) were reimbursed to four (2018 – four) Trustees.