

THE DOUGLAS BOMFORD TRUST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

Charity number 1121785

Company number 06355202

LANDERS ACCOUNTANTS LTD

Chartered Accountants & Registered Auditors

Church View Chambers

38 Market Square

Toddington

Bedfordshire

LU5 6BS

THE DOUGLAS BOMFORD TRUST
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

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THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the charity.

1. REFERENCE AND ADMINISTRATION

- 1.1 Charitable Companies Name: The Douglas Bomford Trust
- 1.2 Charity Registration Number: 1121785
- 1.3 Company Registration Number: 06355202
- 1.4 Registered Office and Operational address
Bullock Building, University Way, Cranfield
Bedford, MK43 0GH
Telephone: 01234 750856
e-mail: enquiries@dbt.org.uk
- 1.5 Trustees and Directors
- | | |
|--|----------------------------------|
| Dr Malcolm Crabtree
<i>(Chairman)</i> | Consultant |
| Mr Nick August
<i>(Deputy Chairman)</i> | Farmer |
| Mr Jonathan Bomford
<i>(Family Representative and Investment Officer)</i> | Chartered Accountant |
| Mr Peter L Redman
<i>(Resigned 6 November 2017)</i> | Consultant (Retired) |
| Dr Geoffrey Davies
<i>(Resigned 6 November 2017)</i> | Managing Director |
| Mr David White | University Lecturer |
| Dr Mark Moore | Agricultural Development Manager |
| Professor Mark Kibblewhite | Consultant |
| Dr Keith Hawken
<i>(Appointed 6 November 2017)</i> | Consultant |
| Prof Paul C H Miller
<i>(Appointed 6 November 2017)</i> | Consultant |
| Mr John V Fox
<i>(Emeritus trustee)</i> | Engineering consultant |
- 1.6 Secretary:
Dr Paul Miller *(Resigned 6 November 2017)*
Mr A Plom *(Appointed 6 November 2017)*
- 1.7 Financial administration:
Mrs Elizabeth Stephens
- 1.8 Relevant organisations and people:
Fund Managers
CCLA Investment Management Limited
80 Cheapside, London EC2V 6DZ

Investec Wealth & Investment Ltd
30 Gresham Street, London EC2V 7PG

THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

	HSBC Global Asset Management 78 St James St, London, SW1A 1HL
Deposit Fund	COIF Charities Deposit Fund CCLA Investment Management Limited 80 Cheapside, London EC2V 6DZ
Bankers	HSBC Bank plc, 12 Allhallows, Bedford MK40 1LJ
Legal Advisers	Withers LLP, 16 Old Bailey, London, EC4M 7EG
Independent Examiners	Landers Accountants Ltd, Church View Chambers, 38 Market Square, Toddington, Dunstable, Bedfordshire, LU5 6BS

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Douglas Bomford Trust was established under a settlement dated 1 May 1972 for the purpose of advancing education, training and research in the science and practice of agricultural engineering and mechanisation. The aims of the Trust were confirmed and expanded, but not essentially changed, in a Memorandum of Wishes written by Mrs Bomford, the widow of Douglas Bomford, in 1980. The trustees refreshed the definition of the funding criteria of the trust in 2004 to reflect the changing role of land use and agriculture in society. The Trust operates as a registered charity.

The Trust was incorporated as a Company Limited by Guarantee on 29 August 2007 (Company number 06355202). As a consequence of this incorporation, arrangements were put in place for the Trust to be merged into The Douglas Bomford Trust (Charity number 1121785) with effect from 1st April 2008 with new Articles of Association that retain the primary objectives of the original trust.

Trustees are selected for appointment based on their experience of operating in senior executive roles in businesses or institutions and whose credentials and inclinations are compatible with the objectives of the trust. Trustees are appointed by the Board of Trustees to serve for periods of generally up to six years. Prospective trustees are invited to attend meetings of trustees as observers in advance of their appointment.

Paul Miller retired as Trust Secretary at AGM in November 2017, and has been succeeded by Alan Plom after working closely together for a transitional period. Paul's wisdom and experience in the sector is still enjoyed by the Trust through his appointment as a Trustee at the AGM

The Secretary carries out the day-to-day running of the Trust with advice as necessary from the Chairman, Deputy Chairman and appropriate trustees. The Secretary receives financial administration support on a routine basis. As the Trust is essentially a grant awarding charity, most decisions normally relate to the awarding of funds.

