
THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

Annual report and financial statements

for the year ended

31 March 2015

Company number 04429778

Charity number 1095919



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ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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CONSTITUTION

The Farming Community Network (formerly Farm Crisis Network) ("FCN") is a company limited by guarantee and a registered charity governed by its memorandum and articles of association dated 2 May 2002. In the event of the organisation being wound up each trustee agrees to contribute £1 towards the costs of dissolution. The company is also registered with the Charity Commission for England & Wales. Charity number 1095919. Company number 04429778.

DIRECTORS

The directors of the charitable company are its trustees for the purposes of charity law. The directors serving during the year and since the year end were as follows:

G Dunn (Chairman)
B C Warren (Vice Chairman)
P Talbot (Treasurer) (retired 16 October 2014)
The Rt Revd D Allister
The Revd Canon B Clutton (appointed 16 April 2014)
Dr E J B Hall
The Revd G Jones (retired 16 October 2014)
D F Kirby
G Lilley (appointed 22 January 2015)
D Lodder (appointed 22 January 2015)
J C A Marshall
The Revd Canon L Morley
J D Turnbull

SECRETARY

C W Smith

REGISTERED OFFICE AND OPERATIONAL ADDRESS

Manor Farm
West Haddon
Northamptonshire
NN6 7AQ

AUDITORS

Guest Wilson Chartered Accountants
8 Wolverton Road
Snitterfield
Stratford upon Avon
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CV37 0HB

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STATEMENT OF PUBLIC BENEFIT

“**The Objects of the Charity** are the advancement of the Christian religion and the relief of need hardship and distress in particular by supporting and advising people living and working in the agricultural horticultural and related communities through periods of anxiety, stress and related problems”

All services are made available to those in need from all faiths and none in a non-judgemental, non-proselytising but supportive way.

Public Benefits

1. **National Helpline:** The national confidential helpline is open from 7 am to 11 pm every day of the year, staffed by a team of volunteers. Talking with someone who understands farming but is not directly involved in the situation can be a real support in itself, but when appropriate, callers are offered a visit from an FCN volunteer by referral through the co-ordinator local to the caller
2. **Volunteers:** Around 350 volunteers who are ‘in sympathy’ with the Christian ethos, suitably experienced and in-touch with rural and farming issues, are recruited, DBS checked and appropriately trained to ‘walk with’ farmers and their families through times of stress and personal difficulty. Referrals to individual volunteers are made through the local FCN County Co-ordinator who is also responsible for the co-ordination and training of volunteers within their Group and liaison with their Regional Director and Head Office for all administrative and policy issues.
3. **Christian ethos:** The Charity has a clear Christian ethos which is inherent within its foundation, board of trustees and charitable objects, which is reflected in its published Vision and Ethos Statements, whilst sustaining the principle that all services are made available to those in need from all faiths and none in a non-judgemental, non-proselytising but supportive way.
4. **Partnerships:**
 - To ensure national coverage, and to respect the territories of other independent farming and rural support services, FCN has ‘memoranda of understanding’ with those organisations that facilitate cross referrals of clients, access to the FCN Helpline, sharing of expertise and experience and consortia bidding from national funding sources
 - ‘Farming Help’ has been established and underpinned with a ‘memorandum of understanding’ between the FCN, Royal Agricultural Benevolent Institution (RABI) and the Addington Fund, to ensure that the specialist remits of each charity are fully recognised, cross referrals can flow easily, joint funding proposals to national bodies can be co-ordinated and clients are exposed to a seamless service of support.
5. **Uptake:**

The demand for FCN’s services fluctuates with the level of causal factors within the industry, so that through a national crisis such as the foot and mouth epidemic in 2001, the scale can be almost overwhelming. However the nature of farming is such that even when the industry is operating under ‘normal’ conditions, individual businesses and families will experience periods of significant stress because of circumstances specific to the family or business so that a steady demand on FCN volunteers to manage between 1,500 and 2,500 cases per year is typical.

Further statistical details of uptake, nature of the difficulty and routes of referral are available on the charities website as below.

Details of FCN’s services, operations and policies are available on the website at:

www.fcn.org.uk

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DIRECTORS' REPORT

The directors, who are also the trustees, present their report and accounts for the year ended 31 March 2015.

LEGAL AND ADMINISTRATIVE INFORMATION

The Farming Community Network (formerly Farm Crisis Network) is a company limited by guarantee and a registered charity governed by its memorandum and articles of association dated 8 May 2013. In the event of the organisation being wound up each trustee agrees to contribute £1 towards the costs of dissolution. The company is also registered with the Charity Commission for England & Wales.

OBJECTIVES AND ACTIVITIES

The company limited by guarantee now known as The Farming Community Network took over the assets and activities on 1 June 2002 of the unincorporated charity Farm Crisis Network which was founded in 1995 by the Arthur Rank Centre and Agricultural Christian Fellowship.

The Memorandum of Association states:

“The objects of the charity are the advancement of the Christian religion and the relief of need, hardship and distress, in particular by supporting people living and working in the agricultural, horticultural and related communities through periods of anxiety, stress and related problems.”

