

REGISTERED COMPANY NUMBER: 00954753 (England and Wales)
REGISTERED CHARITY NUMBER: 305034



FARNHAM MALTINGS ASSOCIATION LIMITED

Financial Statements for the Year Ended 31 March 2021

Tudor John Limited
Chartered Accountants and Statutory Auditors
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

FARNHAM MALTINGS ASSOCIATION LIMITED

**Contents of the Financial Statements
for the year ended 31 March 2021**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 12
Statement of Financial Activities	13 to 14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Cash Flow Statement	17
Notes to the Financial Statements	18 to 33
Detailed Statement of Financial Activities	34 to 35

**Report of the Trustees
for the year ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019).

**Report of the Trustees
for the year ended 31 March 2021**

OBJECTIVES AND ACTIVITIES

Objectives

In shaping our objectives and planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Farnham Maltings relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities for those on low incomes.

The objectives of Farnham Maltings Association as stated in the 1969 Memorandum of Association (as amended) are:-

- a. To establish community centres for the benefit of the inhabitants of the Town of Farnham aforesaid and the neighbourhood, without distinction of sex or political, religious or other opinions, for the advancement of education and the provision of facilities, in the interests of social welfare, for recreation and leisure-time occupation, with the object of improving the conditions of life for the said inhabitants.
- b. To promote and encourage the arts among the said inhabitants, including the musical, visual, dramatic, cinematic and applied arts.
- c. Power to hold or own a collection and to operate a museum for the benefit of the public.
- d. Generally, to encourage, promote, undertake or carry on or assist the promotion, undertaking or carrying on of such charitable activities and purposes as may strengthen the bonds of community life of the inhabitants aforesaid or otherwise be beneficial to the community within the Town of Farnham and neighbourhood aforesaid.

Farnham Maltings is a cultural organisation, based in southwest Surrey, that exists to encourage the people of Farnham and further afield to participate in, shape and understand the world in which we live. We organise our work around a set of priorities to ensure that Farnham remains a happy, safe and creative community. These are:

- Contributing to a vibrant culture for Farnham.
- Encouraging more people to make their own art.
- Build the relationship between artists, audiences and venues.
- Produce and invest in new contemporary art.

The work we undertake is loosely organised around three inter-connected strands:

community engagement: which encompasses the participatory programme in Farnham, making the maximum use of the buildings as a community resource, leading a museum service and delivering a workshop programme.

craft development: which encompasses a programme of craft festivals, workshops, supporting makers and coordinating craft town.

theatre development: which includes producing a cohort of regional companies, making our own touring theatre, running a programme of work to internationalise the independent theatre sector, leading a 180 venue network across the southeast and delivering a programme of sector development.

We are guided by a set of values that shape all our thinking, activities and the partnerships we form. These are equality and diversity, being collaborative, thinking internationally and making the most of the digital opportunity.

Activities of the Maltings

In a large part 2020/21 has been about reacting, quickly, to the pandemic. Any plans or strategic priorities were replaced by the need to respond to the crisis in our community. The strong and mature relationships with our local authority stake holders, combined with a mission to 'contribute to the quality of people's lives across the town and borough' put us in a strong position to make a difference. As the pandemic struck, we began conversations with Farnham TC, Waverley BC and Surrey CC about what needed to happen. Whilst our buildings needed to close, we were determined to be useful in as many ways as possible. We took on a convening, organising and problem-solving role often working in partnership with others.

**Report of the Trustees
for the year ended 31 March 2021**

Activities of the Maltings (cont)

We worked with the Town Council to establish a help line which supported over 2000 requests for help, set up a share store, convened a weekly community sector forum, established a hardship fund, set up a buddying scheme and run a programme of work to tackle social isolation. Later in the crisis we were approached by Surrey CC to lead on the delivery of a programme of work to tackle social isolation and began a similar programme, High Hopes with support from ACE.

Alongside this work Arts Council of England continued to invest in us to increase the range, quality and audience for theatre across the region. This required us to repurpose our services as we began to supporting the regions venues to adapt, share knowledge and practical solutions to surviving the pandemic, investing in artists to continue to make work in these extraordinary times, reframe how artists and companies might think and work internationally and consider how we better use the digital realm.

We did briefly open the buildings in the autumn and managed to offer a limited programme of activities and delivered an adapted programme of craft festivals. Some of the learning from this has proved useful and will stay with us – introducing a one-way system, timed entry, ticketless ticketing, ordering of drinks via an app.

Volunteers

Our relationship with volunteers has been somewhat revolutionised during this year. We could not have delivered the range of services without tapping into the generosity and commitment of local people. Over 500 people stepped forward at the start of the pandemic to assist with shopping, prescription pick-ups, buddying and acting as town guides. The share store was entirely organised and staffed by volunteers and people responded to calls to assist in meeting a particular challenge time and time again. We will continue to explore ways of unlocking the communities' ambitions to make more things happen.

There remains a core of volunteers who assist in the running of the Maltings and Museum of Farnham as stewards, gardeners, managing the reception at the Museum, leading sessions within the Arts and Health work, archiving, supporting the education work of the museum. These volunteers are managed by staff with particular responsibilities and are given health and safety and operational training.

**Report of the Trustees
for the year ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

20/21 has, by any measure, been different to any other in our fifty-year history. With the vast majority of the core team furloughed, our buildings shut for most of the year, three cycles of national lockdown in which our community was required to stay at home and socially isolate and the anxiety and real threat caused by Covid has meant that any existing plans and ambitions had to stop. However, we are driven by a mission to 'improve the quality of peoples lives' and retain a set of values around generosity, partnership working and equality which informed how we adapted and responded to the challenge of the pandemic.