Applications for grants of up to £1,500 are received and assessed by the Secretary. Those that satisfy the key objectives of the Trust, and those marginal and requiring confirmation, are referred to the Chairman, Deputy Chairman or an appropriate trustee who make immediate decisions. All

THE DOUGLAS BOMFORD TRUST **TRUSTEES' REPORT**

applications that bear some relationship to the Trust's stated objectives are acknowledged and decisions on minor awards are made soon after receiving the application. All papers are retained for possible audit by trustees or for further consideration should applicants appeal or bring forward additional information. It is a normal requirement for the recipients of funds to provide a brief report of the outcome and benefits of the award and the return of such reports are monitored and recorded.

Applications for larger grants and those relating to research projects are submitted using a standard format are assessed initially by the Secretary and a nominated trustee with reference to an independent appraisal if required. Proposals may then be modified in discussion with the applicant. Those applications that meet the trust's primary requirements are submitted to the full board for further scrutiny and approval. Key outcomes, reporting arrangements and payment schedules are agreed at this stage, in association with funding partners where necessary. Projects in this category are allocated an appropriately qualified mentor, usually one of the trustees or the secretary. Mentors are responsible for monitoring the progress of projects against key stages, for approving scheduled payments and for offering advice as appropriate. Trustees reserve the right to withhold or modify payments at any stage of a project or undertaking, given due notice, if the agreed outcomes are unlikely to be, or are not achieved to their satisfaction.

The Board of Trustees normally holds General Management meetings twice annually, in the spring and autumn to monitor the management and performance of the Trust, review strategy, and take decisions on major funding applications.

The Trust has a permanent office at the Headquarters of the Institution of Agricultural Engineers, Cranfield, Bedfordshire. This facilitates continuity of the Secretariat; provides access to office, secretarial and financial monitoring services in addition to strengthening the relationship between the Trust and its allied professional body.

The Secretary carries out regular risk assessments to identify those relating to the finances, administration and reputation of the trust in particular and to inform trustees on the most appropriate mitigation measures. These are routinely reviewed at General Management meetings, held every 6 months.

A register of trustee interests has been established and trustees are required to declare any conflicts of interests as these occur in relation to specific issues.

3. AIMS, OBJECTIVES AND ACTIVITIES

The overall objective of the Trust is to advance knowledge, understanding, practice, competence and capability in the application of engineering and physical science to agriculture, horticulture, forestry, amenity and allied land based and biological activities for the public benefit through providing funding to enable competent individuals and organisations to pursue:

- Education, training, research and knowledge transfer.
- Innovation and the application of science and technology with respect to the design, development, evaluation and construction of machines, systems and techniques.
- Travel to acquire or disseminate knowledge.
- The development and maintenance of professional competencies.
- The development or acquisition of new skills, techniques and capabilities.

THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

The trustees aim to achieve this principally by supporting the higher education of individuals of high potential who are aiming to become professional engineers or scientists applying their expertise to agricultural and land related problems. Priority is given to those working in areas of national or technical importance, and those able to obtain part of the cost from other sources. The Trust also encourages professional qualification and development and seeks to stimulate the entry and career progression of individuals within the agricultural engineering profession.

Equal opportunity is given regardless of age, sex, race, creed or status of the applicant.

A complementary aim of the Trust is the development, understanding and communication of knowledge applicable to engineering for agriculture and land use. This is achieved by supporting research projects, postgraduate study, conference attendance, focused study tours and the preparation of review papers.

The Trust awards prizes to outstanding students on courses of study compatible with its aims and to authors of papers published in allied journals.

Trust funding supports student membership of the Institution of Agricultural Engineers as a means of introducing them to the benefits of professional qualifications and of being part of a professional community.

4. ACHIEVEMENTS AND PERFORMANCE

Expenditure over the year was distributed as follows:

Investment charges	14%
Research and postgraduate study	56%
Studentships and discretionary awards	11%
Travel awards	5%
Other awards and donations	7%
Administration and accounts	7%

A total of sixteen projects were funded during the year together with one scholarship through an external body.