The activities of FCN are available to all in the agricultural and related spheres of life providing the following services:

- Pastoral and practical support, care and listening to people in crisis (by phone, face to face or through the internet)
- Information and networking service to people, primarily through on-farm visiting with a holistic approach to both farm household and business
- Advocacy on behalf of such people (e.g. for tenant farmers in discussion with landlords' agents or for farmers in discussion with banks, creditors or regulatory agencies)

APPOINTMENT OF DIRECTORS

The Articles of Association were amended by Special Resolution on 4th October 2009 to allow an increase in the maximum number of directors to 12, to extend the maximum length of continuous service to 12 years and to delete and remove any age limits to holding directorships. Two of the directors should be nominated by the Agricultural Christian Fellowship and 2 nominated by the Arthur Rank Centre. One third of the Board of Directors should retire at each Annual General Meeting.

DIRECTOR INDUCTION AND TRAINING

New directors are briefed as to their legal obligations under charity and company law and are presented with copies of the Memorandum and Articles of Association as well as FCN policy documents which have been approved by the Board. The induction process involves meeting the national staff and other directors. Directors are encouraged to attend training events within FCN, meet case workers and attend appropriate external courses.

ORGANISATION

The Board of Directors meets quarterly to administer the charity and receive reports on finance, activities and fundraising. Other items are reported as necessary. Day to day management of FCN is delegated by the Board to the Chief Executive.

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RELATED PARTIES

FCN has no related parties; however close working relationships are maintained with the Arthur Rank Centre and the Agricultural Christian Fellowship. Two directors are nominated by each of these organisations to represent ACF and ARC on the Board of FCN.

RISK MANAGEMENT

The Board has undertaken a review of risk and the identified causes have been categorised as relating to:

- People
- Property & finance
- Reputation

The review of risks has led to the implementation of policies aimed at lowering the risks to which FCN is exposed as well as designated procedures should an incident occur. The Risk Management policy document is reviewed regularly and updated to ensure it is as up to date as possible.

ACHIEVEMENTS AND PERFORMANCE

Although it is now 2 years since FCN became “The Farming Community Network”, the changes enabled by that simple alteration to our name continue to yield significant benefits. Whilst FCN has, for many years, been well respected for its caring and compassionate support of any farmer in need, there is now a tangible feeling that FCN is truly an integral part of the farming community, with other stakeholders actively seeking to support us directly, thereby becoming part of our support network. This positive reaction is a strong endorsement of that decision.

Notwithstanding the on-going high demand for traditional FCN support as the “go-to” support organisation for our farming friends, this added engagement has aided the strategic development of FCN, helping us to grow in size and in reach. We continue to develop new activities designed to make the organisation more accessible to those in need whilst also providing practical and innovative initiatives to help farming families climb out of the cycle of decline in which many find themselves.

As part of this outreach activity we have increased our engagement in the following areas:

1. **Business Change Programme (BCP)** - One notable success was the running of a pilot for our Business Change Programme (BCP) which was made possible by a grant from the Prince’s Countryside Fund (PCF). Essentially, the BCP combines the services of a professional business consultant with the long-term support of an FCN Volunteer Mentor. Having identified a farming family which could benefit from our help, the FCN Volunteer gains an understanding of the family situation, relationships, management responsibilities, skills and aspirations before engaging a business advisor to recommend some options for the family to consider. These may include improving existing activities, adopting new enterprises, considering the addition of non-farming activities or in extreme cases, leaving farming altogether. Once a plan has been agreed, the FCN Volunteer will help the family to break it down into manageable objectives, providing mentoring support along the way, whilst also providing pastoral support to the family as the changes are implemented. It is hoped that this high level of close support will lead to a more successful implementation of the consultant’s recommendations, whilst helping the family deal with the inevitable emotional impact that change often brings.

Whilst there is nothing revolutionary about each of the constituent components, the combination has proved to be very successful, with participants enjoying a new lease of life for their farming businesses. It would appear that the key factor is having the FCN Mentor involved at all stages to ensure that business and personal issues are kept in balance and that change is managed at a pace which suits the whole farming family. Before the end of this financial period, the PCF most generously granted further funding to enable the scheme to be offered to 12 farming families in Somerset. Such is the success of this programme that, subject to funding, we hope to expand its availability across all England and Wales.

2. **Market Chaplaincy** – many FCN county groups are now present at livestock markets on a regular basis. Their involvement has resulted in a number of “significant” conversations and has proved to be a great comfort for many.

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3. **YFC** – Our engagement with YFC clubs both locally and nationally has deepened greatly. Initially as part of the NYFC “Rural +” campaign to support young people with mental well-being issues, the relationship is growing rapidly, giving us access to a sector of the farming community which was previously difficult for us to reach.
4. **Commercial Organisations** – increasingly we are being approached by companies whose staff are in regular contact with farmers. By giving them the opportunity to refer farmers to FCN when they suspect help may be needed, it has helped them learn how to approach difficult subjects thereby reducing their stress.
5. **Health** – We have had a particular focus this year on encouraging farmers to take their health more seriously. Thanks to a generous donation from a private Trust fund, we were able to distribute several thousand copies of the Haynes Fit for Farming book – A Men’s Health Workshop Manual. Such has been the success of this initiative that we hope to repeat it this coming year. We have also been instrumental in encouraging the farming press to write about mental well-being issues in an effort to reduce the stigma attached to talking about mental health. We are convinced that this work has been at least in some part responsible for the growing number of individuals approaching us who are concerned about their own mental health issues.
6. **bTB support** – partially funded by DEFRA, our programme to support farmers with herd breakdowns is increasingly busy. Sadly we are seeing a significant rise in cases as the disease appears to be moving rapidly from the endemic regions through the so called edge areas, where many farming families are dealing with this disease for the first time. The impact can be extremely traumatic, so FCN’s ability to combine emotional and practical support is very much appreciated.
7. **Stronger, more consistent branding** – The FCN staff team have worked very hard to consolidate and improve our promotional resources. Having a strong, recognisable image is increasingly important, both for those seeking our help and for those who are considering giving us their support. It may seem inconsequential to some, but having a professional image is certainly raising confidence in FCN from all parties. Our higher profile is also attracting Volunteers to FCN in ever greater numbers. At the end of this period, we had 380 Volunteers on our register.