It is testimony to all the historic work of staff, volunteers, board members and funding partners, that the Maltings is sufficiently resilient and confident in its purpose to have been able to adapt and meet the changing needs of our community. Time will tell how the past year will influence and change much of our operation longer term but we are proud of the things we have managed to do in these past 12 months.

Particular highlights/successes for the year include:

Establish a range of emergency services for the town, many in partnership with the Town Council. These include:

- Set up a helpline that dealt with over 2000 calls for help with prescription pick-ups and shopping.
- Convened a weekly third sector and statutory body forum involving up to 50 organisations to coordinate responses to the crisis and make best use of resources and ensure little duplication.
- Established a share store.
- Contributed to the setting up of a hardship fund.
- Established a Buddying Scheme.

Developed, with investment from Surrey CC, a programme of work to tackle Social Isolation.

Quickly offered a set of Extraordinary Times commissions to ensure artists were supported during the pandemic.

Developed a programme of activities that make better use of our outdoor spaces.

Led a set of initiatives to support the 180 venues within the house network to adapt, share knowledge and secure alternative sources of funding.

Successfully delivered caravan 2020 as a wholly digital showcase of English performance as one of the first international on-line events of its kind.

Secured additional funding from Esmée Fairbairn, ACE, Surrey CC and Government to mitigate the impact of covid and deliver a new adapted set of responses to need.

Delivered New Conversations as a set of digital exchanges in partnership with the British Council and Canadian High Commission.

Launched a new website with improved integration with our ticketing and communication processes that have transformed the means of interacting with our audience.

Used the closure to undertake a programme of maintenance to the whole estate.

**Report of the Trustees
for the year ended 31 March 2021**

FINANCIAL REVIEW

The charity made an overall surplus for the year of £554.7k (2020 deficit -£109.7k).

The Covid pandemic prevented the charity from being able to carry out much activity at all during the year but funding from existing agreements (such as the current Arts Council NPO) continued at normal levels. A significant proportion of the running costs were covered by emergency funding grants (Cultural Recovery Fund £165k, Coronavirus Job Retention Scheme “furlough” £375k and the Government Rebate Scheme £82k) and this led to minimal spending against the actual income received. These funds, along with funds from prior years (such as the 2018 – 2022 projects), will be used to help fund the recovery of activities, not just for the Farnham Maltings but, also, within the sector, with the expectation being to utilize these excess funds over the next 2 years.

In addition to the above, £95k of real payroll savings have been achieved due to staff restructuring at a one-off cost of £6k.

The increase in restricted funds is net of £6k for depreciation on property improvements. These improvements were funded by grants, which were accounted for as a restricted fund, and the costs are being depreciated and charged against that fund.

The principal sources of income during the year were grants of £1,510k from Arts Council England, Waverley Borough Council, Farnham Town Council and various other sources, plus £251k from operational activities including facilities hire, promoted events and Maltings events. Full details are included in the financial statements. The trustees would like to thank our partners for the grant support received and, also, for donations and membership subscriptions from the public.

During the year the charity’s wholly owned subsidiary, Farnham Maltings Trading Limited was (due to Covid) unable to arrange any tour productions and, therefore, there has been no trading through this subsidiary.

Reserves and reserves policy

At the year end the charity held £1,478k in restricted funds, which must be spent on specific projects described in note 18 to the financial statements. Most of the funds are expected to be spent over the next 2 - 3 years.

At the year end the charity held £1,510k in unrestricted funds, which included £1,363k relating to tangible fixed assets, leaving free reserves of £147k. Within its fixed assets, however, the charity holds the cottage at 4 Red Lion Way, valued at £300k which is not used for operational purposes and can be used for borrowing. This is therefore regarded by the trustees as part of the available reserves, increasing the residual reserves to £447k. Included within this figure is £249k in respect of a designated reserve for arts development and producing and £185k on other 2018-2022 designated projects which leaves free reserves of £13k (2020: a deficit of - £66k).

The designated fund for arts development and producing represents funds received from Arts Council England to support the distribution of theatre and a programme for the performing arts sector. This includes House, Caravan and Producing projects and funds are expected to be spent (once Covid restrictions are lifted) over the next 2 - 3 years.

The trustees have reviewed the reserves policy and consider that the desired level of free reserves remains at (or above) £200k. This would provide a buffer against (losses due to) reduced income or additional unplanned expenditure, insofar as these are not insured. A comprehensive insurance programme is in place to protect against identified risks, and this is reviewed annually by the Risk Management Group, but it is not possible or economic to insure against all risks. It therefore remains the objective that free reserves need to improve by, at least, £187k over the next 3 -5 years (2020: £266k).

Fixed assets

The freehold property owned by the charity has not been revalued for some years. In the opinion of the trustees, the market value is considerably in excess of the book value.

Investments

Funds of £200k placed on investment in September 2019 and initially deteriorated due to the impact of Covid on the Stock Market. As at 31 March 2021 they were valued at £214k (2020: £169k).

**Report of the Trustees
for the year ended 31 March 2021**

FUTURE PLANS

The pandemic has encouraged us to think hard about our role in the town of Farnham and how that is exemplified regionally as a model of how a cultural organisation can play a civic role within its community. We have certainly strengthened our relationship with our local authorities who have a better sense of our ambition and purpose. We recognise the rise in localism and the opportunities this presents in what are going to be a difficult few years to navigate. The pandemic required us to undertake a redundancy programme with the loss of 7 jobs and a small number of staff have remained on furlough which will take time to adapt and rebuild from.