Through its activities the Trust has supported students studying at undergraduate and postgraduate level thereby contributing both to their personal development and advancement of knowledge. The support provided has stimulated and facilitated access to the profession of agricultural engineering and supported the sector's professional institution. Those entering the profession through further education have been encouraged to remain in the agricultural sector through contributions to the costs of group study tours to overseas technical events.

The Trust has continued the policy of engaging with and allocating funds to suitable projects at a wider range of academic establishments. One interesting new research grant commenced during the period at Nottingham University with the Trust providing funding for one PhD student and EPSRC another PhD on a joint project to develop remote monitoring of dairy cows. Both students have 'unusual' first degrees (in gaming and security) and this project emphasises the diversity of agricultural engineering as well as the scope of the Trust.

THE DOUGLAS BOMFORD TRUST **TRUSTEES' REPORT**

Another project reflecting well on the Trust is being funded at Aston University. This involves students from 3 nations coming together to develop a desalination process in Israel, and has attracted attention from the British Council due to the international cooperation aspect of this project.

In addition to these new projects, applications have again been received from students from a wide range of backgrounds during the period covered by this report, seeking support for identified components of project work involving smaller sums of money and shorter (usually one year or less) timescales at universities that do not have an established reputation in agricultural engineering. Grants responding to such requests during this period were made to students at Aberystwyth, Liverpool John Moore's universities.

The Trust's relationship with the Royal Agricultural University (RAU) has continued to develop and the Trustees held their GMM there in November 2017. The Trust has continued to support and mentor the appointed Douglas Bomford Trust Lecturer in Agricultural Engineering.

This post was established with effect from June 2017 with funding from the Trust over a three-year period on a sliding scale. The funding for this post were 'redirected' following the resignation of the previously appointed Douglas Bomford Professor in Applied Farm Mechanisation and Management.

A scheme more specifically aimed at undergraduate students and operated directly by the Trust requires applicants to demonstrate a long-term commitment to the agricultural engineering profession. Scholarships are awarded on a competitive basis through application and interview and apply to a given year of formal education. This year a total of six students were awarded a studentship at Harper Adams University in November. The interviewing panel was very impressed with the standard of proposals submitted at these interviews and also agreed to award a separate award to one other student. The Trust hope to extend this scheme to other establishments (initially Royal Agricultural University).

Support for The Arkwright Scholarships Trust has been continued with two additional student studying for "A" levels initially being supported for the 2017/2018 period. Unfortunately, one had to be dropped due to a change in A-level topics being studied. Contact with all sponsored students has been maintained, and one has since received a Studentship at HAU. The new student supported with effect from October 2017 enjoyed a visit to a major tractor and equipment supplier in the UK. The Trust intend to enable future recipients to enjoy a similar opportunity, and discussions have been opened with the AEA, the manufacturers trade organisation.

Seven travel scholarships were awarded as a contribution to the costs of overseas study tours and to support post graduate students presenting papers at international and UK conferences and workshops, and includes a group of Undergraduates attending Agritechnica in 2017.

An award was made to support the IAgRE Young Engineers Competition and a significant contribution was made to the IAgRE student recruitment initiative, providing funding for student membership.

Prizes were again awarded for the best paper by an IAgRE member published in Biosystems Engineering, for the best student on the Land Restoration and Reclamation MSc programme at Cranfield University, to the best Foundation Student at Harper Adams University and for the best student project related to agricultural engineering at the Royal Agricultural University.

THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

A donation of £10,000 has been awarded to the Science Museum for their 'Feeding the Future' exhibition focusing on technological developments in agriculture; this exhibition is expected to take place in 2019.

The Trust continues to publicise projects and the work of the Trust in the IAgrE quarterly journal, on the Trust website and at external events.

The trustees at their April 2018 meeting indicated that they were satisfied with the administration, financial control and external reporting arrangements at the Secretariat.

5. FINANCIAL REVIEW

5.1 Policy

The Trust has long-term equity investments, a deposit account, and bank current accounts. The equity investments are in the name of the Trust, with the Secretary as authorised correspondent and with the Investment Officer overseeing investment performance and advising the trustees on investment policy. The bank accounts require two signatories from the Chairman, another trustee, or the Secretary.

Trustees continue to take the view that it is prudent to have some diversity in the approach to fund management, at least over the medium term, as a precaution against the continuing high levels of uncertainty across all asset classes in the market.