It continues to be the case that FCN enjoys significant support from institutional stakeholders and Government Agencies. Despite the organisational turmoil caused by their regular re-structuring, we have worked very hard to maintain efficient lines of communication and we remain well connected with these organisations. Links with the DEFRA TB unit, the Animal and Plant Health Agency (APHA) and the Rural Payments Agency (RPA) continue to strengthen. The resultant close national and local cooperation with these groups has yielded significant benefits in terms of the service we can provide to farmers. We believe that this has contributed significantly to both FCN’s effectiveness and to those organisations better understanding of the plight of the farming community. We are regularly consulted by DEFRA, the RPA, and the Welsh Assembly and have been co-opted onto the Farm Animal Welfare Council whilst they investigate the links between farm animal welfare and farmer welfare. These continue to be encouraging signs that a broad network with FCN acting as the catalyst for mutual support within the farming community, is taking on an increasingly significant role.

The evolving regional and county group structure continues to bear fruit, supporting as it does, group development which is key to advancing the professionalism of FCN whilst still maintaining the essential pastoral nature of our network.

The accomplishments of FCN have once again been remarkable. As usual, the real achievements relate to the tireless work done by our wonderful Volunteers who staff the national helpline, manage casework and support the county groups. The main strength and mission of the organisation continues to be the practical and pastoral assistance given several thousand individuals every year. All other FCN activities are undertaken in order to support, resource and facilitate that mission or to help reduce the likelihood of issues undermining the long term viability of farming businesses. The achievement of Volunteers is particularly striking given the ever-increasing complexity of cases and the consequent increased demands on Volunteer time and expertise.

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This year Volunteers have donated a staggering 16,810 hours of their time to a value of £168,106 plus a further £5,403 of donated expenses incurred in the course of their work. It is felt that there is still a significant shortfall in reported Volunteer hours as a result of reluctance on the part of some Volunteers to report donated time and expenses. Additionally, the time for which some FCN paid Volunteers claimed during the year was 4,863 hours, meaning that Volunteers dedicated a staggering 21,673 hours to helping farming families in difficulty. It is important to stress the critical value of detailed reporting by all Volunteers to ensure that the true value and demand for our work is recorded.

CONTEXT

We started this financial year having witnessed a period of devastating floods along the Thames Valley and in particular on the Somerset Levels. Many of the farming families affected by the flooding were still coming to terms with what they had experienced and were in the process of re-building their lives and businesses. In the depths of the crisis there had been a massive outpouring of sympathy from the farming community and the general public but now it was time to plan for the future, erecting new fences and gates and cultivating and re-seeding pasture. Farm buildings and homes alike had suffered terrible damage and were slowly being made habitable once more. FCN Volunteers who were by now well known to those families, continued to walk with those in need and help with the recovery process. It was a testament to the individuals involved that so much had been achieved through the close collaboration of a number of organisations working in close harmony. Thankfully, once the floods receded, the weather improved and the country enjoyed better weather for the coming harvest.

Yields were reasonable but sadly commodity prices remained depressed, preventing any significant recovery from the ills of previous years. Once again farmers had to invest their hope in a future recovery of their fortunes. This did nothing to alleviate growing levels of debt, a factor which was already of great concern to FCN and is, in many cases, considered to be unsustainable. With rising numbers of farming families experiencing financial difficulties and facing the effects of prolonged stress, physical and mental exhaustion, FCN continued to be of great comfort to many hundreds of farming families. Over the winter, FCN Volunteers organised a series of farmers' suppers to allow those impacted by the floods in Somerset to share experiences and take some time-out from the daily grind. They proved to be extremely popular and will be repeated next year.

Whilst the long term prospects for farming remain positive, poverty continues to have a significant impact on FCN caseload. The real decline in farm incomes in the livestock and tenanted sectors and the increasing difficulty of keeping small and medium sized family farms financially sustainable has made its mark yet again this year. The globalisation of agriculture in recent decades resulting in the trading of key elements on the commodities and futures markets, together with a continued imbalance in supply chain power towards the buyer, means that both costs and prices are subject to global fluctuation. This makes local business planning and cash-flow management extremely difficult for many smaller farm businesses.

Compliance with EU and UK regulations, while in principle good for British agriculture, is another significant concern. In addition to the increasing burden of bureaucracy and the intrusive and punitive inspection regime, much new regulation requires substantial investment from which there is literally no return. For many this means increased borrowing to cover the costs. For others, simply complying with existing regulations can be problematic. For older farmers, those who are under significant stress because of other issues and those suffering bereavement, possibly the loss of a partner responsible for managing the farm's paperwork, the result can be yet more stress, sometimes bringing them to the brink of despair.