Clearly the pandemic is going to have a dramatic impact on the finances of local authorities, and we will need to ensure that we are useful and relevant to their needs if we are to sustain those relationships. Somewhat ironically, the crisis has thrown up new opportunities particularly around re-animating libraries with Surrey CC and testing the offer for young people across Farnham. At the same time the Arts Council new ten-year plan, Lets Create, with its emphasis on participation and diversifying the makers and audience for culture is shaping our thinking. Farnham Maltings is well placed to demonstrate its 'usefulness' to its wider community, Local Authority, ACE and the partnerships we have forged with Esmée Fairbairn and the Rothschilds Foundation can only help in reaching the widest possible community.

We have a SLA with Waverley and Arts Council that has been extended to spring 2023. Over the next year we will be developing a longer-term plan for the Maltings that takes account of local need, our resources and expertise and the priorities of our partners. We remain absolutely committed to improving the quality of people's lives, to our roots in Farnham and to reaching as wide a community as possible.

Over the coming years we will build a growing programme of more informal events, much like the craft events where we, make better use of our outdoor spaces and blend on-line digital elements to many of the events we run. The World City of Craft status articulates something distinctive about our community which, in partnership with the town council, is shaping a view of the town and pointing towards new partnerships and resources that should build on this momentum.

Towns, and how they are responding regionally, nationally and around the world is one of the threads that bind much of our work and is likely to influence the choices we make about future projects. Similarly, we are curious to test further the opportunities that working in libraries present.

The pandemic has accelerated our use of and understandings of the potential of digital technology and has become something of a priority to identify ways in which we can create dedicated resources and staff to make the most of the opportunity.

We have two major capital projects pending to create a new front yard to the Maltings which can be used for public performance and to create a digital media suite and hot desk spaces in what is currently the cellar bar store.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Associated parties

The charity has close working relationships with the Arts Council, Waverley Borough Council and Farnham Town Council who together provide substantial funding to enable the charity to carry out its charitable activities. Further information regarding transactions with these parties can be found in note 5 of these financial statements.

**Report of the Trustees
for the year ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Farnham Maltings Association Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association. The company was incorporated on 22 May 1969. It was registered as a charity with the Charity Commission on 13 January 1970.

The charity is managed by a Council of Management, which has not less than eight nor more than seventeen members.

There are 2 classes of members of the Council of Management –

Trustees who are voting members, recommended by a selection panel and elected by the membership at an AGM. In accordance with the Articles of Association, voting members retire in rotation, with one-third retiring each year, and they are not available for re-election after a period of five years' service.

Stakeholder representatives - Up to four non-voting members, who are not trustees, are appointed to the Council of Management from nominations by the main funders (Arts Council, Waverley Borough Council and Farnham Town Council). Arts Council have advised that they do not wish to nominate a representative on Farnham Maltings Council of Management, but request copies of minutes and papers.

The current trustees and stakeholder members and those who have been appointed or retired during the year 2019/20 are as listed on page 9.

Trustees bear the legal responsibilities for the Charity and the Company. New trustees are given a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council of Management and the decision making processes, the business plan and the financial position of the charity. On appointment they are given a chance to meet senior employees and other trustees.

The trustees hold a periodic retreat to discuss their role and the aims and objectives of the organisation. Trustees are encouraged to study the range of governance guidance papers we have available.

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 9 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive or Secretary and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The Council of Management administers the charity and meets quarterly. There are sub-groups covering finance and resources, Farnham Museum, Risk Management, and Access and Inclusion. New sub-groups are formed as necessary to administer key projects such as capital development and fundraising.

The Chief Executive is appointed by the trustees to manage the day to day operations of the charity.

Risk Management

The trustees of the Maltings have reviewed the Risk Management Policy, and have initiated a risk management strategy which comprises:

- o An annual review of the risks the charity may face.
- o The establishment of systems and procedures to mitigate those risks identified in the plan.
- o The implementation of those procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has resulted in better emergency procedures and contingency plans, and has given the impetus for better planning for risks arising from fire, health and safety of artists and audiences, changes in funding, succession planning and food hygiene.

**Report of the Trustees
for the year ended 31 March 2021**

Review of Governance.

During the year, the Trustees started to review our current governance arrangements. It is many years since the current Memorandum and Articles of Association have been thoroughly updated. We are looking to follow best practice in our sector and charities in general. We are mindful of the excellent “Investment Principles” set out by the Arts Council and will endeavour to reflect these in the future governance structure of The Maltings.

It is expected that a resolution will be put to a General Meeting in early 2022. Members will then be asked to consider, and if they see fit, to adopt new Articles of Association to guide our work in the coming years.

Trustee Succession

We have three trustee directors who are retiring at the AGM. We would like to thank them for their contribution.

At the November 2020 AGM, I took over the Chair from my predecessor Ms Lisa Hennessey whose media and arts background has brought valuable insights to the Council of Management. I would like to express my thanks to Lisa for the excellent role she undertook on behalf of the Members to lead the Council of Management and for her generosity in supporting me through our transition.

Andrew McWhirter has acted as our Treasurer and Secretary. During that time he has guided the finance function ably and provided support to both the executive team and the Council of Management. As Chair of the finance subgroup, key aspects of the financial governance of the Maltings have been kept under regular review. On behalf of the Council, I would like to express thanks to Andrew and wish him well.

