



The Royal Agricultural Benevolent Institution
Annual Report and Financial Statements for the
year ended 31 December 2020

Charity Registered in England and Wales: 208858

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
REPORT BY THE COUNCIL OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Patron

Her Majesty The Queen

President

HRH The Duke of Gloucester KG GCVO

Vice Presidents

The 9th Earl Bathurst

Countess Bathurst

The Lord Curry of Kirkharle CBE FRAgS

The Lord Plumb of Coleshill DL

H A C Densham CBE FRAgS

S Chakravarty

R Nash FRAgS

C P Riddle ARAgS

J A Sayers FRICS FAAV FRAgS

J D Wallis FRICS

Council of Trustees

Chair

J Dawson OBE

Committee Membership

Honorary member of all Committees

Deputy Chair

J G Hosier MRICS

1,2

J Turnbull

3,4

Treasurer

J Elliot

1,2,5

Trustee Members

R Binning MRICS

1

D A Davies

Co-opted 8 December 2020

C D'Olley MRICS FAAV

1,5

D V D Harries

Co-opted 8 December 2020

S J Hoskin FRAgS

4

S Lister

3,4

S P Miles DL

Retired 12 May 2020

J W Stanley FRAgS

2,3

J Woolliscroft

2,4

Trustee Committee Memberships:

- 1 *Finance & Estates Committee*
- 2 *Service Provision (Welfare) Committee*
- 3 *Compliance & Risk Committee*
- 4 *Homes Committee*
- 5 *Remuneration Committee*

Principal Office

Shaw House, 27 West Way, Oxford, OX2 0QH

**THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
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Senior Management Team

Chief Executive

A Chivers FCA DChA

Director of Operations

D Whitbread

Director of Finance

D Locke FCA

Appointed 20 April 2020

J Rees

Resigned 8 May 2020

Head of Governance

K Band

Director of Services

W Dawson

Appointed 30 November 2020

Head of Service Provision

P Pickford

Resigned 30 June 2020

Head of Human Resources

V Sadler FCIPD BPS

Resigned 30 September 2020

Head of Fundraising & Development

S Noble

Resigned 24 November 2020

Head of Home Beaufort House

P Wright (*Interim*)

K Bialecka

Resigned 5 February 2021

Head of Home Manson House

C Smith

Professional Advisors

Investment Managers

Rathbone Brothers PLC,
8 Finsbury Circus,
London, EC2M 7AZ

Bankers

NatWest Bank PLC
43 Cornmarket Street Oxford, OX1 3ES
Oxford, OX1 3ES

Lloyds Bank PLC
1-5 High Street
Carfax, Oxford, OX1 4AA

Legal Advisors

Blake Morgan LLP
Seacourt Tower, West Way
Oxford, OX2 0FB

Freeths LLP
5000 Oxford Business Park South
Oxford, OX4 2BH

Russell-Cooke LLP
2 Putney Hill
London, SW15 6AB

Independent Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London, EC1M 7AD

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION REPORT BY THE COUNCIL OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Council of Trustees ('the Trustees') presents its report and audited financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the provisions of the Statement of Recommended Practice 'Accounting & Reporting by Charities (FRS102)' and in line with current statutory requirements, the Royal Charter and applicable Accounting Standards in the United Kingdom.

OBJECTIVES AND ACTIVITIES

The Royal Agricultural Benevolent Institution ('RABI') was founded in 1860 by a group of Essex farmers under the leadership of Alderman John Mechi for 'the relief of farmers, their widows and orphans'. Remaining steadfast in its duty to support the most vulnerable members of the farming community, RABI was incorporated by Royal Charter in 1935 (as amended 2020) and is a charity registered in England and Wales 208858.

Whilst remaining true to the underlying mission and values of Alderman Mechi, RABI recognise that change is the only certain constant and progression is vital. With farming people facing increasingly diverse and complex challenges the Royal Charter was amended during 2020 to ensure the objects better reflect the holistic nature of the preventative and reactive support provided by RABI.

The review of the charity's Royal Charter and By Laws was completed with support from RABI's specialist constitutional legal advisors Russell-Cooke LLP.

Following approval from the Privy Council, Charity Commission and RABI Membership during 2020, the object of RABI is defined in the Royal Charter as:

"The prevention and relief of need, hardship or distress in such manner as the Trustees in their discretion think fit to such persons who are, or have been, employed or engaged in the farming industry, or the dependants of such persons."

The object presents the Trustees with comprehensive powers, enabling them to provide wide-ranging charitable assistance to the agricultural community. RABI primarily continued during 2020 to deliver this support primarily through utilisation of financial grants.

Aims and Objectives

In common with almost every charity in the country, the circumstances presented by the Covid-19 pandemic have impacted RABI's activities in ways that were previously unimaginable. Following the first lockdown in March 2020, the RABI staff team had to adapt at pace to providing services remotely, whilst ensuring that the charity's applicants and beneficiaries continued to receive exemplary levels of support.

During 2020 RABI extended the charity's core services to include regular calls to beneficiaries living alone, feeling isolated or vulnerable. Whilst necessarily limited in the provision of face-to-face visits, the charity continued to provide financial, practical and emotional support, primarily through the provision of grant making programmes and assisting applicants to access financial and statutory support.

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Following adoption in 2019 of the ambitious five-year Strategic Plan, during 2020 Trustees continued to monitor the performance of the charity against the business and financial plans, whilst assessing the impact of the pandemic on the development and implementation of the aims articulated within the strategy.

The four key strategic objectives remained unchanged during 2020:

- Evidence our understanding of how life's challenges affect those who farm; use this knowledge to develop and deliver flexible and accessible programmes of support that reach more people.
- Continue to increase awareness of our work and support programmes within the farming community.
- Strengthen existing relationships and develop new ways to engage with our supporters.
- Manage RABI as effectively and efficiently as possible.

Despite the impacts of the pandemic, significant progress was made during 2020 to advance these strategic aims and establish the creation of earlier, preventative services that will help to ensure the long-term wellbeing of those who farm today and in the future. In addition to the development of detailed rolling annual and three-year strategic plans, key strategic aims for 2020 included:

- **Increased understanding of challenges and issues impacting on farming people**

RABI know it is imperative to obtain a clearer picture of the challenges facing farming people and the impacts of these on how they feel and work. During 2020 RABI commenced planning work, collaborating with key stakeholders, to support the launch of the unique RABI sector wide survey of farming people across England and Wales in early 2021.

- **Developing partnership networks and collaborative working**

The development of existing partnerships and identification of new strategic partners lies at the core of RABI's strategic intent to ensure a consistent, holistic toolkit of services and support is available to all farming people across England and Wales.

In addition to expanding the charity's links with other farming support organisations to gain greater insights into the issues that affect wellbeing, work during 2020 focussed on identifying new and existing relationships capable of providing services to farming people at both a local and national level.

- **Integrated service delivery**

There is no such thing as a standard problem, so during 2020 RABI continued to work with colleagues in both the sector and with wider support organisations to develop new services and support packages to complement existing services.

Utilising an evidence-led approach to the development and implementation of new services, the first of RABI's new collaborative services, the online mental wellbeing platform, tailored for farming people, launched in October 2020.

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- **Social impact review**

It is fundamental that RABI can deliver services, both directly and in partnership, most effectively. Working with external specialists to assist the charity to define the outcomes and changes that occur as a result of RABI's services commenced during 2020. Whilst the involvement of the wider RABI team into the preliminary phases of the review was necessarily delayed due to the impact of the pandemic, the first phase review continued to progress during the year to support wider outcome reporting in 2021.

- **Fundraising and income generation**

Ensuring the charity maintains and develops robust frameworks to maximise income generation from existing fundraising channels and explores opportunities for new ways to generate income remain at the forefront of the Trustees' ambitions.

The impacts of the pandemic on fundraising events during 2020, coupled with the prioritisation of operational reforecasting, resulted in a delay to the proposed review of the extant fundraising resources and strategy from 2020 into 2021.

- **Investment in RABI people and systems**

Recognising the enormous value of RABI volunteers, the majority of whom currently provide support via the RABI County Committee Branch network, work commenced in 2020 to better understand, define and strengthen the relationship between the charity and the County Committees.

Work to develop a more resilient structure within RABI, providing a more effective and efficient framework to support an extended service offering to farming people continued in 2020. Whilst much of the planned work to review and develop the existing digital media platforms was delayed due to the Covid-19 pandemic, work commenced to review RABI's communication arrangements to ensure the charity provide high quality, relevant communications.

After preliminary scoping and implementation work, the go-live in September 2020 of the new finance system was completed successfully.

Grant Making Programmes

As RABI continues to evolve and develop future service delivery programmes and partnerships, the charity principally continues to fulfil its charitable object as a grant making charity.

RABI provides a range of grant support programmes to individuals, including both enduring and single grant awards. Grants are additionally awarded to other not-for-profit organisations where the award is assessed as an effective mechanism to fund activities which further the objects of RABI, providing preventative or reactive support to farming people.

Applications for organisational grant awards must be submitted prospectively in writing for consideration by the Service Provision (Welfare) Committee. Awards that cover more than one financial year or are in excess of £15,000 are recommended by the Committee to the next full Council of Trustees Meeting for consideration

Farming people enquiring about assistance are encouraged to contact RABI via the charity's Freephone helpline number (0800 281 9490). RABI consider financial awards to support those who are both currently working in agriculture, or are no longer able to work due to ill-health, injury or age.

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Outside of periods of Covid-19 restrictions, most applicants will receive a visit from one of RABI's regional officers to consider how the applicant can be best supported. During the periods of Covid-19 restrictions, applicants are supported remotely by a regional officer.