FCN's strong relationship with the RPA and BCMS continues to prove to be extremely constructive. Thanks to our equitable approach to dealing with our clients' difficulties, FCN has a strong influence with the RPA and works closely with them to alleviate problems encountered in individual cases, to improve processes and to reduce imposed stress and injustice in the system wherever we can. We are working particularly closely on the roll out of the new Basic Payment Scheme (BPS) which is intended to be "digital only". FCN, along with others has encouraged the RPA to provide an assisted digital option to support those farmers who, for whatever reason, will not be able to apply for BPS on-line. FCN will be working closely with the RPA to ensure that this is offered to all those in need of help. In addition, many of the changes brought in by the CAP reform were unclear with precise confirmation coming very late, further adding to the stress levels on farm. Worryingly the early signs during the initial introduction of the new registration and application process were not good. Up to the end of this financial period, FCN Volunteers were heavily involved in helping farmers register for the new system. However, it has to be said that throughout these difficulties, RPA staff acquitted themselves admirably and were extremely helpful in trying to resolve the issues faced by farmers.

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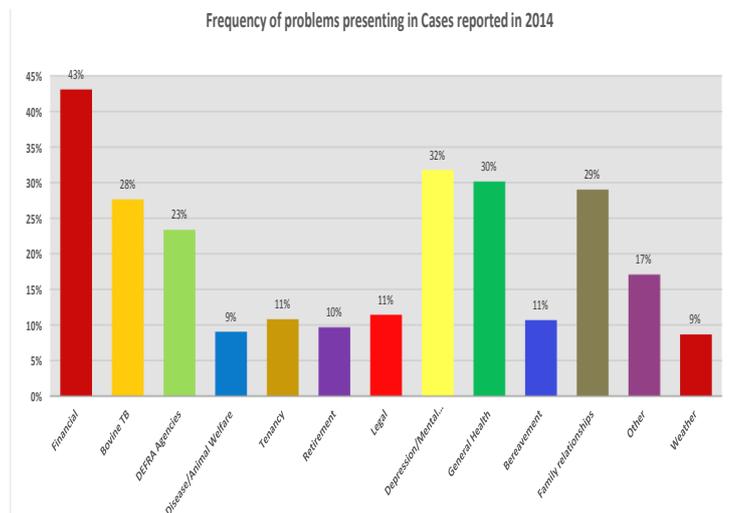
As mentioned above, bovine TB is a rapidly increasing problem, spreading out from the well-known endemic areas. It is estimated that in hotspots three out of four of FCN cases have a TB component in the mix. FCN's support package for TB affected farms continues to yield significant dividends for those who call upon us for support, particularly in the "edge" areas where some are experiencing breakdowns for the first time.

The largest single factor in FCN's caseload continues to be severe indebtedness and major financial problems. This affects farms across the board but particularly in the tenanted livestock sector where problems are most acute in the uplands. To compensate for the lack of an industry wide solution to the provision of farm financial advice to those who cannot afford to access it elsewhere, FCN has strengthened its Business Support Group (BSG), to provide basic financial expertise to support Volunteers engaged in such casework. In addition to this reactive service, we are working on an initiative to provide "mentored business support", as described above, to actively help develop small farming businesses thereby helping to reduce their long term dependence on charitable support.

Overall, the year has been unremarkable. Though the caseload has been consistently at a reasonably high level, there were no significant events to escalate demand. Whilst this is to be welcomed, it did have a negative impact on the in-flow of funding which was much reduced from the previous year. More details regarding funding are contained later in this report.

WORKLOAD

The graph on the right illustrates the most common issues encountered in FCN casework in 2014. Interestingly, even though debt in farming is reputedly at an all-time high, the incidence of financial issues in FCN casework fell from 67% last year to 43% in 2014. Two explanations are possible: The first is that being a year without major crisis, some of the triggers which frequently precipitate financial difficulties were absent and secondly, as farming families become more open about discussing other issues impacting on their lives, the need to focus in on their financial difficulties at first point of contact reduces. Having said that, the general feeling amongst FCN Volunteers is that casework is becoming ever more complex and where there are financial difficulties, they are often very serious.



Compliance, regulation and relationships with Government Agencies, which have for many years featured highly in casework, were found in just over 23% of cases, continuing the downward trend of recent years. Depression, mental health, bereavement and tenancy were found more frequently than last year as presenting issues in casework. Casework relating to poor physical health was up from 23% in 2013 to 30% in 2014 and somewhat of a concern, requests for support with bTB breakdowns was up from 20% in 2013 to 28% in 2014. Please note that most cases involve more than one problem.

In 2014 FCN it was reported by Volunteers that they had dealt with 878 cases involving around 1,900 individuals. This continues to be at odds with anecdotal evidence of casework activity which appeared to be much higher. Whilst our data gives a good description of the nature of the issues faced by farming families, it greatly underestimates the quantity of work carried out by our Volunteers who seem stubbornly reluctant to take credit for the tremendous amount of time they devote to helping farming families. We believe that the real figure could be at least double that for which we have formal reports.

During the calendar year 2014, it was reported that 56% of casework came from the Helpline with a small but growing number contacting FCN via our e-Helpline service. This is evidence of the high proportion of people approaching FCN for the first time and re-affirms the importance of having a well-resourced helpline organisation. Direct contact with local FCN groups occurred in 14% of cases which demonstrates the strong links the groups have within their local farming community. Other contacts come from organisations with which FCN has developed increasingly good relationships. Overall, this highlights the vital importance of building and maintaining good local and national contacts and awareness by other agencies. It also highlights the importance of delivering core services to a consistent quality across a broad geographic area.