I asked Christina Hughes to reflect on her term of office as a member of the Council of Management. Christina brought a background in strategy and understanding future trends.

Christina saw the key achievements over recent years of the Maltings Team as being that we are now a broader cultural organisation, impacting locally, regionally and nationally often playing a leadership role for the sector. Over the past 18 months we have strengthened our civic and community role by working with our local authorities, in particular the town council, as well as a many from the third sector to ensure a coordinated response to the pandemic.

We have looked to the future and who does and doesn't come through our doors, and how we reach the broadest possible community, including those who feel isolated (with our Arts and Health programmes), people who have experience with dementia, the youth etc. We are truly becoming a place for all.

We have also had to say goodbye to Wyatt Ramsdale as he steps away from his role as a Surrey CC councillor. As an elected representative for both Waverley and Surrey, he has contributed to our discussions and added insights into the wider community. For that we express our sincere thanks.

Staff & Volunteers.

We are indeed fortunate to have an excellent team of colleagues and volunteers who support all the activities of The Maltings. May I take the opportunity to express my thanks to them all for their achievements in a difficult and uncertain year.

Lastly, my thanks to the Trustees and stakeholder members of the Council of Management for their dedication and time given to an important part of the fabric of our Town.

M Maher

Report of the Trustees
for the year ended 31 March 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00954753 (England and Wales)

Registered Charity number

305034

Registered office

The Maltings
Bridge Square
Farnham
Surrey
GU9 7QR

Trustees

Mr M Maher – Chair
Mrs E K Haigh – Vice Chair
Ms L Hennessey
Mr C A McWhirter -Treasurer
Mr M J Cooper
Ms C Hughes
Mr S M Lunn (resigned 21 November 2020)
Mr M J Wilkie
Ms S E Corn
Ms L J K Nsomi-Campbell
Mr P A M Hare

Nominee members of the Council of Management

Cllr P Evans	(Nominee, Farnham Town Council)
Cllr W Ramsdale	(Nominee, Surrey County Council)
Ms C Hall	(Observer, Waverley Borough Council)
Cllr M Martin	(Nominee, Waverley Borough Council)
Cllr K Mirylees	(Nominee, Waverley Borough Council)

Chief executive

Mr G Stride

Company Secretary

C A McWhirter

Auditors

Tudor John Limited
Chartered Accountants and Statutory Auditors
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

Advisers

Bankers
Barclays Bank Plc
22 The Borough
Farnham
Surrey
GU9 7NH

**Report of the Trustees
for the year ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Farnham Maltings Association Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Tudor John Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
C A McWhirter - Trustee

**Report of the Independent Auditors to the Members of
Farnham Maltings Association Limited (Registered number: 00954753)**

Opinion

We have audited the financial statements of Farnham Maltings Association Limited (the 'charitable parent company') and its subsidiary (the group) for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated 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 (United Kingdom Generally Accepted Accounting Practice) and as regards the parent Charitable company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021 and of the groups incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 charitable company'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Farnham Maltings Association Limited (Registered number: 00954753)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

- Identify and assess the risk 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.

**Report of the Independent Auditors to the Members of
Farnham Maltings Association Limited (Registered number: 00954753)**

Our responsibilities for the audit of the financial statements (Cont)

- 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 group or parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosure 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 group or the parent charitable company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

Hazel Day BSc (Hons) FCA DChA (Senior Statutory Auditor)
for and on behalf of Tudor John Limited
Chartered Accountants and Statutory Auditors
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

Date:

FARNHAM MALTINGS ASSOCIATION LIMITED

**Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	30,461	-	30,461	16,708
Charitable activities	5				
Catering		34,991	-	34,991	353,414
Venue hire, PRS and Security		112,784	-	112,784	280,530
Visual and performing arts promoted by the Maltings		77,983	1,583	79,566	612,212
Farnham Museum		-	129,050	129,050	130,895
Commission received on artist sales		1,253	-	1,253	13,359
Core funding and other grants		256,057	1,136,983	1,393,040	1,204,746
Subscriptions		10,167	-	10,167	19,202
Other trading activities	3	141,625	-	141,625	273,322
Investment income	4	1,090	-	1,090	7,660
Other income		445,964	-	445,964	-
Total		1,112,375	1,267,616	2,379,991	2,912,048
EXPENDITURE ON					
Charitable activities	6				
Arts, development and producing expenditure		69,968	347,743	417,711	744,640
Catering		9,324	-	9,324	138,853
Venue hire, PRS and Security		1,512	570	2,082	18,522
Visual and performing arts promoted by the Maltings		23,079	15,000	38,079	288,590
Farnham Museum		-	68,923	68,923	135,886
Market		270	-	270	1,051
Community Support		7,538	-	7,538	-
Other Support Costs		230,982	5,385	236,367	475,595
Salaries and Wages		873,408	216,708	1,090,116	1,209,306
Total		1,216,081	654,329	1,870,410	3,012,443
Net gains/(losses) on investments		45,159	-	45,159	(31,321)
NET INCOME/(EXPENDITURE)		(58,547)	613,287	554,740	(131,716)
Transfers between funds	18	54,377	(54,377)	-	-
Tax (paid)/receivable		-	-	-	22,030
Net movement in funds		(4,170)	558,910	554,740	(109,686)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,514,240	918,936	2,433,176	2,542,862
TOTAL FUNDS CARRIED FORWARD		<u>1,510,070</u>	<u>1,477,846</u>	<u>2,987,916</u>	<u>2,433,176</u>