Applications for direct financial support are submitted by the officer on behalf of an applicant and assessed by the central team, based in Oxford. Complex cases, or grant awards in excess of £5,000 are recommended to the Service Provision (Welfare) Committee. All enduring grant awards are subject to an annual review of the circumstances to ensure the grant award remains appropriate. Outside of periods of Covid-19 restrictions, the reviews are generally accompanied by a visit from a RABI regional officer.

The Service Provision (Welfare) Committee can approve applications up to a maximum of £15,000 with approved grants in excess of £15,000 being recommended by the Committee to the next full Council of Trustees Meeting for consideration.

RABI also offers financial grant support to assist those from the farming community requiring care support in either the home or local residential setting, to stay close to family and friends. Increasingly nursing support is required to support individuals with complex health, particularly dementia, needs.

In addition to direct financial assistance, RABI's regional officers also provide advice and support to the farming community: both directly to support claims for state benefits and subsidies, arranging debt advice and free business appraisals, and working to refer and signpost to other support organisations.

Residential Homes

RABI owns two residential homes, Beaufort House in Somerset and Manson House in Suffolk. The homes are held to provide residential support to those from farming backgrounds in accordance with the charitable aims of RABI.

Beaufort House has 33 ensuite rooms and is set in two acres of landscaped grounds a short distance from the seafront in Burnham-on-Sea. Manson House offers 31 ensuite rooms and is located in the historic market town of Bury-St-Edmunds. Activities at both Beaufort House and Manson House are regulated by the Care Quality Commission ('CQC').

RABI additionally own self-contained flats at both sites which are subject to standard tenancy agreements for independent living. There are currently 12 self-contained flats held on the site at Burnham-on-Sea and 23 self-contained flats at the site in Bury-St-Edmunds.

Following a robust eighteen-month review, the Trustees have made the difficult decision to disinvest of the two residential homes and flats as going concerns.

The delivery of support across the care sector has evolved significantly and there is now a high demand for residential nursing care services that support complex health care needs, such as dementia care. With most people now seeking to remain within the home setting until such time as they require specialist nursing care and the RABI homes providing a traditional residential service only, the charity is unable to support these complex care needs.

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Most people now also want to receive care at home or within the local community and with the charity's two residential homes being located in the very east and west of the country, the reach of this service is severely restricted to the wider farming community at a national level.

The Trustees, being cognisant of the continued decline in the number of retired farming people wanting the support services provided at the homes, consider it vital to continue to develop services to meet the current and future support needs of retired farming people across England and Wales.

Whilst not financially viable for RABI to increase the reach of these services directly by developing or purchasing additional care homes in other regions, or to redevelop the two existing sites to support specialist care needs, funds released from the sale will be utilised to extend RABI's programme of financial support that facilitates farming people to receive care locally and within their homes.

Volunteers

RABI is extremely fortunate to be supported by an extensive network of volunteers across England and Wales. The majority of RABI's volunteers have strong farming or agricultural backgrounds and connections and assist the charity by raising funds and awareness of the charity's work within their local communities.

Many of RABI's volunteers are members of one of the charity's forty-three County Committee Branches, which undertake face-to-face fundraising across the country. The Covid-19 pandemic necessitated the cancellation of all planned face-to-face fundraising events post March 2020. However, despite the challenges presented, RABI volunteers contributed an estimated equivalent of 4,000 hours to the charity.

Always inspiring, during 2020 RABI's exceptional volunteers quickly adapted to meeting remotely, undertook innovative personal challenges and created many new online fundraising opportunities. Without their fantastic work, RABI would not be able to provide so much crucial support to the farming community.

Objects and Activities for the Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Trustees recognise the two principles of public benefit and believe that the objective and activities of RABI formally meet these principles through the provision of fee-free support to the farming community.

During 2020 RABI continued to provide direct support to both those who were unable to continue working in farming due to injury, ill-health or age and to working farmers, farmworkers and their families. The direct support, provision of benefits and general guidance and emotional assistance allows farming people to better cope with challenging circumstances and hence additionally provides a benefit not only to the beneficiary, but also to the wider public in helping to ensure a robust agricultural population endures to continue generating food for the nation.

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ACHIEVEMENTS AND PERFORMANCE

Addressing the virtual AGM in September 2020, the Chair of Trustees, Jeanette Dawson, emphasised the continued focus of RABI to ensure that no member of the farming community should have to face adversity alone.

Those working in farming continue to face a complex and diverse range of challenges and pressures which have then heightened further during 2020 with the impacts of the pandemic. Farmers in England obtained confirmation that BPS payments in England will begin to reduce in 2021 and whilst Wales will retain direct payments until at least 2022, there continues to remain significant uncertainties surrounding the transition towards Environmental Land Management Schemes in England and Sustainable Farming Schemes in Wales.

The provision of financial support, benefits advice and practical support remained at the core of RABI's services across the year. Whilst necessarily accommodated around the provision of these services and impacted by the pandemic, planning and development of key strategic activities also continued to progress during 2020.

In January 2020, the first cases of Covid-19 were reported in the UK, with the country moving into the first period of lockdown soon after in March. Responding to the challenges presented by the pandemic, the priorities for RABI in 2020 were twofold: firstly to ensure that, during this period of uncertainty, the quality and continuity of the charity's essential service delivery to our beneficiaries and the wider farming community; and secondly to continue to progress the development and implementation of the activities supporting the five-year strategy.

Continuity of Service

Throughout the testing times presented by the pandemic RABI has continued to provide uninterrupted support and guidance to farming people facing a huge variety of adverse issues and challenges. Key to ensuring the charity remained fully operational has been the timely and efficient way the RABI team have adapted and innovated how they work as the pandemic has progressed.

• **Services to Farming People**

With the introduction of lockdown restrictions in March 2020, RABI moved quickly to equip and enable the team to work from home. Ensuring the RABI Helpline remained fully accessible, all necessary information could be accessed safely and securely remotely as well as providing increased video conferencing functionality required significant and swift action by our technical team.

Realising the damaging impacts of increased isolation caused by the pandemic and being unable to provide support via face-to-face visits post March 2020, the team supplemented existing services with the addition of regular calls to RABI beneficiaries known to be living alone or considered to be feeling isolated or vulnerable. Commencing soon after the initial lockdown in March 2020, these calls have continued throughout the pandemic for many individuals, often on a weekly or fortnightly basis.

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Over the course of 2020 we estimate that the team have made in excess of 4,160 calls during 2020 to provide this invaluable personal contact to RABI's beneficiaries. Feedback from those we have been in contact with confirms how much of a difference it makes to receive a call from a familiar friendly voice just asking, "how are you?"

The pandemic highlighted for many an increased appreciation for the fantastic job farmers do and the integral role they play within our communities. The disruption caused by Covid-19 has however turned the lives of many farming people upside-down and RABI know that the impact of the pandemic, in addition to the many inherent uncertainties already faced, will continue for a significant time to come.

As has been the case for most UK charities not providing frontline Covid-19 services, RABI noted a reduction in the level of direct grant funding requests during the first six months of the pandemic. This is reflected in the level of direct grant awards provided for 2020 of £2,353k. However, this is largely offset by the additional costs incurred to provide the callout service across the period. RABI is extremely grateful to the NFU Mutual Charitable Trust for donating £75k during 2020 and a further £100k in 2021 to support the provision of the charity's services during these challenging times.

The provision of financial awards is a vital element of RABI's activities, however focussing on these figures alone fails to recognise the wider nature of the support provided by the charity. The work of the RABI team to listen and reassure, helping to empower people with the tools they need to overcome challenges and move forward positively carry equal significance. Work has continued during 2020 to establish a framework by which these important social impacts can be better measured and expressed.

RABI also provide specialist benefit advice and support to farming people of all ages. The complexity of statutory benefits appears to increasingly result in many not realising their entitlements and represents a growing and important aspect of the charity's activities.

- **Residential Homes**

The two RABI residential homes closed to new admissions and all non-essential visitors in late February 2020 to maximise protection from Covid-19 for the residents and staff teams. In addition to applying all applicable regulatory requirements and continuing to maintain excellent infection control standards, the residents' wellbeing remained the focus of all the staff across the year. Working long hours and minimising social contact when away from the homes became the norm for the teams and RABI is indebted to their commitment to the residents they care for.

This outstanding commitment was recognised in June by the RABI President, His Royal Highness the Duke of Gloucester, who wrote to the two home teams to commend them on their service. Within the letters is recognition of the fact that, in addition to their hard work and practical support, the staff had excelled in providing activities and entertainments to support residents during periods when they were unable to receive face-to-face visits from relatives and friends.

The closure to new residents and sad loss of several members of both resident communities across 2020 resulted in a decline in the number of residents supported at both homes.

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Acknowledging that RABI is extremely fortunate to hold sufficient reserves to support the policy, Trustees committed at the start of the pandemic to maintaining the staffing teams at both homes at pre-pandemic levels and following best practice guidance to support those needing to self-isolate or with shielding responsibilities.

Wherever possible the teams supported the continuation of outdoor and one-to-one controlled visits for residents' family and friends. During times when visits were not possible, as noted above, the team worked hard to provide a variety of activities including VE Day celebrations full of memories and music and bringing duck eggs into the home to allow residents to enjoy them hatching and seeing the ducklings grow and develop for a month before returning home.

• **Information Systems**

The pandemic highlighted the need for RABI to maintain effective and efficient information systems. During 2020 the charity accelerated the deployment of new technology, such as Microsoft Teams, Zoom and SharePoint to both support the need to work remotely and enable better collaborative working across the charity.