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Encouragingly the Farming Help Charities continue to refer clients to us and we see continuity in the number of referrals from DEFRA agencies both locally and nationally. This is particularly encouraging and vindicates the work that has gone into building relationships with these organisations and helping them to understand the issues faced by farming families. Other organisations which refer to FCN include the Farming Unions, solicitors, vets and Churches.

Whilst we are confident in the quality of casework data submitted by Volunteers, we are conscious of the burden which filing reports places on them and are aware that the volume of casework is grossly under-reported. In an effort to make casework, donated time and expense reporting less onerous, we are developing an integrated and interactive on-line system which Volunteers will in future access through our intranet site. A comprehensive yet intuitive system has thus far proved elusive but work continues in search of a more "Volunteer friendly" system.

FINANCIAL REVIEW

Income for the year 2014/15 was down considerably over the previous year for two reasons:

1. The most significant was the lack of a "national crisis" as mentioned above, which greatly reduced donations from the general public and grants to support the emergency issues faced the previous year were not forthcoming in what proved to be a rather "normal" year.
2. Some of the income in 2013/14 was advance support of future projects.

Having grown cash reserves over the past three years to an all-time high, the management team, supported by the Board, made the decision to invest some of that surplus in the development of the organisation. Details of those changes were highlighted above and include a modest but very effective increase in staffing. These changes were already having a very positive impact before the end of this period under review.

The result of the aforementioned reduction in income together with this rise in expenditure, is that we finished the year with a deficit of £24,481. This produced a closing cash balance of £554,705 which could, in the remote possibility of a complete failure of incoming funding, potentially maintain FCN in operation for more than one year, a significantly stronger position than was experienced during much of FCN's history. Though some of that surplus is allocated to restricted funding and to designated projects, we have a policy of protecting core activities to ensure that FCN can continue to provide support, even if project funding is not forthcoming.

We continue to be grateful for the enormous generosity of our Volunteers which has contributed enormously to the control of costs. During the year, some further progress was made towards having a greater focus on the local management of costs and fundraising. This is a significant change from past practice and requires groups, with the support of their Regional Director, to engage with the budget planning process.

The second three-year funding agreement with DEFRA for our TB business support project is closing at the end of this period. Though Government spending is reducing, it is hoped that another tranche will be agreed since it represents excellent value for money in an area of extreme need. Though negotiations on a new agreement were delayed by the elections, an interim grant of six months funding was approved. As an extension to the funding already received for network development in Wales, we are in discussion with the Welsh Government about the funding of our involvement in their Cymorth TB program, designed to provide a comprehensive support package involving Official Vets, Veterinary Service Providers and FCN.

This year has proved to us, if proof were needed, that even when farming is not in the headlines, farmers and their families have occasion to call on our support. It is therefore essential that we continue to develop a funding and structural model which is less dependent on reactive publicity. Whilst progress is still being made to stabilise FCN's funding position, there is still much to do on two fronts:

- Increased financial sustainability can only be achieved by reducing FCN's reliance on a few large sources of funding. Creating a much wider spread of funding streams from private individuals, Churches, Corporate bodies and local fundraising is key to strengthening our long term position.

and

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- If FCN is to continue to remain relevant and supportive of the whole farming community, there needs to be a significant increase in spending on the training and development of the whole organisation, particularly at county level. Only then can it be considered to be organisationally sustainable.

FCN continues to provide exceptional value for money - the cost of running 33 counties with a central office function is around a third of the cost per county of any comparable 'non-FCN' group functioning and fundraising at a single county level. Notwithstanding this as is normal for any small charity, fundraising remains a daily occupation.

A. Fundraising

We have continued our Trust application activity with applications this year to a large number of Trusts and grant awarding bodies. This is a labour intensive exercise and smaller Trusts typically make a decision only once or twice a year making resultant income very sporadic and in some cases, somewhat out of proportion to the effort expended. We are very grateful to the FCN county groups who have supported this activity with applications to their locally based Trusts, which has yielded some notable donations. Whilst it is important to pursue Trust income, it is expedient not to place too much dependence on this time consuming activity at present.

FCN is very grateful for the support of regular donors, both individuals and Churches. Work on updating and adding further contacts to our donor database occurs more regularly now that we have a part-time Database Administrator. Numbers of contacts are growing steadily year on year.

Gift Aid receipts are proportionately comparable to last year but much still needs to be done to encourage more donors to complete the necessary Gift Aid declarations.

We are well aware of the importance of having an active media presence including social media to encourage donations. However, managing an active social media campaign is extremely time-consuming. We have attempted to engage a group of Volunteers to share this responsibility but have thus far been largely unsuccessful. Having said that, we are still growing our presence in this media with some success.

Our search for Corporate sponsorship continues and encouragingly we have had an increasing level of interest from the industry. Cash donations and donations in kind are growing in number for which we are very grateful. Often these leverage further fundraising activities by staff groups. Some of the main High Street banks sponsor events and match fund our own fundraising efforts which helps greatly. We are also very encouraged by the continued support of Agrii. Not only do they donate funds but they also encourage their staff to become actively involved in helping us to support the farming community. FCN is becoming much better at asking for this type of support and as we build further relationships and friendships with local and national bodies, this will become an increasingly important part of our funding. Even though donations in kind or indirect donations do not show in the accounts, corporate involvement with FCN contributes significantly to controlling our costs and improving our ability to support farmers and their families.