The underlying policy of budgeting project expenditure to the level that can be financed from current income has continued. Under normal conditions sufficient funds to cover at least the budgeted annual expenditure are held as a reserve in a combination of deposit and high interest bank accounts. An additional reserve is maintained so that unplanned proposals of particularly high merit can be funded if appropriate without drawing from investments.

Investment performance is reviewed regularly through discussions and meetings with the respective fund managers and investment criteria adjusted accordingly. No specific ethical criteria are applied.

The Trust continues to seek additional contributions from donations and legacies as appropriate. During the period of this report a substantial donation was received from a private individual with no requests or conditions associated with the donation.

The trustees are confident that a combination of intelligent budgeting and the availability of reserves will allow all commitments to be met.

5.2 Remuneration and expenses

None of the trustees or the Secretary received any remuneration. Like the Financial Administrator in previous years, the new Secretary is now also paid on a self-employed basis. Trustees, the Secretary and Administrator are entitled to claim out of pocket expenses that are directly associated with carrying out Trust business.

5.3 Accounts 2017-2018

The accounts for the year ending 31 March 2018 did not require that an audit be undertaken. Independent examiners have examined the accounts.

THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

The activities of the Trust resulted in a planned deficit with expenditure exceeding income by £25,572 for the year.

5.4 Income

Total income was £156,154, of which £152,404 related to dividends and interest on investments. The remainder related to a cash donation received.

5.5 Expenditure

Total expenditure was £181,726, of which £12,275 related to administration and governance. The balance of expenditure was for charitable purposes.

5.6 The Trust (Capital) Fund

Valuation of the combined investments at the year end was £4,593,191.

5.7 Net Current Assets

Net current assets stood at £146,779.

6. FUTURE PLANS

As agriculture is increasingly challenged to provide a reliable and sustainable supply of food, to contribute to the sourcing of non-fossil fuels and other raw materials within a global supply system and, as all forms of land use will be increasingly required to yield environmental benefits, the need for innovative engineering based solutions will mount. The UK government is responding to these challenges via the Agritech Strategy and it is expected that, as progress continues towards the implementation of this strategy, there will be opportunities for the Trust to engage with organisations involved in the strategy. Initial approaches have been made to representative organisations directly involved in implementing the strategy but to date opportunities for involvement by the Trust has been limited and engagement by the agricultural machinery sector in the UK continues to be difficult.

A substantial proportion of the Trust's funds for disbursement in the coming year have already been allocated to on-going projects. One new PhD project approved for funding in 2017-18 at Cranfield University is expected to commence in mid-2018. It is anticipated that support for travel and small projects will continue at similar levels to previous years. It is expected that the demand for supporting aspects of project work at a wider range of universities will continue to expand, following publicity generated by the Trust. These will be assessed for support in the established manner.

It is planned to continue the involvement with The Arkwright Engineering Scholarship Scheme by supporting two students starting per year such that the Trust will normally be supporting a total of four students at any one time. The Trust is working to establish links with the Agricultural Engineers Association such that experience can be offered to sponsored students in an appropriate environment and the indications now are that this can best be achieved by a programme of technical visits and discussions with company representatives.

The Trust continues to recognise that engagement with students at the undergraduate level generally represents good value for money and therefore activities directed at this sector such as the awarding of studentships, prizes and travel sponsorship for student groups will continue. This will involve as wide a range of academic establishments as is practical. A review of the prizes awarded by the

THE DOUGLAS BOMFORD TRUST
TRUSTEES' REPORT

Trust has been initiated and may result in some small changes to the sectors at which prizes are aimed.

The Trust will continue to strengthen links with other charitable organisations operating in the agri-food sector via membership of The AgriFood Charities Partnership (AFCP). This will aim at jointly supporting projects in the future and when appropriate to do so. The Trust plans to work closely with other charities in the eastern region through a sub-group of AFCP.

Trustees recognise that the relatively small levels of funding resource that arise from the Trust are increasingly significant in influencing and catalysing the regeneration of these resources. To this end they are constantly engaging with leaders of the manufacturing, technician and academic research sectors to inform them of the Trust's long term broad strategy for the allocation of funds.