Having worked to successfully migrate current and much of the charity's background data to new cloud-based systems, RABI continues to systematically upgrade all the end-of-life legacy systems. In 2020 the new cloud-based accounting system was successfully implemented for full deployment with effect from January 2021.

Fundraising

Whilst unable to hold the many hundreds of face-to-face events that typically occur during the year, the RABI County Committees continued to meet remotely to plan and implement new and innovative ways to raise support for the charity. Following return from a period of furlough, the RABI regional managers worked during the latter part of the year to encourage County Committee Branches to develop creative virtual fundraising ideas and events.

RABI is also extremely thankful for the support received from the many individuals, charitable trusts and corporate supporters who give donations, make grants to or raise money for the charity. The inability to hold traditional face-to-face events during the year resulted in fundraising income decreasing in 2020 to £1.2million. The continued breadth and strength of support for the charity during this period of unprecedented challenges was however truly heartening. RABI is grateful to every one of the charity's supporters as every pound fundraised for RABI is used to directly support farming people and hence every pound really does make a difference.

Volunteers

As noted above, the majority of RABI's volunteers are members of one of the charity's forty-three County Committee Branches. Whilst the impacts of the pandemic greatly reduced the level and range of activities typically undertaken by the County Committees Branches during 2020, this presented an opportunity to commence the preliminary phase of the Branch compliance review project.

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Work commenced in 2020, led by the regional managers, to plan and communicate the requirements going forwards for all County Committee Branches to comply with good charity practice, legislation and audit requirements in the areas of: financial compliance, health and safety, data protection and safeguarding.

Having defined these basic requirements, the team liaised with the County Committee Branches to support them making informed decisions regarding the requirements and as to whether they wished to continue as a compliant County Committee Branch or alternatively becoming a Fundraising Supporter Group.

Following completion of votes, RABI was delighted that, with one exception, all the County Committee Branches opted to remain as full RABI branches. The charity will now work with the County Committee Branches to roll-out training and support to assist them to achieve full compliance.

Extending Services

The 2019 RABI strategy seeks to look ahead, asking fundamental questions about the future support requirements of farming people and considers how RABI must adapt to ensure the charity continues to deliver support to the community it serves.

During 2020 the Senior Management Team completed the process to identify and prioritise the strategic initiatives required to support the Trustees' core strategic aims. Following a prolonged period of external focus, much of the work required to redefine and restructure the internal frameworks of the charity to support RABI's strategic objectives continued across 2020.

RABI's strategic intent and supporting plans and initiatives are ambitious, particularly regarding timescales to complete some of the fundamental restructuring required within the term of the five-year strategy. Trustees are also however sure that these ambitions, whilst challenging, are both achievable and necessary to ensure farming people are provided with the consistently available services they deserve across England and Wales.

• Development and Delivery of Flexible and Accessible Services

As defined in the 2019 RABI strategy, the enhanced provision of services to the farming community builds from four fundamental foundations:

- Understanding on an enduring basis the services that farming people require to overcome the challenges they face.
- Identifying where gaps exist between required services available already and those needed.
- Working in partnership with other service delivery organisations to fill these gaps.
- Removing the stigma associated with seeking support.

During 2020 planning and development work continued across these four cornerstones of the strategy to: better understand the requirements of the farming community, map existing services and relationships, identify potential areas of service and partnership working and consider how to overcome some of the barriers to support.

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- **#BigFarmingSurvey**

The full extent on the wellbeing of farming people of the impacts of the complex and wide-ranging challenges is anecdotally well known, however not well defined or supported evidentially. To counter this, during 2020 RABI commissioned an unprecedented research project in collaboration with the University of Exeter.

The research aims to deliver real insights into the challenges impacting a generation of farming people. These insights will assist RABI and the wider agricultural sector to develop services to empower farming people with the services and tools they need to increase their resilience now and into the future.

Initially working with an invited key stakeholder group including the Worshipful Company of Farmers, the Princes Countryside Fund, NFU and NFU Cymru, Farmers Weekly and Farmers Guardian to establish the validity and scope of the research, significant work then commenced towards the latter half of 2020 to gather support from the wider agricultural sector to support the survey launch in January 2021.

- **Mental Health and Wellbeing Services**

Work continued across 2020 to liaise with existing providers of mental health and wellbeing support to the farming community from within the agricultural sector as well as wider NHS, private and third sector providers.

Understanding that early intervention and one-to-one support are essential to tackling the root causes of poor wellbeing, RABI partnered with a specialist mental health provider to launch new online wellbeing platforms in October 2020.

The websites include dedicated farmer-friendly content that addresses farming sector specific challenges such as loneliness, Brexit anxiety, animal health, crop disease and farm debt. In the short time since the launch, feedback from users of the site has been positive and the platform has seen a 90% return rate.

- **Community Pillars**

The normalisation of the concept that farming people have the capacity to be affected by difficulties and challenges and that they are not invincible is fundamental to providing meaningful support. Without this acceptance the best services can be developed and delivered across agriculture, but the impact will be minimal.

There has been some fantastic progress, however much more needs to be done before accessing support is really seen as the positive move it truly is. Removal of invisible barriers, that make reaching out for support feel like a weakness, rather than a strength, lies at the core of RABI's Community Pillars initiative.

Face-to-face engagement with trusted individuals is fundamental when seeking to provide beneficial outcomes. The Community Pillar initiative brings together small forums of local farming people to discuss what they feel are the key challenges and concerns for their community. Holding a small number of pilot events during a period of eased Covid-19 restrictions in the summer of 2020, confirmed that the provision of this safe, informal, but supported environment will be a key aspect of RABI's service offering in the years to come.

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Investment Performance

RABI's investment portfolio of £44,028k (2019: £43,030k) is managed by Rathbone Investment Management and is invested within permitted operating ranges across agreed asset classifications. The portfolio mandate is to achieve protection of capital in real terms with balanced income receipts. At the direction of the Trustees, restricted funds are fully invested in equities within separated portfolios and managed on a non-discretionary basis by Rathbone Investment Management.

Rathbone Investment Managers are expected to meet a relative-return investment performance over a rolling one-year period and deliver an agreed amount of annual income. For 2020 Rathbone Investment Management posted total portfolio returns for general funds of 8.6% (2019: 16.7%) against a composite benchmark of 0.6% (2019:16.7%).

RABI continues to invest in property, to diversify the nature of its investments, both through direct holdings and indirectly through managed property funds. The managed property funds are managed on a discretionary basis by Rathbone Investment Management and disclosed within the wider portfolio. Directly owned investment properties represent farms and estates that have been gifted to RABI and are primarily held to provide long-term asset value protection. Investment properties are managed by local qualified chartered surveyors in conjunction with the Chief Executive and Director of Operations.

During 2020 the investment portfolio delivered income of £1,261k (2019: £1,555k) against the target for the year of £1,595k (2019: £1,545k). During 2020 dividend payments were either suspended or reduced by several companies as a result of the economic impact of Covid-19 on trading activity.

This impact resulted in the overall investment income for the year to be lower than in 2019. Income generated from directly held investment properties totalled £324k (2019: £415k).

FINANCIAL REVIEW

Income

As has been noted above, the pandemic impacted on investment returns, fundraising income and income generated at the two residential homes. These impacts resulted in a decrease of around 20% in total income in comparison to 2019, with receipts noted for the year of £5.8 million.

The reduction in dividend payments received from the listed investments during 2020 resulted in total investment income decreasing from a forecast £1.9 million to £1.6 million.

Despite the impacts of Covid-19 on the ability for the RABI County Committees, individual fundraisers and corporate supporters to fundraise via traditional face-to-face events, this community fundraising income remained strong during 2020. Receipts for the year of almost £1 million (£982k) far exceeded reforecast expectations made following the preliminary lockdown in March 2020. Income from Trusts continued to remain consistent despite the demands placed on Charitable Trusts with receipts noted in 2020 of £230k (2019: £290k).

Income received from the two residential homes decreased significantly in comparison to 2019 as the two homes locked down to new admissions in February 2020. Income received during 2020 of £2.3million representing a decline of approximately 13% in comparison to 2019.

Further detailed income information is shown in notes 2-4 of the Financial Statements.

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Expenditure

Total expenditure decreased in 2020 from £8.4million to £7.9 million. Careful budgetary control and the furlough of the fundraising and development team for five months helped the charity to achieve expenditure savings of around 10% against budgeted forecasts.

Despite the Trustee commitment to retain staffing and services at pre-pandemic levels, as has been the case for most non-frontline Covid-19 response charities, the uptake of direct financial grant support during 2020 was lower than forecast. Total direct grant awards for 2020 of £2.4 million represents a decrease from the prior year, however was largely offset by the additional staffing costs incurred to provide the new callout service. Total grant and welfare support costs for 2020 totalled £3.4 million.

The Trustee commitment to follow Government and regulators best practice, to ensure staff at both residential homes felt able to isolate and take sickness leave where needed to minimise Covid-19 infection risks at the homes. The costs of running the two homes increased slightly from £2.9 million in 2019 to £3 million in 2020. The increased costs relate to the necessity to incur additional staffing cover and protective equipment as a result of the pandemic.

Work continued despite the pandemic to redefine and restructure the internal frameworks of the charity to support RABI's strategic objectives to deliver enhanced services and support to farming people. A number of central support roles were subject to review during 2020, including the redefinition of the Head of Welfare role to the new Director of Services position. Following the appointment of the new Director of Operations in November 2019, the specialist services provided by the Head of Human Resources was identified as no longer required and the role was made redundant in September 2020.