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED (REGISTERED NUMBER: 00954753)

**Consolidated Balance Sheet
31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	1,363,160	49,781	1,412,941	1,418,894
Investments	13	<u>164,024</u>	<u>49,814</u>	<u>213,838</u>	<u>168,679</u>
		1,527,184	99,595	1,626,779	1,587,573
CURRENT ASSETS					
Debtors	14	202,930	5,724	208,654	78,547
Cash at bank and in hand		<u>34,595</u>	<u>1,383,418</u>	<u>1,418,013</u>	<u>1,034,106</u>
		237,525	1,389,142	1,626,667	1,112,653
CREDITORS					
Amounts falling due within one year	15	<u>(254,639)</u>	<u>(10,891)</u>	<u>(265,530)</u>	<u>(267,050)</u>
NET CURRENT ASSETS		<u>(17,114)</u>	<u>1,378,251</u>	<u>1,361,137</u>	<u>845,603</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,510,070</u>	<u>1,477,846</u>	<u>2,987,916</u>	<u>2,433,176</u>
NET ASSETS		<u>1,510,070</u>	<u>1,477,846</u>	<u>2,987,916</u>	<u>2,433,176</u>
FUNDS					
Unrestricted funds	18			1,510,070	1,514,240
Restricted funds				<u>1,477,846</u>	<u>918,936</u>
TOTAL FUNDS				<u>2,987,916</u>	<u>2,433,176</u>

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

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

.....
C A McWhirter - Trustee

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED (REGISTERED NUMBER: 00954753)

**Balance Sheet
31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	1,363,160	49,781	1,412,941	1,418,894
Investments	13	<u>164,026</u>	<u>49,814</u>	<u>213,840</u>	<u>168,681</u>
		1,527,186	99,595	1,626,781	1,587,575
CURRENT ASSETS					
Debtors	14	219,702	5,723	225,425	69,949
Cash at bank and in hand		<u>34,594</u>	<u>1,383,419</u>	<u>1,418,013</u>	<u>1,034,106</u>
		254,296	1,389,142	1,643,438	1,104,055
CREDITORS					
Amounts falling due within one year	15	<u>(271,412)</u>	<u>(10,891)</u>	<u>(282,303)</u>	<u>(258,454)</u>
NET CURRENT ASSETS		<u>(17,116)</u>	<u>1,378,251</u>	<u>1,361,135</u>	<u>845,601</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,510,070</u>	<u>1,477,846</u>	<u>2,987,916</u>	<u>2,433,176</u>
NET ASSETS					
		<u>1,510,070</u>	<u>1,477,846</u>	<u>2,987,916</u>	<u>2,433,176</u>
FUNDS					
	18			1,510,070	1,514,240
Unrestricted funds				<u>1,477,846</u>	<u>918,936</u>
Restricted funds					
TOTAL FUNDS				<u>2,987,916</u>	<u>2,433,176</u>

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

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

.....
C A McWhirter - Trustee

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED

**Cash Flow Statement
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	391,992	(22,379)
Interest paid		-	(550)
Finance costs paid		<u>(9,175)</u>	<u>(19,657)</u>
Net cash provided by/(used in) operating activities		<u>382,817</u>	<u>(42,586)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		-	(200,000)
Interest received		1,090	4,825
Dividends received		<u>-</u>	<u>2,835</u>
Net cash provided by/(used in) investing activities		<u>1,090</u>	<u>(192,340)</u>
Cash flows from financing activities			
Loan repayments in year		<u>-</u>	<u>(26,806)</u>
Change in cash and cash equivalents in the reporting period		383,907	(261,732)
Cash and cash equivalents at the beginning of the reporting period	2	<u>1,034,106</u>	<u>1,295,838</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>1,418,013</u></u>	<u><u>1,034,106</u></u>

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Cash Flow Statement
for the year ended 31 March 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	554,740	(109,686)
Adjustments for:		
Depreciation charges	5,953	104,562
(Gain)/losses on investments	(45,159)	31,321
Interest received	(1,090)	(4,825)
Interest paid	-	550
Finance costs	9,175	19,657
Dividends received	-	(2,835)
Decrease in stocks	-	5,544
(Increase)/decrease in debtors	(130,107)	32,336
Increase/(decrease) in creditors	<u>(1,520)</u>	<u>(99,003)</u>
Net cash provided by/(used in) operations	<u><u>391,992</u></u>	<u><u>(22,379)</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash in hand	16,030	1,614
Notice deposits (less than 3 months)	<u>1,401,983</u>	<u>1,032,492</u>
Total cash and cash equivalents	<u><u>1,418,013</u></u>	<u><u>1,034,106</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	1,034,106	383,907	1,418,013
	<u> </u>	<u> </u>	<u> </u>
Total	<u><u>1,034,106</u></u>	<u><u>383,907</u></u>	<u><u>1,418,013</u></u>

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements for the year ended 31 March 2021

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102 and SORP (FRS 102) the financial reporting standards applicable in the UK and republic of Ireland and Companies Act 2006.