7. ACKNOWLEDGEMENTS

The Chairman wishes, on behalf of the beneficiaries of the Trust and the family of the late Douglas Bomford, to record their appreciation of the generous contribution of time and skills made by individual trustees and the Secretary, without which the work of the Trust could not be successfully continued. The support given by the IAgrE through the provision of accommodation and generous access to administrative and general office facilities is gratefully acknowledged.

THE DOUGLAS BOMFORD TRUST
TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in January 2017) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The trustees also confirm that they have taken due regard to Charity Commission guidance on public benefit.

Approved by the trustees on 6th November 2018 and signed on its behalf by:

Dr Malcolm Crabtree
CHAIRMAN OF THE BOARD OF TRUSTEES
6th November 2018

THE DOUGLAS BOMFORD TRUST LIMITED
(LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Martin Matthews
for and on behalf of Landers Accountants Ltd
38 Market Square
Toddington
Dunstable
Bedfordshire
LU5 6BS

xx November 2018

THE DOUGLAS BOMFORD TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE)
YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Incoming resources			
Voluntary income			
Activities for generating funds			
Investment income	3	152,404	143,227
Donations	4	3,750	4,502
Total incoming resources		156,154	147,729
Resources expended			
Costs of generating income	5	25,122	23,179
Costs of charitable activities:			
Research programme		102,197	96,259
Travel scholarships		8,537	8,769
Studentships		7,625	6,625
Discretionary awards		13,500	1,440
Other awards and donations		12,470	9,000
Total value of grants	6	144,329	122,093
Costs of grant making:			
Governance costs	7	12,275	10,224
Total resources expended		181,726	155,496
Net incoming resources before other recognised gains and losses	9	(25,572)	(7,767)
Realised gains/(losses) on investment assets		72,088	89,297
Net (expenditure)/income for the year		46,516	81,530
Unrealised gains/(losses) on investment assets		(63,992)	539,820
Net movement in funds		(17,476)	621,350
Total funds brought forward		4,757,446	4,136,096
Total funds carried forward		4,739,970	4,757,446

**The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.
The notes on pages 14 to 21 form part of the financial statements**

THE DOUGLAS BOMFORD TRUST
(LIMITED BY GUARANTEE)
(COMPANY REGISTRATION NUMBER 06355202)
BALANCE SHEET
31 MARCH 2018

	Note	2018		2017	
		£	£	£	£
FIXED ASSETS					
Investments	10		4,593,191		4,604,558
CURRENT ASSETS					
Cash at bank and in hand		150,379		156,488	
CREDITORS					
Amounts falling due within one year	11	<u>(3,600)</u>		<u>(3,600)</u>	
Net current assets			<u>146,779</u>		<u>152,888</u>
Total assets less current liabilities			4,739,970		4,757,466
NET ASSETS					
Unrestricted funds					
General funds			3,741,666		3,695,385
Revaluation reserve			<u>998,304</u>		<u>1,062,061</u>
TOTAL FUNDS			<u>4,739,970</u>		<u>4,757,446</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

THE DOUGLAS BOMFORD TRUST
(LIMITED BY GUARANTEE)
(COMPANY REGISTRATION NUMBER 06355202)
BALANCE SHEET
31 MARCH 2018

The financial statements were approved and authorised for issue by the Board of Trustees on 7 November 2018 and signed on its behalf by:

.....
M Crabtree
Chairman

.....
A Plom
Secretary

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

1. COMPANY STATUS

The charity is a private company, limited by guarantee, registered in England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Its registered office is The Bullock Building (Building 53), University Way, Cranfield, Bedfordshire, MK43 0GH.

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the function currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 16.

Funds Structure

The charity has a single fund, created on the formation of the Douglas Bomford Trust, by the Bomford Family. The income of this trust is unrestricted, the terms of the fund allow the income to be accumulated and the capital to be spent if the trustees so determine.

SRI – Silsoe Research Institute

On the cessation of the SRI, the trust and the Institute formed an agreement where the certain assets were assigned and gifted to the trust. The objectives of the SRI were wider than the previous trust's objectives, no specific requirement was made for the monies or proceeds to be segregated from the remaining trust's capital, therefore monies received from this source have been included within the unrestricted fund.

Fixed assets

All fixed assets are initially recorded at cost. These are capitalised if they can be used for more than one year, and cost at least £500.