Further expenditure details are provided in notes 5 to 12 of the Financial Statements

Net Movement in Funds

Following the recognition of unrealised market gains on investments of £2 million, the charity recognised a deficit for the year of £98k.

Reserves

RABI's financial reserves strategy seeks to ensure that funds are maintained at a level that enables the charity to manage financial risk and short-term income volatility whilst maintaining optimal levels of support over the long-term. The holding of reserves is additionally important to allow RABI to implement new strategic priorities to allow the charity to evolve to meet the changing needs of the farming community.

The nature of the support provided by RABI requires an enduring commitment to beneficiaries in the medium to longer-term (over ten years plus). As a fundraising charity, RABI recognise that there is an exposure to short-term volatility in income levels and therefore hold funds in reserve to ensure the charity can continue to meet the core welfare support programmes in the face of income fluctuations.

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To ensure RABI remains able to fund core charitable commitments over a rolling three-year cycle, the charity needs to hold a minimum level of cash equivalent resources, consisting of the investment portfolio and cash balances. The cash equivalent reserve threshold is the most important element of RABI's reserve strategy and is reviewed at least every three years against forecast requirement and income yields.

Trustees have agreed that, to meet these core commitments, RABI should seek to maintain cash equivalent resources of at least £50 million. At 31 December 2020 cash equivalent reserves stood at £46,228k (2019: £46,553k). Trustees are content that there are adequate resources as at 31 December 2020 to meet foreseeable commitments.

Following recognition of unrealised revaluation movements on the investment properties, RABI held total reserves at the year-end of £82,893k, including cash equivalent funds of £46,228k and £36,871k of investment and functional properties. These property resources are illiquid in nature, subject to valuation volatility and held on a long-term basis to support the delivery of RABI's aims. Free reserves as at 31 December 2020, representing unrestricted fund balances excluding investments and property fixed assets were £1,765k (2019: £3,411k).

RABI hold a number of restricted funds which have been donated to the charity with specific conditions attached to their use. At 31 December 2020 these totalled £6,774k (2019: £6,709k). The charity additionally holds three endowed funds that have been donated subject to the condition that the capital must remain unspent in perpetuity. The balance of the endowed funds at the year-end totalled £803k (2019: £852k). Further fund details are provided at note 20.

Investments

To meet the need for an enduring source of annual income increasing with inflation, whilst protecting capital value, RABI's investment strategy is to hold a diversified portfolio across established markets with a bias towards assets that offer growth and yield. RABI has a neutral ethical investment strategy.

The main objectives of the investment strategy are:

- To hold investments in a manner that will assist RABI to deliver its charitable aims in the short, medium and long-term;
- To provide a return of inflation+ so that real capital values are preserved whilst generating income;
- To measure performance against appropriate benchmarks;
- To employ investment managers to develop portfolios to meet the investment mandate at an appropriate level of risk and volatility.

RABI has been extremely fortunate to be gifted several farms and estates, which are held following receipt to generate income and act as a further diversifier to the investment portfolio. The performance of the investment properties is considered in conjunction with the portfolio within the overarching aim to protect the value of investments whilst seeking an appropriate return.

The investment strategy is subject to ongoing review and recommendations to Trustees by the Finance and Estates Committee, who hold a minimum of biannual investment portfolio review meetings with RABI's investment managers and advisors.

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Following stock-market movement during 2020, the value of the investment portfolio at the year-end increased to £44,028k (2019: £43,030k).

Further information regarding investment performance is included in the section above and in note 16.

Risk Management

The Compliance and Risk Committee review the major risks facing RABI and provide assurance that operational risks are appropriately identified, mitigated and monitored by management. The Compliance and Risk Committee provide the Trustees with reports and recommendations at all Council Meetings.

The Committee and Trustees continually seek to identify significant strategic risks to RABI and work with the Senior Management Team to implement procedures to both mitigate risk where possible and minimise potential impact should risks materialise.

Trustees continued to monitor and manage the following significant strategic risks during 2020:

- Understanding the factors that could impact negatively on RABI's reputation, minimising these where possible and responding efficiently where necessary.
- Compliance management including analysis and management of safeguarding, financial and fundraising regulations and risks.
- Risks relating to the extent of the charity's resources being sustainable and appropriately structured to deliver RABI's strategic aims.
- Ensuring RABI is best placed to identify the needs of the farming community and respond with effective service delivery programmes.
- Recruiting, training and retaining appropriately skilled trustees, employees and volunteers who fully understand how to fulfil their roles and responsibilities.
- Managing risks associated with the expansion of RABI partnership working programmes.

The Trustees are content that, working with the charity's Investment Managers and maintaining an appropriately diversified portfolio of directly held and invested assets, has mitigated risks associated with the increased market volatility resulting from the impact of the pandemic to an acceptable level.

Risks associated with a severe economic downturn for agriculture and farming people and uplift in pressure on RABI's services resulting from EU-Exit are monitored regularly by the Trustees. The Trustees are confident that the extensive programmes of work supporting the evolution of RABI's services and future income generation strategies include sufficiently robust risk considerations and mitigation to reduce risks to an appropriate level.

The Trustees are satisfied that the arrangements for identifying and managing potentially significant and key risks are adequate, mitigate the risks noted to an appropriate level and are subject to sufficiently rigorous monitoring and control. RABI employs professional specialist advisors to provide support where deemed appropriate including: legal; accountancy and taxation; health and safety; investment and estate management; and other matters of regulation and compliance as they arise.

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION

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Key elements of the internal risk management controls include:

- The Compliance & Risk Committee provide oversight, review and advice to the trustees regarding the monitoring and management of key existing and emerging risk profiles.
- The Trustees meeting at least four times a year to consider strategic risk responses.
- The Senior Management Team undertake monthly meetings with ongoing assessment of operational risk effectiveness occurring at each meeting.
- Clear organisational structure with appropriate levels of segregation, accountability and reporting.
- An annual operating budget which is approved and reviewed by the Finance and Estates Committee and Trustees.
- Regular consideration by the Finance and Estates Committee of investment management results against benchmarks.
- Regular consideration by the Finance and Estates Committee and Trustees of financial results against budgets and other indicators.
- The use of a risk management framework to identify, assess and prioritise significant risks.

Responsible Fundraising

RABI are reliant on raising voluntary income to support the work of the charity and utilise all voluntary income within the provision of charitable grants and support services. Fundraising policies and controls are maintained to ensure monies are raised responsibly.

RABI has not employed any third party or professional fundraising agencies during 2020.

RABI is registered with the Fundraising Regulator and follow the fundraising code of practice which means:

- The charity is transparent about how it raises funds and treats supporters respectfully and fairly.
- Adherence to data protection regulations and clarity as to how to opt out of fundraising communications.
- Taking all reasonable steps to protect vulnerable people from persistent fundraising, including safeguarding training and escalation policies.
- Ongoing training for RABI fundraising staff providing support to RABI's network of volunteer fundraisers.
- Responding quickly to resolve any complaints received about fundraising. No formal complaints were received during the year regarding fundraising practices (2019: nil).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

RABI is governed by its Council of Trustees ('the Trustees') as established within the Royal Charter and By-laws dated 1953 (as amended 2020). Trustees are delegated authority from the Members to manage the affairs of RABI in accordance with the Royal Charter and By-laws.

As noted above, with farming people facing increasingly diverse and complex challenges the Royal Charter was amended during 2020 to ensure the objects better reflect the nature of the preventative and reactive support provided by RABI.

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The following four Committees provide support to the Trustees: The Finance and Estates Committee; The Service Provision (Welfare) Committee; the Compliance and Risk Committee; and the Homes Committee.

The Finance and Estates Committee

Trustees delegate supervision of the implementation of the financial strategy to the Finance and Estates Committee with a remit to provide the best possible return at an appropriate level of risk. The Committee is responsible for ensuring RABI's short and long-term financial viability through oversight of the management, investment and disbursement of the charity's resources.

The Committee reviews the performance of RABI's Investment Managers and considers investment strategy and performance for all the charity's investment funds and investment properties to provide recommendations to the Trustees. The Committee is additionally responsible for oversight of the external audit process and for providing recommendations to the Trustees with regards to employee and senior management remuneration.

To provide additional assurance and support to the Committee and Trustees that the charity's investment strategy and fund management continue to remain appropriate, it was agreed in 2020 to appoint independent professional Investment Advisers. Following a rigorous selection process, Trustees have approved the appointment of an advisory firm during 2021.

Trustees delegate authority to the Finance and Estates Committee to authorise more significant items of expenditure, subject to presentation of approvals at the next trustee meeting.

The Committee is required to meet at least three times during the year and must include members holding relevant specialist financial and property experience. This committee met four times during 2020.

The Remuneration Committee

Remuneration is the responsibility of the Finance and Estates Committee, who have established a sub committee to oversee remuneration.

The Service Provision (Welfare) Committee

The Trustees delegate oversight for the development, implementation and review of the welfare strategy and supervision of the associated operational performance to the Service Provision (Welfare) Committee. The Committee is responsible for ensuring the Trustees' strategic objectives are continually subject to assessment and improvement.

The Committee is additionally responsible for supervision of the disbursements of grant awards. The Committee is delegated authority to award more significant single grants on an individual or cumulative basis of up to £15,000.

The Committee is required to meet at least biannually and met on five occasions during 2020.

The Compliance and Risk Committee

The Compliance & Risk Committee was constituted in 2018 to provide an oversight, review and advisory role to the Trustees with regards to the identification and management of key risks for RABI.

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The Committee reviews emerging risk profiles and the management of operational risks to provide Trustees with assurance and recommendations for action. The Committee is required to meet at least biannually and met four times during 2020.