Nationally FCN continues to impress upon local Volunteer groups the importance of local fundraising and we are seeing considerable efforts and improved results in some county groups. This will be grown and further developed in the coming years. There has been some very successful local fundraising but some Volunteers still do not regard fundraising as part of their remit. However we look forward to continued improvement in this respect as we recruit new Volunteers with an interest in this area. Continued emphasis will be put on this activity since it also creates closer links with those whom we seek to help.

The FCN legacy scheme and brochure is now available. By its very nature, this is a long-term potential source of funding. Whilst we have had some interest in this scheme and benefitted this year from one legacy, much still needs to be done to publicise this funding option.

B. Reserves Policy

The process of calculating the level of reserves needed by FCN is designed to identify and protect funds for all legal, financial and moral agreements already current, including funds held for restricted purposes and families already being supported by FCN. In the event that the Trustees are concerned that these commitments cannot be met, the reserves policy stipulates that the organisation can enter a period of reduced activity until the situation is rectified. In the unlikely event that the position cannot be rectified then this reduced activity period would become

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a controlled withdrawal with sufficient funds in hand to cover the cost of ceasing its activities completely if necessary. The Trustees seek to maintain a prudent level of unrestricted reserves to enable six months of expenditure to be financed.

LOOKING AHEAD

Over recent years, considerable progress has been made to improve FCN's financial situation. However, this year has demonstrated that without headline grabbing crises, the in-flow of funding can reduce significantly. Sadly, such is the state of British farming that even in "normal" non-crisis years, there are many hundreds of farming families facing their own personal crises with which they need help. So the challenge for FCN is to continue to broaden our funding base to ensure our long term sustainability. As mentioned above, given our improved reserves position, the Board of Trustees has approved the commitment to invest in resources and people to develop the profile and professionalism of FCN in order to improve our service to the farming community, broaden our reach and develop new funding streams. We have already embarked on some of that work, namely:

- The introduction of a new Helpline Services structure to include an up-to-date call handling system, a growing e-Helpline service and ultimately a text based Helpline
- Revised promotional material to improve our presence at shows and other public events
- A range of branded products to raise awareness of FCN
- A revised literature range with items specifically targeted at either those seeking help or those wishing to support our work
- Improved communication with our Volunteers via an in-house electronic newsletter – "The Broadcaster"
- We are planning the development of a comprehensive training programme to give our Volunteers even greater skills and the confidence to deal with evermore complex cases
- We are appointing county group specialists for key subjects such as bTB, finance and mental well-being to act as a casework resource for other county Volunteers
- We plan to embark upon a complete review of our fundraising strategy to allow us to focus our limited resources on the key areas of potential funding

FCN is entering a very exciting period of development. The growing recognition of the value of our work together with our expanding involvement in every area of the farming community presents the opportunity for FCN to support more farming families every year with an ever wider range of initiatives. The opportunity is there but we can only engage with it given the continued loyalty and generosity of our supporters and with the tremendous dedication of our Volunteers.

The strategic plan is well in hand and improvements will continue to be made in the areas of service delivery, professionalism of the operation and Volunteer support and training. We hope to see continued returns from fundraising initiatives and part of this, as mentioned above, is a sustained drive for more frequent / better publicity and ever-stronger relationships with organisations within and without the farming community.

FCN has great strength in depth thanks to its wonderful Volunteers, dedicated Trustees, an enthusiastic and hardworking staff team and a network of generous supporters. It is well respected for its work and is often consulted by those who care deeply about the future of the British Farming Community. Improved financial stability will ensure that this valuable service can remain available for as long as our support is sought by those in need.

THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

The Directors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period. In preparing those accounts the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2006 and other applicable law and regulations. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the Directors on 7 September 2015.

C W Smith
Secretary

INDEPENDENT AUDITOR'S REPORT to the members of The Farming Community Network

We have audited the financial statements of The Farming Community Network for the year ended 31 March 2015 on pages 14 to 20, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the company's members as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 12 the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 15 to the financial statements.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the company financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

NEIL WILSON (SENIOR STATUTORY AUDITOR)
FOR AND BEHALF OF GUEST WILSON LIMITED, STATUTORY AUDITOR
8 Wolverton Road, Snitterfield, Stratford upon Avon, CV37 0HB
7 September 2015

THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2015

	Notes	General Unrestricted funds £	Designated Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	231,800	-	168,476	400,276	580,405
Activities for generating funds		48,858	-	3,520	52,378	53,213
Investment income		6,888	-	-	6,888	5,450
Total incoming resources		287,546	-	171,996	459,542	639,068
RESOURCES EXPENDED						
Cost of generating funds	5	18,390	-	-	18,390	23,435
Charitable activities		192,946	-	166,975	359,921	338,628
Governance		105,712	-	-	105,712	94,334
Total resources expended		317,048	-	166,975	484,023	456,397
Net (outgoing)/incoming resources		(29,502)	-	5,021	(24,481)	182,671
Net transfers between funds		18,500	(18,500)	-	-	-
NET MOVEMENT IN FUNDS		(11,002)	(18,500)	5,021	(24,481)	182,671
Fund balances brought forward	14	392,620	101,500	85,066	579,186	396,515
FUND BALANCES CARRIED FORWARD	14	£ 381,618	£ 83,000	£ 90,087	£ 554,705	£ 579,186

THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

as at 31 March 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	9	18,114	8,368
CURRENT ASSETS			
Debtors	10	21,821	50,808
Bank and cash balances		571,522	636,351
		593,343	687,159
CREDITORS: amounts falling due within one year	11	(56,752)	(83,008)
NET CURRENT ASSETS		536,591	604,151
TOTAL ASSETS LESS CURRENT LIABILITIES		554,705	612,519
CREDITORS: amounts falling due after more than one year	12	-	(33,333)
		£ 554,705	£ 579,186
INCOME FUNDS			
Unrestricted funds			
General	14	381,618	392,620
Designated	14	83,000	101,500
Restricted funds	14	90,087	85,066
		£ 554,705	£ 579,186

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Directors on 7 September 2015 and signed on their behalf by:

G Dunn
Director

THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2015

1 ACCOUNTING POLICIES

The Charity does not seek to make a profit, nor can its achievements be measured by normal commercial criteria. In order that a true and fair view should be given in these financial statements the Trustees have set out on page 13 a statement of financial activities which shows the results for the year. In the opinion of the Trustees the format adopted provides sufficient clarity on the nature of the Trust's activities and discloses the required information relating thereto.

Accounting convention

The accounts are prepared under the historical cost convention as modified to include the revaluation of investments. The financial statements comply with financial reporting standards, statements of standard accounting practice and with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005 as well as the Companies Act 2006 and the Charities Act 2006.

Funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Incoming resources

Incoming resources are included in the Statement of Financial Activities when receivable and when the amount can be quantified with reasonable accuracy. The value of unpaid voluntary services provided by individuals has not been included.

Resources expended

Resources expended are recognised in the period in which they are incurred under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with use of the resources. Resources expended include attributable VAT which cannot be recovered.

Taxation

FCN is a registered charity and is not subject to taxation on its income so long as this is used for its charitable activities.

Fixed assets and depreciation

All fixed assets are initially recorded at cost. Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Office equipment - 3 years straight line

2 INCOMING RESOURCES FROM GENERATED FUNDS	General Unrestricted £	Restricted £	2015 £	2014 £
Voluntary income				
From churches	70,139	4,181	74,320	77,619
From individuals and other organisations	107,264	9,447	116,711	166,948
Gift aid tax refunded	13,905	-	13,905	21,374
Grants received (see note 3)	40,492	154,848	195,340	314,464
	231,800	168,476	400,276	580,405

THE FARMING COMMUNITY NETWORK

(A COMPANY LIMITED BY GUARANTEE)

3 GRANTS RECEIVED IN FURTHERANCE OF THE CHARITY'S OBJECTS

	General Unrestricted £	Restricted £	2015 £	2014 £
DEFRA and Regional Development Agencies	-	75,000	75,000	75,000
Welsh Assembly	-	33,333	33,333	33,333
Princes Countryside Fund	-	30,215	30,215	134,396
John Ellerman Foundation	-	15,000	15,000	-
NFU Mutual Charitable Trust	10,000	-	10,000	17,178
Farming Help Appeal	8,333	-	8,333	-
Disability Aid Fund (Roger & Jean Jefcoate Trust)	5,000	-	5,000	-
The Paget Charitable Trust	5,000	-	5,000	-
Dairy Crest	1,537	-	1,537	-
Kirklees Council	-	1,200	1,200	-
Courtyard Agriculture	1,000	-	1,000	-
Lord Clinton's Charity	1,000	-	1,000	-
Mitchell Earle Charitable Trust	1,000	-	1,000	-
Land Surveyors Club Charity	1,000	-	1,000	-
Massock Arable (UK) Ltd	812	-	812	15,000
Wrigleys Solicitors	600	-	600	580
Hambleton District Council	550	-	550	-
The Hanley Trust	500	-	500	-
St Judes Trust	500	-	500	-
Sembrador Charitable Trust	500	-	500	-
The Aylesford Family Chritable Trust	500	-	500	-
Forest Hill Charitable Trust	500	-	500	-
Ian Askew Charitable Trust	500	-	500	-
Fairfield Charitable Trust	-	-	-	10,000
Duchy of Lancaster Benevolent Fund	-	-	-	6,667
Edward Billington & Son	-	-	-	5,000
The Samworth Foundation	-	-	-	3,334
Society Cards	-	-	-	2,071
Mole Valley Farmers	-	-	-	1,500
Henry C Hoare Charitable Trust	-	-	-	1,000
Laurence J Betts Ltd	-	-	-	1,000
Oxfordshire Agricultural Society	-	-	-	1,000
17 other grants < £500	1,660	100	1,760	7,405
Total grants per Note 2	40,492	154,848	195,340	314,464

4 UNPAID VOLUNTARY SERVICES

The value of unpaid voluntary services provided by individuals has not been included in income or expenditure. In the year under review that value is calculated as £173,509 (2014 - £172,976). If this value was included the Statement of Financial Activities would be revised as follows:

	General Unrestricted funds £	Designated Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	405,309	-	168,476	573,785	753,381
Activities for generating funds	48,858	-	3,520	52,378	53,213
Investment income	6,888	-	-	6,888	5,450
Total incoming resources	461,055	-	171,996	633,051	812,044
RESOURCES EXPENDED					
Cost of generating funds	18,390	-	-	18,390	23,435
Charitable activities	366,455	-	166,975	533,430	511,604
Governance	105,712	-	-	105,712	94,334
Total resources expended	490,557	-	166,975	657,532	629,373
Net incoming resources	(29,502)	-	5,021	(24,481)	182,671