STATUTORY INFORMATION

The Charity is a Public Benefit Entity company limited by guarantee, registered and incorporated in England and Wales. Details of the registered office and activities can be found in the Trustees report.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

In particular -

- Income from Grants is recognised in accordance with the terms of the grant.
- Income from events is recognised once the event has taken place.
- Income from the shop and Cafe is recognised when the sale takes place.
- Income from rentals is recognised when the rental has occurred.
- Box office income is recognised following the showing.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Motor vehicles	- 50% on cost
Freehold property	Not depreciated
Car park improvements	Not depreciated
Motor Vehicles	50% straight line
Furniture, equipment and fittings	10% - 33.3% straight line

Assets costing £5,000 or more are capitalised and depreciated over their useful economic life.

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

The Freehold property and Car park improvements are not depreciated since the Directors consider that given the high level of maintenance any depreciation charge would be immaterial.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

TRADE AND OTHER DEBTORS

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of any impairment.

Those that are receivable after more than one year or constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised costs, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies which are described above, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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 current and future periods.

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

1. ACCOUNTING POLICIES - continued

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

Assets are written down over their estimated useful lives. The actual lives of the assets may differ from these estimates. The lives of the assets are kept under review and adjusted as appropriate.

EMPLOYEE BENEFITS

The company provides a range of benefits to employees, including bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate legal entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

The total cost to the employer recognised in the year amounted to £31,004, this is allocated to funds based on the time spent by the staff to which the cost relates.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>30,461</u>	<u>16,708</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Car park income	68,678	148,151
Market income	15,113	56,835
Tenancy rental income	<u>57,834</u>	<u>68,336</u>
	<u>141,625</u>	<u>273,322</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

4. INVESTMENT INCOME

	2021	2020
	£	£
Other fixed asset invest - FII	-	2,835
Deposit account interest	<u>1,090</u>	<u>4,825</u>
	<u>1,090</u>	<u>7,660</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020
	Activity	£	£
Catering income	Catering	34,991	353,414
Venue hire, PRS and Security	Venue hire, PRS and Security	112,784	280,530
Visual and performing arts promoted by the Maltings	Visual and performing arts promoted by the Maltings	74,247	612,212
Grants	Visual and performing arts promoted by the Maltings	2,421	-
Commission received on artist sales	Visual and performing arts promoted by the Maltings	2,898	-
Farnham museum	Farnham Museum	12,493	60,396
Grants	Farnham Museum	116,557	70,499
Commission received on artist sales	Commission received on artist sales	1,253	13,359
Grants	Core funding and other grants	1,393,040	1,204,746
Subscriptions	Subscriptions	<u>10,167</u>	<u>19,202</u>
		<u>1,760,851</u>	<u>2,614,358</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Waverley Borough Council - Revenue funding	33,000	33,000
Waverley Borough Council - Farnham Museum	70,500	70,500
Farnham Town Council	13,000	13,000
Arts council	1,056,262	953,500
Other grants received	35,342	144,220
Rothschild	54,924	61,025
Helpline	4,000	-
Tackling Loneliness	6,000	-
High Hopes	26,035	-
Government Rebate scheme	82,114	-
Esmee Fairbairn	<u>119,420</u>	<u>-</u>
	<u>1,500,597</u>	<u>1,275,245</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Arts, development and producing expenditure	417,711	-	417,711
Catering	9,324	-	9,324
Venue hire, PRS and Security	2,082	-	2,082
Visual and performing arts promoted by the Maltings	38,079	-	38,079
Farnham Museum	68,923	-	68,923
Market	270	-	270
Community Support	7,538	-	7,538
Other Support Costs	(570)	236,937	236,367
Salaries and Wages	34,215	1,055,901	1,090,116
	<u>577,572</u>	<u>1,292,838</u>	<u>1,870,410</u>

7. SUPPORT COSTS

	Management £	Finance £	Human resources £	Governance costs £	Totals £
Other Support Costs	198,240	25,408	2,040	11,249	236,937
Salaries and Wages	-	-	1,055,901	-	1,055,901
	<u>198,240</u>	<u>25,408</u>	<u>1,057,941</u>	<u>11,249</u>	<u>1,292,838</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	5,000	5,000
Auditors' remuneration for non audit work	5,350	6,442
Depreciation - owned assets	<u>5,953</u>	<u>104,562</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

TRUSTEES' EXPENSES

During the year one trustee was reimbursed expenses for refurbishment costs incurred on behalf of the charity. No balance owed to the trustee remained at the year end.

10. STAFF COSTS

	2021 Total Funds £	2020 Total Funds £
Gross wages	1,081,523	1,109,286
Employer's national insurance	75,610	75,535
Pension	<u>31,004</u>	<u>24,233</u>
	<u><u>1,188,137</u></u>	<u><u>1,209,054</u></u>

The average number of employees analysed by function was

	2021	2020
Administration	13	11
Box office and front of house	9	12
Operations	17	25
ACE Arts	7	8
Workshop and courses	3	7
Touring	3	4
Catering	15	27
Museum	<u>5</u>	<u>6</u>
	<u><u>72</u></u>	<u><u>100</u></u>

Below is listed the number of employees, which fell within the following bands

	2021	2020
£60,000 - £70,000	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Total pension contributions for higher paid staff during the year was £12,683 (2020 £12,686).