The Homes Committee

Trustees delegate supervision of the implementation and review of service provision at the two residential homes to the Homes Committee. The Committee is responsible for providing Trustees with assurance that the homes provide support to the farming community at an appropriate level of risk.

The Homes Committee facilitates a more cohesive consideration of strategic and key operational matters across the homes and consider recommendations within the wider strategic context of the charity.

The Committee provides oversight of the key management and operational matters identified at the homes to the management led Homes Management Meeting Group.

The Homes Committee is required to meet at least three times during the year, with the management led Home Management Meeting Group occurring quarterly. During 2020 the Homes Committee met four times and the Homes Management Meeting Group met twice.

County Committees

As noted above, RABI is proud to have an extensive network of volunteers across England and Wales who assist the charity to raise funds and increase awareness of the charity's work. Most volunteers provide support via membership of one of the wholly volunteer based County Committees, with most of these Committees carrying out fundraising and support work as local branches of RABI.

The County Committees branches are supported by one of RABI's Regional Managers, who assist the Committees with advice, materials and technical support. Without the fantastic work of the County Committee volunteers, who we estimate provided the equivalent of over 4,000 hours to RABI during 2020. the charity would not be able to provide as much crucial support to the farming community.

During 2020 the County Committees responded positively with the vast majority voting to remain as branches of RABI and to work in 2021 with the support of the staff team towards achieving full compliance in areas such as health & safety, data protection, finance, and a volunteer code of practice.

In 2020, the onset of the coronavirus pandemic led to the curtailing of physical meetings. It should be noted that despite the practical difficulties, the County Committee branches responded with positivity to the circumstances with many using tele and videoconferencing technology to hold both meetings and fundraising events.

Collaborations

Developing and evolving RABI's partnerships and collaborations underpins the charity's strategic ambitions. Building on the charity's already strong networks of partnerships at local, regional and national levels, RABI is seeking to significantly increase where and how we work with other service providers and support organisations to extend and enhance the availability of services and choice for farming people across England and Wales.

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RABI is a party to Farming Help, a forum for the Chief Executives of the national agricultural charities to share best practice and obtain peer support. The aims of the forum are to facilitate good collaborative working practices by the national agricultural charities to the benefit of the agricultural community.

The current parties to Farming Help are: the Addington Fund; the Farming Community Network; Forage Aid; RABI; and RSABI.

Employee Remuneration Policy

RABI is committed to recruiting the correct high-calibre people and rewarding them fairly for the jobs they do. It is extremely important that RABI use the resources available for the remuneration of our employees effectively and to recruit, retain and develop people with the necessary skills and knowledge to deliver positive contributions that support the charity's objectives. Making effective decisions in relation to remuneration and reward is considered both central and crucial to the continued success of RABI's overall aims.

Salary levels are based on an assessment of each specific role requirement and are subject to a voluntary sector benchmarking process. Salary levels are subject to an annual review by the Senior Management Team, utilising external market information, following which recommendations are reviewed by the Finance Committee before approval by the Trustees. RABI does not apply any form of performance related pay or bonus schemes.

The salary of the Chief Executive and other members of the Senior Management Team are set by the Trustees on the recommendation of the Remunerations Committee. Recommendations are based on benchmarking against similar roles in charities of a similar nature and size, with particular reference to other large benevolent charities. The same benefits, including pensions, apply to the Chief Executive and members of the Senior Management Team as for all other employees.

PLANS FOR FUTURE PERIODS

2020 will undoubtedly be remembered for the Covid-19 pandemic, which continues to dominate actions and activities during 2021. Whilst the green shoots of recovery continue across the UK, with the roll-out of the vaccination programme and progression out of restrictions, the impacts of Covid-19 on RABI and farming people will continue to be felt for a significant time to come.

The pandemic introduced a huge range of additional challenges for farming people however, they have continued to work tirelessly to put food on tables and applied their usual hardy, practical attitude to respond to the immediate changes in demand and income.

The reality is that a life in farming already carries many inherent uncertainties, not least of which is the transition for agriculture from EU-based policies and payments, including the move away from direct payments to new funding schemes. The Department for Environment Food & Rural Affairs (Defra) have announced plans to phase out Direct Payments in England from 2021 to 2027 with reductions being made to the 2021 Basic Payment Scheme (BPS) of at least 5% for all recipients. Whilst farmers in Wales are to continue to receive direct subsidies for an additional year due to the delays to EU-Exit, the Welsh Government are equally committed to the continued rollout of new Sustainable Farming Schemes.

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION REPORT BY THE COUNCIL OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Providing financial support and practical advice will continue to remain as the cornerstone of RABI's work, however the charity believes it has a fundamental duty to ensure it remains adaptive and responsive, to ensure farming people can access the services and support they require consistently across England and Wales. Looking ahead the plans for the next three-years are necessarily ambitious and challenging, however being driven by the complex and evolving challenges faced by the community we serve, RABI are confident they are achievable.

Development and Delivery of Flexible and Accessible Services

The 2019 strategy defined four fundamental strategic foundations required to develop consistently available, prioritised services for the farming community across England and Wales. The three-year strategic plan for 2021-2023 focuses RABI on initiatives that will:

- Allow RABI to better understand what is needed by farming people.
- Develop and deliver tools and services with existing and new partners to deliver impactful and effective support and services.
- Make it as easy as possible for farming people to access services and support across England and Wales.
- Remove the stigma associated with accessing services and support.
- Raise sufficient funding to provide the services needed.
- Work efficiently and effectively.

As the challenges and impacts on farming people continue to evolve, it is essential that RABI similarly continues to develop and innovate the charity's services, partnerships and delivery approaches. Identifying where gaps exist between required services and those available and working in partnership with other service delivery organisations to fill these gaps remains at the forefront of RABI's development activities for the next three years.

• **#BigFarmingSurvey**

As noted previously, on 11 January 2021, working collaboratively with agricultural sector partners and the University of Exeter, RABI launched the largest ever research project into the health and wellbeing of farming people throughout England and Wales.

The survey closed on 31 March 2021 following an unprecedented response return of over 15,500 returns from farming people. The survey will deliver statistically valid findings that encompass the diversity in farming today and support RABI and partners to develop a targeted approach to the provision of future services. RABI will continue to work with the University of Exeter as they analyse the responses across the summer of 2021 before sharing key findings with the sector in the autumn.

• **Integrated Service Delivery**

Accompanying the Big Farming Survey analysis work and application of the first phase social impact reporting, RABI will focus on the redefinition of the charity's funding objectives. Identifying the prioritised changes that RABI are seeking to achieve via the provision of financial awards, both individually and to fund partner organisations, underpin the effective utilisation of the charity's resources.

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION REPORT BY THE COUNCIL OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The development of existing partnerships and identification of new strategic partners lies at the core of RABI's strategic intent to ensure a consistent, holistic toolkit of services and support is available to all farming people across England and Wales. RABI is aware that face to face engagement with someone trusted is a key factor when providing support services and much more likely to lead to beneficial outcomes.

The charity will continue to work with colleagues within agriculture and wider support organisations to: identify the best possible services that meet the needs of farming people, establish where these services are already provided effectively, and work with local and national providers, acting as a funding enabler where necessary, to ensure farming people have access to the support they require in a manner they feel comfortable to access.

• Community Pillars

At the Oxford Farming Conference in January 2021, the Chief Executive advised Conference that there is a pressing need to normalise the concept that farming people are not invincible and reduce the stigma around both acknowledging mental wellbeing issues and accessing support services.

Early preventative support and empowering individuals with the tools to overcome challenges and move forward positively is fundamental if there is to be lasting change. The removal of the stigmas and invisible barriers, that make reaching out for support feel like a weakness, rather than a strength, lies at the core of RABI's Community Pillars initiative.

Following the successful completion of the first scheme pilots in summer 2020, pandemic allowing, during 2021 RABI will launch the wider pilot roll-out of the scheme, bringing together small forums of local farming people to discuss what they feel are the key challenges, concerns and positive solutions for their communities.

The 2021 pilots will represent a combination of directly facilitated events and events held in collaboration with local farmer network groups. RABI believe that the provision of a safe, informal, but supported space, allowing farming people to raise and consider issues and solutions, will be a key aspect of the charity's service offering.

Whilst by no means a quick fix and requiring continuous support to sustain the ripple effect that is needed, once established these community networks have the potential to grow and empower local people with the skills and confidence to identify and support individuals in their own communities and link easily to services and wider support networks.

Investment in Our People and Systems

As noted above, during 2020 RABI undertook a consultation process with the volunteer County Committees proposing several necessary changes to strengthen the governance of these RABI branches. The charity was delighted that over 95% of the County Committees subsequently opted to retain branch status.

During 2021 the roll-out of core governance training sessions with the County Committee branches will occur, led by the regional manager team. The training will initially focus on financial compliance, health and safety, data protection, and a new volunteer code of conduct.

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
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Of equal importance is ensuring that the RABI volunteers are much more involved and aware of the charity's activities and progress. During 2021 a number of volunteers from the County Committee branches will be sought to act as representatives to attend several workshops across the year to consider what communications and support work well between the central charity and the branches and what less so.

The ongoing review to evaluate the core competencies of the staff team will continue in 2021 to ensure that a resilient structure exists within the charity that efficiently supports the evolving needs of the farming community.

The continued programme of replacing the charity's end-of-life information systems will continue during 2021 with the planned replacement of the systems that support the provision of services to new and existing beneficiaries. Included within the review is consideration of the systems and processes that support the RABI Helpline service.

Income Generation

Following postponement due to the impacts of the pandemic, a wide-ranging review of fundraising capacity and resources is now planned for 2021.