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in ‘net gains/(losses) on investments’ in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Current asset investments are short term liquid investments and are held at fair value. These consist of cash at bank and on deposit.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Recognition of incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way donations and is included in full in the Statement of Financial Activities when receivable.

Investment income is included when receivable.

Members’ subscriptions and fees received in advance are deferred to the period to which they relate.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Costs of generating funds comprise the costs incurred in managing the charity’s fixed asset investments.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent review fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a staff time basis.

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Gifts in kind

Gifts in kind for use by the charity are included in the SoFA as incoming resources when revaluing.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with performance conditions

Grants awarded are reviewed periodically and are subject to the condition of each grant demonstrating satisfactorily that they have progressed. As there is no condition outside of the trust, no liability has been accrued for subsequent years.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

3. INVESTMENT INCOME

	<u>2018</u>	<u>2017</u>
	£	£
Dividends & interest on investments	152,216	142,935
Interest on cash deposits	188	292
	<u>152,404</u>	<u>143,227</u>

4. INCOME FROM DONATIONS AND LEGACIES

	<u>2018</u>	<u>2017</u>
	£	£
Donations	<u>3,750</u>	<u>4,502</u>

Donations in both years consist entirely of cash amounts.

5. COSTS OF GENERATING INCOME

	<u>2018</u>	<u>2017</u>
	£	£
Costs of managing investments	<u>25,122</u>	<u>23,179</u>

6. TOTAL VALUE OF GRANTS

Purpose for which grants made	<u>Grants to</u>	<u>Grants to</u>	<u>Total</u>
	<u>individuals</u>	<u>institutions</u>	<u>amount</u>
	£	£	£
Research Programme	1,000	101,197	102,197
Travel Grants	2,597	5,940	8,537
Studentships	7,625	-	7,625
Discretionary Awards	3,500	10,000	13,500
Other Awards	1,350	11,120	12,470
	<u>16,072</u>	<u>128,257</u>	<u>144,329</u>

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

GRANTS MADE TO INSTITUTIONS

Names of Institutions	Purpose	Total amount of grants paid £
Harper Adams University	Postgraduate research	18,750
Cranfield University	Postgraduate research	25,405
University of Reading	Postgraduate research	10,000
Royal Agricultural University	Appointment support	22,500
Imperial College	Postgraduate research	7,000
Aberystwyth University	Project support	2,000
Liverpool John Moores University	Postgraduate research	7,278
University of Lincoln	Postgraduate research	2,325
University of Nottingham	Postgraduate research	2,714
Aston University	Desalination project	3,225
Royal Agricultural University	Staff member to attend Precision Farming event	890
University of Warwick	Staff member to attend EAAEPR event	1,000
Harper Adams University	Student attendance Agritechnica/Robotics event	4,050
Science Museum	Feeding tomorrow- Contemporary Agriculture	10,000
Cranfield University	Sponsorship of Circular Economy event	650
Arkwright Scholarship Trust	Student Sponsorship	4,200
IAgrE	Sponsorship of conference	300
AgriEPI Centre	Subscriptions	720
HAU	Student project at Big Bang/Robotics	550
Autoguide	IAgrE Young Engineer sponsorship	500
IAgrE	Support for student membership scheme	3,400
IAgrE	Commercial membership	500
AgriFood Charities Partnership	Membership subscription	300
Total Grants to Institutions		128,257

7. ANALYSIS OF GOVERNANCE COSTS

	<u>2018</u>	<u>2017</u>
	£	£
Marketing and publicity	379	1,320
General administration	8,128	5,157
Independent Examiners/Audit Fee	3,600	3,480
Officer travel	168	267
	12,275	10,224

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

8. STAFF COSTS AND EMOLUMENTS

The average number of employees during the year was Nil (2017 - Nil).

No salaries or wages have been paid to employees, including the members of the committee, during the year. The Trust Secretary was paid an Honorarium of £2,500 in relation to his services. The trust administrator is paid on a self employed basis.

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

9. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Independent Examiner's fee	3,600	3,600

Fees were inclusive of VAT.