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	16,089	619	16,708
Charitable activities			
Catering	353,414	-	353,414
Venue hire, PRS and Security	280,530	-	280,530
Visual and performing arts promoted by the Maltings	603,899	8,313	612,212
Farnham Museum	-	130,895	130,895
Commission received on artist sales	13,359	-	13,359
Core funding and other grants	51,424	1,153,322	1,204,746
Subscriptions	19,202	-	19,202
Other trading activities	273,322	-	273,322
Investment income	<u>7,660</u>	<u>-</u>	<u>7,660</u>
Total	1,618,899	1,293,149	2,912,048
EXPENDITURE ON			
Charitable activities			
Arts, development and producing expenditure	314,859	429,781	744,640
Catering	138,853	-	138,853
Venue hire, PRS and Security	18,522	-	18,522
Visual and performing arts promoted by the Maltings	287,088	1,502	288,590
Farnham Museum	-	135,886	135,886
Market	1,051	-	1,051
Other Support Costs	371,033	104,562	475,595
Salaries and Wages	732,853	476,453	1,209,306
Total	<u>1,864,259</u>	<u>1,148,184</u>	<u>3,012,443</u>
Net gains/(losses) on investments	<u>(31,321)</u>	<u>-</u>	<u>(31,321)</u>
NET INCOME/(EXPENDITURE)	(276,681)	144,965	(131,716)
Transfers between funds	30,686	(30,686)	-
Tax (paid)/receivable	<u>22,030</u>	<u>-</u>	<u>22,030</u>
Net movement in funds	(223,965)	114,279	(109,686)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,738,205	804,657	2,542,862
TOTAL FUNDS CARRIED FORWARD	<u><u>1,514,240</u></u>	<u><u>918,936</u></u>	<u><u>2,433,176</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

12. TANGIBLE FIXED ASSETS (Group and Company)

	Freehold property £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2020 and 31 March 2021	<u>1,401,297</u>	<u>592,523</u>	<u>352,305</u>	<u>14,545</u>	<u>2,360,670</u>
DEPRECIATION					
At 1 April 2020	64,664	510,262	352,305	14,545	941,776
Charge for year	<u>-</u>	<u>5,953</u>	<u>-</u>	<u>-</u>	<u>5,953</u>
At 31 March 2021	<u>64,664</u>	<u>516,215</u>	<u>352,305</u>	<u>14,545</u>	<u>947,729</u>
NET BOOK VALUE					
At 31 March 2021	<u>1,336,633</u>	<u>76,308</u>	<u>-</u>	<u>-</u>	<u>1,412,941</u>
At 31 March 2020	<u>1,336,633</u>	<u>82,261</u>	<u>-</u>	<u>-</u>	<u>1,418,894</u>

13. FIXED ASSET INVESTMENTS

Group

	Listed investments £	Totals £
MARKET VALUE		
At 1 April 2020	168,679	168,679
Revaluations	<u>45,159</u>	<u>45,159</u>
At 31 March 2021	<u>213,838</u>	<u>213,838</u>
NET BOOK VALUE		
At 31 March 2021	<u>213,838</u>	<u>213,838</u>
At 31 March 2020	<u>168,679</u>	<u>168,679</u>

There were no investment assets outside the UK.

Company

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2020	168,679	2	168,681
Revaluations	<u>45,159</u>	<u>-</u>	<u>45,159</u>
At 31 March 2021	<u>213,838</u>	<u>2</u>	<u>213,840</u>
NET BOOK VALUE			
At 31 March 2021	<u>213,838</u>	<u>2</u>	<u>213,840</u>
At 31 March 2020	<u>168,679</u>	<u>2</u>	<u>168,681</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

13. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.
Cost or valuation at 31 March 2021 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2020	(31,321)	-	(31,321)
Valuation in 2021	45,159	-	45,159
Cost	<u>200,000</u>	<u>2</u>	<u>200,002</u>
	<u>213,838</u>	<u>2</u>	<u>213,840</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Farnham Maltings Trading Limited

Registered office:

Nature of business: Theatre Productions

Class of share:	%
Ordinary	holding 100

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group**

	2021 £	2020 £
Trade debtors	170,482	19,100
Other debtors	1,625	26,916
Prepayments and accrued income	<u>36,547</u>	<u>32,531</u>
	<u>208,654</u>	<u>78,547</u>

Company

	2021 £	2020 £
Trade debtors	170,482	19,100
Amounts owed by group undertakings	16,773	16,773
Other debtors	1,623	1,545
Prepayments and accrued income	<u>36,547</u>	<u>32,531</u>
	<u>225,425</u>	<u>69,949</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group**

	2021 £	2020 £
Trade creditors	61,436	41,383
Social security and other taxes	-	28,645
VAT	32,445	39,427
Other creditors	150,968	129,968
Accrued expenses	<u>20,681</u>	<u>27,627</u>
	<u>265,530</u>	<u>267,050</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (Cont)

Company

	2021	2020
	£	£
Trade creditors	61,436	41,383
Social security and other taxes	-	28,645
VAT	32,445	39,427
Other creditors	167,741	121,372
Accrued expenses	20,681	27,627
	<u>282,303</u>	<u>258,454</u>