The review will consider the forecast requirements for resources and reserves to provide context for deliberation of existing voluntary income sources, investment strategy, and new opportunities to generate and manage income.

RABI is extremely fortunate to hold investment resources and will work during 2021 with professional advisors to review the performance and potential of these resources to ensure they are utilised and managed appropriately to support the farming community now and in the future.

Following the necessary cancellation of face-to-face fundraising events during much of 2020 and 2021, RABI acknowledge that much of the fundraising activities undertaken by the charity's supporters and County Committees will once again be undertaken remotely during 2021.

In addition to leading the County Committees governance projects, the regional managers will work with the branches during 2021 to consider how to best achieve a blend of new and innovative remote fundraising activities with the face-to-face events that it is hoped will be able to resume soon.

The pandemic has reminded many of the integral role that farming people play within our communities. RABI continue to remain committed to ensuring no member of this important community should ever have to face adversity alone.

RABI are confident that there is a real opportunity for 2021 to represent a turning-point for everyone across agriculture to work together to establish a network of services and support that will ensure fewer farming people reach crisis point.

THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law in England and Wales and the Royal Charter require the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its net income or expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Approved by the Trustees on 11th May 2021 and signed on their behalf



J E Dawson OBE
Chair of the Council of Trustees

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION**

Opinion

We have audited the financial statements of The Royal Agricultural Benevolent Institution for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION**

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION**

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP,
Statutory auditor
Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 11 May 2021

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Total 2019 £'000
Income						
Donations, legacies & grants	2	1,535	329	-	1,864	2,456
Charitable activities						
- Fees for residential care		1,284	-	-	1,284	1,209
Other trading activities						
- Fees for residential care		1,002	-	-	1,002	1,415
- Trading sales	3	35	-	-	35	36
Investment income	4	1,383	175	27	1,585	1,986
Other income		-	-	-	-	12
Total Income		5,239	504	27	5,770	7,114
Expenditure						
Raising funds						
- Donations and legacies	5	724	-	-	724	845
- Residential homes	8	1,387	-	-	1,387	1,258
- Other trading activities	3	16	-	-	16	31
- Generating investment income	7	299	-	-	299	278
Cost of charitable activities						
- Grants and support services	9	2,971	381	27	3,379	3,947
- Residential homes	8	1,701	-	-	1,701	1,640
- Publicity and marketing	6	398	-	-	398	407
Total Expenditure		7,496	381	27	7,904	8,406
Total gains/(losses) on investment assets		2,143	(58)	(49)	2,036	21,557
Net (expenditure)/income		(114)	65	(49)	(98)	20,265
Transfer between funds	20	-	-	-	-	-
Net movement in funds		(114)	65	(49)	(98)	20,265
Reconciliation of funds:						
Total funds brought forward 1 January		75,430	6,709	852	82,991	62,726
Total funds carried forward 31 December		75,316	6,774	803	82,893	82,991

The charity has no recognised gains or losses for the year other than as detailed above.
The net movements in the charity for the year arise from continuing operations.

**THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
BALANCE SHEET AS AT 31 DECEMBER 2020**

	Notes	TOTAL 2020 £'000	TOTAL 2019 £'000
Fixed Assets			
Tangible Assets	14	8,285	8,293
Investments	16	72,672	71,274
Total Fixed Assets		80,957	79,567
Current Assets			
Trading Stock		20	4
Debtors	17	247	251
Cash at Bank and in Hand	18	2,200	3,503
Total Current Assets		2,467	3,758
Creditors:			
Amounts Falling due within one year	19	(531)	(334)
Net Current Assets		1,936	3,424
Total Net Assets		82,893	82,991
The Funds of the Charity			
Endowed Funds	20	803	852
Restricted funds		6,774	6,709
Unrestricted funds		75,316	75,430
Total Charity Funds		82,893	82,991

The financial statements on pages 29 to 44 were approved by the Trustees on 11th May 2021 and signed on their behalf by:



J E Dawson OBE
Chair of the Council of Trustees



J Elliot
Treasurer

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£'000	£'000
Cash flow from Operating Activities		
Net cash outflow from operating activities	<u>(3,493)</u>	<u>(3,404)</u>
Cash flow from Investing Activities		
Dividend receipts	1,261	1,555
Investment Property rentals	324	415
Proceeds from sale of investment property	-	496
Capital purchases investment property	(106)	(428)
Interest on Cash deposits	-	16
Net proceeds from sale of investments	745	141
Purchase of tangible fixed assets	(34)	(53)
	<u>2,190</u>	<u>2,142</u>
Change in cash and cash equivalents during the year	(1,303)	(1,262)
Cash and cash equivalents as at 1 January	<u>3,503</u>	<u>4,765</u>
Cash and cash equivalents as at 31 December	<u>2,200</u>	<u>3,503</u>

Notes to the cash Flow statement

	2020	2019
	£'000	£'000
Reconciliation of Net Income to Net Cash Flows from Operating Activities		
Net income / (expenditure) for the year	<u>(98)</u>	<u>20,265</u>
Adjustment For:		
Depreciation charges	42	28
(Gains)/losses on investments	(2,036)	(21,557)
Investment Income	(1,585)	(1,986)
Decrease/(Increase) in Stocks	(16)	-
Decrease/(Increase) in Debtors	3	1
(Decrease)/Increase in Creditors	197	(155)
Net Cash used in operating activities	<u>(3,493)</u>	<u>(3,404)</u>

Analysis of Cash and cash equivalent and net debts	31 December	31 December	Cashflow
	2020	2019	
	£'000	£'000	£'000
Cash at bank and in hand	324	703	(379)
Short-term deposits	1,876	2,800	(924)
	<u>2,200</u>	<u>3,503</u>	<u>(1,303)</u>

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION PRINCIPLE ACCOUNTING POLICIES 2020

Basis of Preparation

The Royal Agricultural Benevolent Institution ('RABI') meets the definition of a public benefit entity under FRS102. The financial statements have therefore, been prepared in accordance with the applicable accounting standards in the United Kingdom, the Accounting Regulations issued under the Charities Act 2011 and the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS102)'.

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and tangible land and buildings to market value and are in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS102)'.

The financial statements are presented in RABI's functional currency of Sterling (GBP) and are shown rounded to the nearest thousand (£000).

A summary of the significant accounting policies is set out below.

Going Concern

The Trustees, having a particular regard to the impacts of the Covid-19 restrictions on the activities of RABI consider it appropriate to prepare the financial statements on a going concern basis.

As noted in the Trustees Annual Report, financial forecasts have been completed to consider the likely impact of reduced income resulting from a significant reduction in fundraising events during the period of Covid-19 restrictions, coupled with global investment uncertainties. The Trustees are satisfied that the financial forecasts support the assessment that the charity can continue to operate in a robust manner and to continue to deliver essential charitable services.

Whilst markets remain uncertain, the potential lower returns have been considered in the revised forecasts and are not expected to materially affect the charity's ability to continue to operate for the next twelve months.

Trustees consider the level of liquid assets held directly and within the investment portfolio provide adequate assurance that existing welfare and central commitments can continue to be financed during the period of existing uncertainty even if fundraising income remains at depressed levels. The Trustees are assured that there are adequate resources to allow RABI to continue the charity's activities for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Income

Donations and legacies are received by way of grants, donations, legacies, and gifts and are included in full in the Statement of Financial Activities when receivable. Voluntary income, restricted in use by the wishes of the donor, is taken to restricted funds. Income is only deferred when the donor specifies that the donation must only be used in future accounting periods. Legacies are accounted for when received, or when it becomes probable that the legacy will be received, and the value can be measured with sufficient reliability.

Investment income is accounted for in the period in which the charity is entitled to receipt and comprises dividend income, interest on cash deposits and rental income from investment properties.

Residential fees are accounted for in the period in which the service has been provided.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation for the charity to make payment. All costs have been directly attributed to one of the functional categories of expenditure in the Statement of Financial Activities.

Any irrecoverable VAT is charged to the Statement of Financial Activities or capitalised as part of the cost of the related asset where appropriate.

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION PRINCIPLE ACCOUNTING POLICIES 2020

Costs of raising funds include investment managers' fees, costs to provide residential care support to non-beneficiaries at the two RABI residential homes and expenditure incurred to attract voluntary income, grants and legacies. Residential home costs are charged to the Statement of Financial Activities in the period in which the service has been provided.

Expenditure on charitable activities includes the payment of grants to beneficiaries and the indirect costs of providing the casework support. Grants are recognised in the financial statements in the year in which the grant offer is conveyed to the recipient. Conditional grants to beneficiaries are not recognised where the conditions of receipt have not been met and are noted as financial commitments.

Support costs consist of salary and other expenditure incurred to facilitate the administration and governance of the charity. Support costs are directly attributed to activities where it is possible to allocate to the activity on a basis of use of resource. Where it is not possible to directly attribute support costs, these are apportioned by the estimated percentage of time utilised by employees on each activity.

Tangible Fixed Assets and Depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition. Freehold land and buildings are measured at market value less impairment and are not depreciated as trustees consider recognition on a market value basis renders any depreciation charge as immaterial. Freehold land and buildings are subject to a full professional review on a rolling minimum five year basis in accordance with RICS "Red Book".

An impairment is recognised for the difference between the carrying amount and the revalued recoverable amount. Impairment movements are charged to the Statement of Financial Activities in the period incurred.

The fair market value of the two RABI owned residential homes is deemed to be the market value of the freehold investment in the residential home and the net income for the retirement flats.