THE FARMING COMMUNITY NETWORK

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5 RESOURCES EXPENDED

	GENERAL UNRESTRICTED				RESTRICTED	2015 £	2014 £
	Local activity & supporting volunteers £	Publicity £	Training £	Direct costs £	Local activity & supporting volunteers £		
Costs of generating funds							
Staff costs (note 6)	-	-	-	12,866	-	12,866	13,912
Caseworker costs	-	-	-	-	-	-	-
Travel	-	-	-	465	-	465	709
Communications	-	-	-	1,269	-	1,269	1,463
Fundraising materials	-	-	-	254	-	254	1,117
Room hire	-	-	-	1,252	-	1,252	1,503
Legal & professional	-	-	-	2,284	-	2,284	4,731
	-	-	-	18,390	-	18,390	23,435
	18,390						
Charitable activities							
Staff costs (note 6)	71,295	26,413	6,433	-	87,755	191,896	145,431
Caseworker costs	2,779	-	-	-	46,855	49,634	71,142
Travel	51,533	5,608	4,723	-	-	61,864	55,268
Communications	2,940	259	3	-	15,833	19,035	17,823
Legal & professional	368	-	-	-	-	368	791
Room hire and refreshments	1,955	-	5,134	-	-	7,089	14,320
Publicity & training materials	-	9,813	2,111	-	16,532	28,456	29,686
Local office administration	900	-	-	-	-	900	720
Insurance	679	-	-	-	-	679	1,574
Website design & hosting	-	-	-	-	-	-	1,873
	132,449	42,093	18,404	-	166,975	359,921	338,628
	192,946						
Governance							
Staff costs (note 6)	-	-	-	53,210	-	53,210	49,658
Travel costs	-	-	-	9,085	-	9,085	6,835
Communications	-	-	-	9,686	-	9,686	13,787
Legal & professional	-	-	-	3,334	-	3,334	3,178
Insurance	-	-	-	4,782	-	4,782	5,110
Audit & accountancy	-	-	-	4,200	-	4,200	3,510
Premises and depreciation	-	-	-	19,933	-	19,933	10,941
Other	-	-	-	1,482	-	1,482	1,315
	-	-	-	105,712	-	105,712	94,334
	105,712						
Total resources expended					166,976	484,023	456,397
	317,048						

THE FARMING COMMUNITY NETWORK

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6 STAFF COSTS

	2015 £	2014 £
Wages and salaries	234,218	189,031
Social security costs	15,813	13,151
Other pension costs	7,941	6,819
	257,972	209,001

No employee earned in excess of £60,000 (2014 - Nil).

The company operates a defined contribution pension scheme. The charge for the period was £7,941 (2014 – £6,819). There were outstanding contributions of £2,533 at the year end (2014 - £1,112).

7 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:	2015 £	2014 £
Directors' emoluments (travel expenses)	1,977	863
Auditors' remuneration	4,200	3,510
Depreciation	5,333	492
Directors' indemnity insurance	454	768

8 DIRECTORS' REMUNERATION

No remuneration was paid to Directors for their services, but the following amounts were paid as reimbursement of travel and other expenses:

	£
G Dunn	569
P Talbot	131
B Warren	961
G Lilley	316

9 TANGIBLE FIXED ASSETS

	Office equipment £
Cost or valuation:	
At 1 April 2014	19,487
Additions	15,079
Disposals	(2,555)
At 31 March 2015	32,011
Depreciation:	
At 1 April 2014	11,119
Charge for the year	5,333
Disposals	(2,555)
At 31 March 2015	13,897
Net book value	
At 31 March 2015	18,114
At 1 April 2014	8,368

10 DEBTORS

	2015 £	2014 £
Amounts falling due within one year		
Trade debtors	9,850	19,698
Prepayments and accrued income	7,193	19,614
Gift Aid tax refund	4,778	11,496
	21,821	50,808

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11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2015 £	2014 £
Trade creditors	12,918	29,157
Other taxes and social security	3,767	5,179
Other creditors	2,534	1,112
Deferred income (see also Note 12)	33,333	33,333
Accrued expenses	4,200	14,227
	56,752	83,008

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2015 £	2014 £
Deferred income	-	33,333

DEFERRED INCOME	£
At 1 April 2014	66,666
Income deferred in year – for release within one year	-
Income deferred in year – for release after more than one year	-
Amount released in year	(33,333)
At 31 March 2015	33,333

13 FUNDS ANALYSIS	General Unrestricted fund £	Designated Unrestricted fund £	Restricted fund £	2015 £	2014 £
Tangible fixed assets	18,114	-	-	18,114	8,368
Current assets	420,256	83,000	90,087	593,343	687,159
Liabilities	(56,752)	-	-	(56,752)	(116,341)
Net assets	381,618	83,000	90,087	554,705	579,186

14 MOVEMENT IN FUNDS	At 1 April 2014 £	Transfers £	Incoming resources £	Outgoing resources £	At 31 March 2015 £
Restricted funds					
Voluntary income	84,906	-	168,476	(165,151)	88,231
Other income	160	-	3,520	(1,824)	1,856
	85,066	-	171,996	(166,975)	90,087
Unrestricted funds					
Designated	101,500	(18,500)	-	-	83,000
General	392,620	18,500	287,546	(317,048)	381,618
	579,186	-	459,542	(484,023)	554,705

15 AUDITORS

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the regulatory authorities and assist with the preparation of the financial statements.