18. MOVEMENT IN FUNDS

	At 1.4.20	Net movement	Transfers	At
	£	in funds	between	31.3.21
	£	£	funds	£
Unrestricted funds				
General fund	1,003,090	10,525	53,814	1,067,429
Arts development and producing	248,911	-	-	248,911
2018-2022 projects	249,912	(65,741)	906	185,077
Youth Participation	12,327	(3,331)	(343)	8,653
	<u>1,514,240</u>	<u>(58,547)</u>	<u>54,377</u>	<u>1,510,070</u>
Restricted funds				
Farnham Museum	(4,160)	60,127	(4,000)	51,967
Craft	1,578	1,000	-	2,578
Arts Council England - Catalyst	85,615	(5,025)	-	80,590
Creative case	17,891	(3,282)	-	14,609
Capital Projects	56,141	(5,955)	(405)	49,781
NPO 18-22 Arts funding	470,372	471,308	(49,813)	891,867
Community Engagement	48,643	15,249	(159)	63,733
International Theatre Development	127,214	12,600	-	139,814
Regional Theatre Development	115,642	67,265	-	182,907
	<u>918,936</u>	<u>613,287</u>	<u>(54,377)</u>	<u>1,477,846</u>
TOTAL FUNDS	<u>2,433,176</u>	<u>554,740</u>	<u>-</u>	<u>2,987,916</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,112,683	(1,147,317)	45,159	10,525
2018-2022 projects	-	(65,741)	-	(65,741)
Youth Participation	(308)	(3,023)	-	(3,331)
	<u>1,112,375</u>	<u>(1,216,081)</u>	<u>45,159</u>	<u>(58,547)</u>
Restricted funds				
Farnham Museum	129,050	(68,923)	-	60,127
Craft	16,000	(15,000)	-	1,000
Arts Council England - Catalyst	-	(5,025)	-	(5,025)
Creative case	2,385	(5,667)	-	(3,282)
Capital Projects	-	(5,955)	-	(5,955)
NPO 18-22 Arts funding	878,762	(407,454)	-	471,308
Community Engagement	37,618	(22,369)	-	15,249
International Theatre Development	12,500	100	-	12,600
Regional Theatre Development	191,301	(124,036)	-	67,265
	<u>1,267,616</u>	<u>(654,329)</u>	<u>-</u>	<u>613,287</u>
TOTAL FUNDS	<u><u>2,379,991</u></u>	<u><u>(1,870,410)</u></u>	<u><u>45,159</u></u>	<u><u>554,740</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	1,101,022	(180,043)	82,111	1,003,090
Arts development and producing 2018-2022 projects	267,701	(18,790)	-	248,911
Youth Participation	353,500	(52,163)	(51,425)	249,912
	<u>15,982</u>	<u>(3,655)</u>	<u>-</u>	<u>12,327</u>
	1,738,205	(254,651)	30,686	1,514,240
Restricted funds				
Farnham Museum	4,827	(4,991)	(3,996)	(4,160)
Craft	-	1,578	-	1,578
Arts Council England - Catalyst	92,579	(6,964)	-	85,615
Creative case	19,338	(1,447)	-	17,891
Capital Projects	161,788	(136,251)	30,604	56,141
NPO 18-22 Arts funding	245,413	262,253	(37,294)	470,372
Community Engagement	92,660	(14,017)	(30,000)	48,643
International Theatre Development	97,022	30,192	-	127,214
Regional Theatre Development	<u>91,030</u>	<u>14,612</u>	<u>10,000</u>	<u>115,642</u>
	<u>804,657</u>	<u>144,965</u>	<u>(30,686)</u>	<u>918,936</u>
TOTAL FUNDS	<u><u>2,542,862</u></u>	<u><u>(109,686)</u></u>	<u><u>-</u></u>	<u><u>2,433,176</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,615,616	(1,764,338)	(31,321)	(180,043)
Arts development and producing 2018-2022 projects	-	(18,790)	-	(18,790)
Youth Participation	3,283	(6,938)	-	(3,655)
	<u>1,618,899</u>	<u>(1,842,229)</u>	<u>(31,321)</u>	<u>(254,651)</u>
Restricted funds				
Farnham Museum	130,895	(135,886)	-	(4,991)
Craft	5,000	(3,422)	-	1,578
Arts Council England - Catalyst	620	(7,584)	-	(6,964)
Creative case	356	(1,803)	-	(1,447)
Capital Projects	-	(136,251)	-	(136,251)
NPO 18-22 Arts funding	952,498	(690,245)	-	262,253
Community Engagement	35,074	(49,091)	-	(14,017)
International Theatre Development	35,482	(5,290)	-	30,192
Regional Theatre Development	133,224	(118,612)	-	14,612
	<u>1,293,149</u>	<u>(1,148,184)</u>	<u>-</u>	<u>144,965</u>
TOTAL FUNDS	<u><u>2,912,048</u></u>	<u><u>(2,990,413)</u></u>	<u><u>(31,321)</u></u>	<u><u>(109,686)</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Description of funds:

Restricted funds

NPO 18-22 Arts funding - these are funds received from Arts Council England to support the production and distribution of theatre, regionally, nationally and internationally.

Community engagement - this represents funds received to deliver community engagement activity across the Borough.

Museum - this is a service level agreement with Waverley Borough Council to manage the Museum of Farnham.

Catalyst - this represents funds received to support increased fundraising and philanthropic giving.

Creative Case - this represents funds to actively increase diversity within our work and programmes.

Capital projects - this represents funds to enable capital upgrades for the organisation.

International Theatre Development - this represents funds to support international import and export for the independent performing arts sector.

Regional Theatre Development - this represents funds to support theatre makers to create work with and for communities across the South East.

Craft - this represents funds received to support the development of the independent craft sector across the Borough.

Designated funds

Arts development and producing - this represents funds to support the work we do in support of the independent theatre sector.

2018-22 projects - this represents funds to deliver a number of identified projects to be completed by March 2022.

Youth Participation - this represents funds received to run youth participation activity across the Borough.

TRANSFERS BETWEEN FUNDS

The transfers between funds have been made to reflect the costs previously incurred out of general funds in supporting the work undertaken on these specific projects.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.