It is RABI's policy to capitalise all assets with a combined purchase value in excess of £1,000. Depreciation is calculated on a straight-line basis across the expected useful life of the asset class:

Motor vehicles	three years
Equipment	three - ten years

Investments

Quoted investments are stated at market value at the balance sheet date.

RABI additionally owns a number of farms and estates which are held to generate a rental income. Investment properties are recognised at market value, with all properties being subject to a full professional valuation in accordance with RICS "Red Book" valuation requirements for the December 2019 year-end. Full professional valuations will be carried out on a minimum basis of every five years. Trustees perform an annual desktop review of the market values of investment properties in the interim of full revaluation reports.

Gains and Losses on Investment Assets

Gains and losses arising on investment assets, both through sale and changes in valuations, are taken to the Statement of Financial Activities in the year they occur.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Stock

Stock is stated at the lower of cost and net realisable value.

**THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
PRINCIPLE ACCOUNTING POLICIES 2020**

Funds

RABI currently holds three permanently endowed funds with no discretion to expend the capital. Income from two of the permanently endowed funds is restricted, with the third generating unrestricted income for general charitable purposes.

Restricted funds are subject to specific restricted conditions imposed by the donors as indicated below at note 20. Designated funds comprise unrestricted funds that are set aside by the trustees for a particular purpose.

Employee Benefits

RABI provides benefits to employees including paid holiday, group life assurance and a defined contribution pension scheme. The short-term benefits of holiday pay and group life assurance are charged to the Statement of Financial Activities during the period incurred.

The charity operates a defined contribution pension scheme for the benefit of all eligible employees. The assets of the scheme are administered by an independent pension provider. Once RABI has paid contributions to the scheme provider, the charity has no further payment obligations. The employer contributions are charged to the Statement of Financial Activities during the year of payment. Any unpaid employer contributions at the year-end are recognised within creditors.

Branches and Volunteers

RABI has an extensive network of volunteers across England and Wales who assist the charity to raise funds and increase awareness of the charity's work. An estimate of the contribution provided by the volunteers is included at note 13.

The majority of volunteers provide support to RABI through membership of one of the wholly volunteer based County Committees, with most of these Committees carrying out fundraising and support work as local branches of the charity.

The transactions undertaken by those County Committees operating as branches are recognised in the Statement of Financial Activities and assets and liabilities in the Balance Sheet in accordance with the charity's other income and expenditure policies as noted above. Income raised by the branches is typically to support the general purposes of RABI and will be accounted for as unrestricted funds. On occasion of a branch raising funds for a specific purpose, the income raised will be accounted for as restricted funds.

Critical Accounting Estimates and Areas of Judgement

In preparing financial statements the Trustees are required to make certain judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other known factors that are considered relevant. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis, with revisions to accounting estimates being recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both periods.

The Trustees consider the key area of judgement deemed to have the most significant effect on values recognised in the financial statements relates to the valuation of investment properties. These valuations are subject to a number of key assumptions and the trustees are satisfied that the assumptions used are reasonable and result in a materially accurate estimate of the property's fair value at 31 December 2020.

Note 16 provides further details regarding the valuation methods used assumptions upon which the valuation is based.

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Statement of Financial Activities analysis for the year-ended 31 December 2019

	Unrestricted Funds £'000	Restricted fund £'000	Endowment Funds £'000	Total 2019 £'000
Income				
Donations, legacies & grants	1,910	540	6	2,456
Charitable activities				
- Fees for residential care	1,209	-	-	1,209
Other trading activities				
- Fees for residential care	1,415	-	-	1,415
- Trading sales	36	-	-	36
Investment income	1,760	226	-	1,986
Other income	12	-	-	12
Total Income	6,342	766	6	7,114
Expenditure				
Raising funds				
- Donations and legacies	845	-	-	845
- Residential homes	1,258	-	-	1,258
- Other trading activities	31	-	-	31
- Generating investment income	278	-	-	278
Cost of charitable activities				
- Grants and support services	3,317	630	-	3,947
- Residential homes	1,586	54	-	1,640
- Publicity and marketing	407	-	-	407
Total Expenditure	7,722	684	-	8,406
Total gains/(losses) on investment assets	20,644	811	102	21,557
Net income/(expenditure)	19,264	893	108	20,265
Transfer between funds	(854)	854	-	-
Net movement in funds	18,410	1,747	108	20,265
Reconciliation of funds:				
Total funds brought forward 1 January	57,020	4,962	744	62,726
Total funds carried forward 31 December	75,430	6,709	852	82,991

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Voluntary Income

	2020	2019
	£'000	£'000
Annual subscriptions	46	50
Donations	925	1,321
Voluntary Income from Trusts	230	290
Income tax recovered under Gift Aid	11	27
Grants	-	240
Legacies	652	528
	<u>1,864</u>	<u>2,456</u>

3. Trading Sales

	2020	2019
	£'000	£'000
Sales	35	36
- Less cost of sales	(13)	(23)
- Less operating costs	(3)	(8)
Net Profit	<u>19</u>	<u>5</u>

4. Investment Income

	2020	2019
	£'000	£'000
Income from estates and development	324	415
Listed securities general fund	1,044	1,330
Interest on loans and deposits	15	16
Trust funds		
- Manson House Special Fund	5	5
- Beaufort House Special Fund	-	1
- RABI. Emergency Fund	170	191
- Barnes Trust	21	22
- Ken & Ann Woodward Fund	5	1
- David Beale Charitable Trust	1	5
	<u>1,585</u>	<u>1,986</u>

5. Costs of raising donations and legacies

	2020	2019
	£'000	£'000
Centralised staff & fundraising costs	306	200
Fundraising costs – Regional/Branches	60	180
Regional staff shared costs	110	287
Legacies	2	1
Allocation of support costs (see note 10)	246	177
	<u>724</u>	<u>845</u>

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Publicity and marketing

	2020	2019
	£'000	£'000
Central staff, marketing & publicity costs	169	144
Publications and advertising	37	40
Regional staff shared costs	163	192
Allocation of support costs (see note 10)	29	31
	398	407

Included in the costs to publicise and communicate the work of the charity are costs incurred on general publications, the website and digital media, shows exhibitions and events.

7. Costs of generating Investment Income

	2020	2019
	£'000	£'000
Investment management fees	146	146
Estates expenditure	113	98
Allocation of Support costs (see note 10)	40	34
	299	278

8. Residential homes

	2020	2019
	£'000	£'000
Costs of running residential homes	2,666	2,484
Expenditure from Homes Special Funds (Restricted Funds)	-	44
Allocation of support costs (see note 10)	422	370
	3,088	2,898

9. Grants and support services

	2020	2019
	£'000	£'000
Grants	1,727	1,846
Home fees paid	170	137
Home helps	68	70
Emergency Relief	28	83
One Off Grants	359	965
Regional Support	379	239
Central Support	385	433
Allocation of support costs (see note 10)	263	174
	3,379	3,947

Beneficiaries – assisted with direct grant awards

	2020	2019
Non-working farmers/farmworkers (retired and disabled)	943	1009
Working farmers/farmworkers	228	343
	1,171	1,352

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Support costs

	2020	2019
	£'000	£'000
Printing, stationery, books, postage, telephone	38	37
Staff costs	586	485
Office machinery, IT equipment and maintenance	140	71
Establishment expenses	97	55
Governance & trustees	20	96
Legal, health & safety, audit and bank charges	107	26
Staff training	11	13
Sundry expenses	1	3
	<u>1,000</u>	<u>786</u>

	Raising Donations & Legacies	Generating Investment Income	Publicity & Marketing	Grants & Support Services	Residential Homes	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Printing, stationery postage, telephone	5	5	1	6	21	38
Staff costs	115	27	12	108	324	586
Office IT, equipment, and maintenance	59	-	8	73	-	140
Establishment expenses	41	-	6	50	-	97
Governance & trustees	3	3	-	4	10	20
Legal, H&S, audit and bank charges	21	5	2	20	59	107
Staff training	2	-	-	2	7	11
Sundry	-	-	-	-	1	1
Total	<u>246</u>	<u>40</u>	<u>29</u>	<u>263</u>	<u>422</u>	<u>1,000</u>

11. Audit Fees

	2020	2019
	£'000	£'000
Fees for audit of financial statements	20	17

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Trustees and Employees

	Residential Homes	Welfare & Casework	Fundraising & Marketing	Management & Administration	2020 £'000	2019 £'000
Wages & salaries	1,739	477	397	678	3,292	3,035
Employer's National Insurance costs	126	42	38	71	277	258
Employer's pension costs	42	40	22	44	148	132
Total	1,907	559	457	793	3,717	3,425

Two employees earned between £60,000 and £70,000 during the year (2019: nil)
 One employee earned between £70,001 and £80,000 during the year (2019: one)
 No employees earned between £80,001 and £90,000 during the year (2019: one)
 One employee earned between £100,001 and £110,000 during the year (2019: none)

The charity made termination payments of £87,804 during the year (2019: nil).

The charity made payment to its key management personnel, deemed to be the Chief Executive Officer and eight (2019: eight) members of the Senior Management Team of £693,502 during 2020 (2019: £551,415). As noted in the financial review, a number of Senior Managers commenced fully in role during 2020, hence the comparative full time equivalent number of the team for 2019 is six. Included within the payment noted are employer pension contributions of £37,221 (2019: £34,907).

Average Headcount	Residential Homes	Welfare & Casework	Fundraising & Marketing	Management & Administration	2020 Total	2019 Total
Full Time	8	5	11	13	37	36
Part-time and Casual	88	14	2	2	106	112
Total	96	19	13	15	143	148

Full time is calculated as an average of 35 hours per week equivalent.