10. ANALYSIS OF MOVEMENTS OF INVESTMENTS

	<u>Unit</u> <u>Trusts</u> <u>£</u>	<u>Investments</u> <u>Portfolios</u> <u>£</u>	<u>Total</u> <u>£</u>
Carrying value (market value) at beginning of year	2,105,211	2,499,347	4,604,558
Additions to investments at cost	-	1,018,867	1,018,867
Disposals at carrying value	-	(1,018,867)	(1,018,867)
Management fees deducted from portfolio	-	(25,122)	(25,122)
Income retained for reinvestment	-	5,659	5,659
Realised gains/(losses)	-	72,088	72,088
Unrealised gains/(losses)	<u>31,522</u>	<u>(95,514)</u>	<u>(63,992)</u>
Carrying value (market value) at end of year	<u>2,136,733</u>	<u>2,456,458</u>	<u>4,593,191</u>
Historic cost	<u>1,527,232</u>	<u>2,067,655</u>	<u>3,594,887</u>

Investments are held in the following categories at the year end

	Inside UK £	Outside UK £	Total £
Property funds	185,246	10,395	195,641
Listed equity shares	954,960	790,750	1,745,710
Unit trusts	912,385	1,224,348	2,136,733
Fixed interest securities	124,857	182,067	306,924
Cash	104,220	-	104,220
Other investments	<u>85,392</u>	<u>18,571</u>	<u>103,963</u>
	<u>2,367,060</u>	<u>2,226,131</u>	<u>4,593,191</u>

THE DOUGLAS BOMFORD TRUST
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The investments held within portfolios are divided between three main investment firms. The trustees consider there are no investments which are individually material to the portfolios performance.

11. CREDITORS AND ACCRUALS

	Amounts falling due within one year	
	2018	2017
	£	£
Accruals	3,600	3,600
Total	<u>3,600</u>	<u>3,600</u>

12. FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	2018	2017
	£	£
Measured at fair value through net income/expenditure:		
- Fixed asset listed investments (note 10)	4,593,191	4,604,558
Debt instruments measured at amortised cost:		
- Short term deposits	150,379	156,488
Total	<u>4,743,570</u>	<u>4,761,046</u>

The income, expenses, net gains, and net losses attributable to the charity's financial instruments are summarised as follows:

	2018	2017
	£	£
Income and expense		
Financial assets measured at fair value through net income/expenditure	127,094	119,756
Financial assets measured at amortised cost	188	292
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income/expenditure	8,096	629,117
Total	<u>135,378</u>	<u>749,165</u>

THE DOUGLAS BOMFORD TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018

13. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits from employment with the charity or a related entity (2017: £NIL).

Travel expenses in the year totaling £267 (2017: £871) were reimbursed to 2 (2017: 5) trustees.

Where institutions were connected to a trustee, the charity separated the approval process by requiring the other trustees to approve the projects.

14. MOVEMENT IN FUNDS

Unrestricted funds	At 1 April 2017	Incoming resources (inc gains)	Outgoing resources (inc losses)	Transfer	At 31 March 2018
Revaluation fund	1,062,061			(63,757)	998,304
General fund	<u>3,695,385</u>	<u>228,242</u>	<u>(245,718)</u>	<u>63,757</u>	<u>3,741,666</u>
Total unrestricted funds	<u>4,757,446</u>	<u>228,242</u>	<u>(245,718)</u>	<u>-</u>	<u>4,739,970</u>

Designated funds

The revaluation reserve fund is required by the Companies Act 2006 and represents the amount by which the market value of investments exceed their historical cost.

15. FORWARD COMMITMENTS

The Trust has committed to supporting a lecturer post (The Douglas Bomford Trust Lecturer in Agricultural Engineering) at the Royal Agricultural University to a total of £25,000 over the next two years. £22,500 has been paid during the current year to support this activity.

The Trust has also committed to funding ten ongoing research projects ending within the next three years, with the amounts committed summarised in the table below.

	Research Projects	RAU Lecturer
Within 1 year:	£93,030	£20,000
Between 1 and 2 years:	£71,780	£5,000
Between 2 and 3 years:	<u>£43,380</u>	<u> </u>
	<u>£208,190</u>	<u>£25,000</u>

These grants are subject to performance related conditions, with biannual reviews, and will therefore be recognized in the SoFA once the conditions have been met. These commitments will be funded out of investment income.

16. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by the Board of Trustees. Collectively these form the ultimate controlling party.