Trustees receive no remuneration during 2020 (2019: nil). Expenses totalling £3,882 (2019: £32,935) was paid to 13 trustees (2019: 13) for reasonable travel, trustee training, accommodation and meals expenditure whilst carrying out charity business. Trustee expenses were reduced in 2020 as Trustees were unable to travel post March 2020 due to Covid-19 restrictions.

13. Recognition of volunteers

RABI is fortunate to attract the support from committed volunteers across the country. These volunteers are involved in supporting the generation of income and assisting in the delivery of the charity's services. The table below provides an estimate of the number of volunteers and equivalent hours they have committed to helping RABI during 2020.

Fundraising & Marketing		Publicity		Total	
Volunteers	Hours	Volunteers	Hours	Volunteers	Hours
834	4,082	49	103	883	4,185

THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Tangible fixed assets

	Freehold Land & Buildings £'000	Motor Vehicles £'000	Equipment £'000	Software £'000	Total £'000
Cost					
As at 1 Jan 2020	8,227	47	72	-	8,346
Additions	-	-	-	34	34
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31st Dec 2020	8,227	47	72	34	8,380
Depreciation					
1st Jan 2020	-	16	37	-	53
Provision for year	-	24	14	4	42
Disposals	-	-	-	-	-
As at 31st Dec 2020	8,227	40	51	4	95
Net book Values					
Brought forward 1 Jan 2020	8,227	31	35	-	8,293
Carried forward 31 Dec 2020	8,227	7	21	30	8,285

Freehold land and buildings consist of three properties the charity utilise to support its operational activities. These properties are professionally valued on a rolling basis every five years with a desktop review every year. Additions to freehold land and buildings are recognised at cost.

The freehold properties are recognised at the reporting date at fair value. Fair value for the charity's two residential homes is deemed to be the current market value of the freehold investment in the residential home and the net income for the retirement flats. Fair value of the freehold office is deemed to be revalued market value.

RABI's principal office is Shaw House in Oxford, which was subject to a full RICS "Red Book" valuation in August 2018. The charity additionally owns two residential care homes based in Somerset and Suffolk. The two residential homes were valued by Christie & Co, Birmingham in March 2019. Trustees are content that the recognised carrying value of the three properties are not materially different at the reporting date to those noted in the revaluation reports.

RABI additionally owns a number of farms and estates which are held to generate a rental income for the charity. In accordance with FRS102 these assets have been classified as investments (see note 16 below).

With the exception of two wheelchair accessible vehicles for use at each of the residential homes, the charity does not retain the rights or responsibilities of ownership for the remaining vehicles utilised by RABI, with the associated lease costs being recognised as they fall due during the year.

15. Capital Commitments

	2020 £'000	2019 £'000
Authorised but not contracted for	-	177
	-	177

**THE ROYAL THE ROYAL AGRICULTURAL BENEVOLENT INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Investments

Fixed Asset Investments	2020	2019
	£'000	£'000
Market Value at 1 Jan 2020	43,030	38,391
Net disposal at carrying value	(734)	(141)
Gains / (loss) on disposal	(444)	548
Unrealised revaluation movement	2,176	4,232
Market value at 31 Dec 2020	44,028	43,030
Historical cost at 31 Dec 2020	<u>30,491</u>	<u>30,491</u>

Property Investments	2020	2019
	£'000	£'000
Market Value at 1 Jan 2020	28,244	11,535
Additions	106	428
Disposal	-	(496)
Gains on disposals	-	496
Unrealised revaluation movement	294	16,281
Market value at 31 Dec 2020	28,644	28,244
Historical cost at 31 Dec 2020	<u>2,418</u>	<u>2,418</u>

Investment properties are recognised at market value and are subject to a full professional valuation on a rolling basis at least every five years. Valuations are completed in accordance with RICS "Red Book". Additions to investment properties in the interim of full professional valuation updates are recognised at cost. Fair value of the investment properties is deemed to be the revalued market value. Trustees are content that, as at 31 December 2020, the recognised carrying value of the investment properties is not materially different to those noted in the revaluation reports.

Full RICS "Red Book" valuations were completed on behalf of RABI by members and fellows of the Royal Institution of Chartered Surveyors:

Whirlledge & Nott, Great Dunmow, Essex

Boarscroft Farm – December 2019
Caustons Hall Estate – December 2019
Landwick Farm – December 2019
Moles Farm – December 2019

Peter Skinner & Associates

Mountstephen Estate – November 2019
Furzehill Farm – November 2019

Halls Holdings Ltd

Brook Farm – March 2020

Armistead Barnett LLP, Garstang, Preston

Kit Brow – December 2019

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16. Investments (continued)

Analysis of Investments	Market Value	Market Value 31	Income from	Income from
	31 Dec	Dec	Investments	Investments
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Quoted Investments - UK	22,712	29,260	1,037	1,197
Quoted Investments – Overseas	19,654	13,387	224	358
Cash held within Investment Portfolio	1,662	383	-	-
Investment Properties	28,644	28,244	324	415
	72,672	71,274	1,585	1,970

17. Debtors

	2020	2019
	£'000	£'000
Taxation recoverable	29	5
Other debtors	28	215
Prepayments	190	31
	247	251

18. Cash as bank and in hand

	2020	2019
	£'000	£'000
Cash and current account balances	324	703
Short-term deposits	1,876	2,800
	2,200	3,503

19. Creditors

	2020	2019
	£'000	£'000
Fees and commissions	56	67
Taxation and social security	70	78
Other creditors	405	189
	531	334

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Funds

Statement of funds 2020

	Fund balance brought forward £'000	Incoming resources £'000	Outgoing resources £'000	Investment losses £'000	Tangible fixed asset gains £'000	Transfer between funds £'000	Fund balance carried forward £'000
Unrestricted funds	75,430	5,239	(7,496)	2,143	-	-	75,316
Restricted funds							
Manson House Special Fund	155	6	(20)	(8)	-	-	133
Beaufort House Special Fund	28	-	(21)	-	-	-	7
RABI. Emergency Fund	6,513	171	-	(50)	-	-	6,634
The Barnes Trust	-	21	(21)	-	-	-	-
Ken and Ann Woodward Trust	-	5	(5)	-	-	-	-
David Beale Charitable Trust	-	1	(1)	-	-	-	-
Restricted Voluntary Income (Various)	13	327	(340)	-	-	-	-
	6,709	531	(408)	(58)	-	-	6,774
Endowment funds							
The Barnes Trust	661	-	-	(38)	-	-	623
Ken and Ann Woodward Trust	170	-	-	(10)	-	-	160
David Beale Charitable Trust	21	-	-	(1)	-	-	20
	852	-	-	(49)	-	-	803
	82,991	5,770	(7,904)	2,036	-	-	82,893

Analysis of net funds 2020

	Tangible fixed assets £'000	Fixed asset Investments £'000	Current assets £'000	Current liabilities £'000	Total funds £'000
Restricted funds					
Manson House Special Fund	-	133	-	-	133
Beaufort House Special Fund	7	-	-	-	7
RABI. Emergency Fund	-	6,463	171	-	6,634
Restricted Voluntary Income (Various)	-	-	-	-	-
	7	6,596	171	-	6,774
Endowment funds					
The Barnes Trust	-	623	-	-	623
Ken and Ann Woodward Trust	-	160	-	-	160
David Beale Charitable Trust	-	20	-	-	20
	-	803	-	-	803
	8,278	65,273	2,296	(531)	75,316
Unrestricted funds					
Total Funds	8,285	72,672	2,467	(531)	82,893

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Funds (continued)

Funds Held

Fund Name	Fund Classification	Purpose and Restrictions
The Barnes Trust	Permanent Endowment	Monies transferred via Charity Commission scheme dated 28 March 1994 into the RABI upon the closure of the John Iles Barnes Charity for Farmers and their Widows. Income is restricted for the relief need, hardship or distress of persons who are, or have been, engaged in agriculture being resident in the counties of Dorset, Hampshire or Somerset.
Ken & Ann Woodward Fund	Permanent Endowment	Income generated by the endowment is restricted for the benefit of RABI beneficiaries situated in Suffolk.
David Beale Charitable Trust	Permanent Endowment	Monies transferred by the Trust following the winding-up of the Trust in 2009. Income generated by the endowment is restricted to beneficiary support.
Manson House Special Fund	Restricted	The Fund was originally founded via donations from three Trusts: the Eleanor Stevens Trust; the J W Watmough Trust; and the Nowton Almshouse Trust and has been supplemented via fundraising and donations. The Fund is restricted to providing benefits for the residents of Manson House, the RABI. residential home in Suffolk.
Beaufort House Special Fund	Restricted	The Fund was created via fundraising and donations and is restricted to providing benefits for the residents of Beaufort House, the RABI residential home in Somerset
RABI Emergency Fund	Restricted	The RABI Emergency Fund represents the balance of donations received during the 2001 Foot & Mouth epidemic. The Fund is restricted to providing support to working farmers, farm workers and their families affected by death, disaster or disease
Restricted Voluntary Income Fund	Restricted	RABI received the following restricted donations during 2020 (income in excess of £5k shown separately):
		£'000
		Covid Support 100
		Christmas Hampers 38
		RABI Calendar 5
		Dorset 5
		Hampshire 5
		Kent 15
		Norfolk 15
		North Yorkshire & Northumberland 61
		Somerset 11
		Wiltshire 11
		Other Counties 62
		Total 327

21. Transactions with Related Parties

There have been no related party transactions in the reporting period that require disclosure and no outstanding related party transactions as at 31 December 2020.