



Amanda Perrin

Farnham Maltings Association Limited

Limited by Guarantee

Report of the Trustees and Financial Statements for the year ended 31 March 2018

Registered Charity Number 305034

Registered Company Number 954753

Farnham Maltings, Bridge Square, Farnham, Surrey GU9 7QR

FARNHAM MALTINGS ASSOCIATION LIMITED

**Contents of the Financial Statements
for the year ended 31 March 2018**

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 10
Consolidated Statement of Financial Activities	11
Company Statement of Financial Activities	12
Consolidated Balance Sheet	13
Company Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 33

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees for the year ended 31 March 2018

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 2018. 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 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives

In shaping our objectives for the year and planning our activities, 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.
- bb. Power to hold or own a collection and to operate a museum for the benefit of the public.
- c. 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 south west 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 series of strategies in pursuit of our ambition to ensure that Farnham remains a happy, safe and creative community capable of supporting an organisation that enriches the cultural offer for the region. These strategies are:

- Contributing to a vibrant culture for Farnham
- Encouraging more people to make their own art
- Building the relationship between artists, audiences and venues
- Producing and investing in new contemporary art

The work we undertake loosely falls into three strands:

community engagement: which encompasses the arts programme in Farnham, managing the buildings as a community asset, running the museum and delivering a participation programme.

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

theatre development: which includes the producing a cohort of independent theatre companies, running a programme of work to internationalise the independent theatre sector, leading a 190 venue network across the south east, making work new performance work for rural communities and delivering a programme of sector development.

We are guided by 6 themes that inform all of our thinking and the partnerships we form. These are: treating everyone equally, embracing diversity, developing new audiences, working collaborative, thinking internationally and making the most of the digital opportunity.

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

OBJECTIVES AND ACTIVITIES - continued

Activities of the Maltings

Over the past year we have strengthened the programme of cultural services for Farnham, Waverley, regionally (with specific investment from ACE,) and internationally.

We now deliver an established and self-financing participatory and performance programme of contemporary art including film, dance, music and theatre, local and national craft events from the Maltings, mostly to a local and regional audience. Indeed, the regular programme of events now contributes significantly to the balance sheet and allows us to invest in the social purpose of the business. We continue to manage the Museum of Farnham on behalf of Waverley BC run 20 affordable studios for local creatives, play host to 25 arts companies and are working at making the Maltings a place that welcomes all.

The community engagement work - encompassing the Arts and Health work, the young peoples' participative activities, education programme at the museum and craft participation - now operates as one team that delivers a range of opportunities for people to engage in cultural activity, almost always at a subsidised rate, made possible through successfully fundraising around specific activities. Particular highlights in the past year include the work we have been doing with Young Careers across the borough – connecting with over 160 young people and the four projects comprising the Celebrating Age programme made possible with investment from the Barings Foundation. We have continued to provide space for voluntary groups to deliver their own ambitions.

The Theatre Development Programme, supported by Arts Council through to 2022 is an integral part of the work of the Maltings. Matthew Bourne and Stopgap – both major ACE funded companies are based with us in Farnham, alongside emerging companies including Bucket Club, Victoria Melody, Up in Arms and Little Bulb. The growth of the performing arts degree course with UCA shapes the range of people who feel at home in these buildings. The area that has perhaps grown the most in the past year is the international work we now do in support of the independent theatre sector. We have, in the past year, delivered a year of exchange with South Korea, taken a cohort of artist to present work in Vancouver and Shanghai. Less visible but none the less important is the work we do in support of a regional network of 190 venues. This has thrown us into a regional leadership role for small town cultural organisations and allowed us to test more ambitious ideas to share resources, change behaviours and identify new opportunities.

Craft remains a central part of our character, all the studios we manage are used by craft makers, the festival programme is driven by the crafts, as is the workshop programme. We are committed to the development of Farnham as a regional centre for the crafts because we believe the crafts offer us an opportunity to articulate the distinctiveness of the town. We continue to make our own touring work – for rural communities. This serves to remind us that we are artist led and audience focused, concerned with creating a strand of popular contemporary art. In the past year we remounted Brave Folk as a national tour, which was very well received, and created and toured Brilliance that, again, was very well received.

Volunteers

Volunteers assist in the running of the Maltings and Museum of Farnham in the following areas:

Gardening	Stewarding	Membership	Reception	Make & Create for Families
Marketing	Administration	Education	Arts & Health Programme	

Volunteers are managed by staff members, and are given safety and operational training. New volunteers are welcomed. It is estimated that time given by volunteers to the Farnham Maltings and the Museum of Farnham is valued at £91,244 (9324 volunteer hours).

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

ACHIEVEMENTS AND PERFORMANCE

2017 – 18 has been a good year for the Maltings. We managed to reach more people in more places with a greater range of activities and returned a small surplus on the year. No small task.

We are absolutely committed to opening up these buildings and the services we deliver to the widest sector of the community. So it is particularly pleasing that we have finally managed to make every part of the buildings wheelchair accessible – including the stage, that we have instituted a programme of training for staff on working with people with autism and dementia, that we have delivered programmes of work outside of the buildings at Sandy Hill and the Chantryes and that everyone, including the board, is committed to doing more in the coming years to extend the range of people using these buildings.

Particular successes have been the delivery of My Shout, supported by Barings and Arts Council, as part of a national Celebrating Age programme. This resulted in a group of eight dancers presenting their own dance piece as a curtain raiser to 1800 people at the New Victoria in Woking prior to a performance of Matthew Bourne's Cinderella. The stone carved benches, which now sit in front of the building are another example of how it is possible to deliver participatory, high quality arts experiences.

The work we have delivered in support of young people is an increasingly strong feature of the business, with 160 young carers participating in a programme of arts work imagining longer-term futures in partnership with Surrey Young Carers. We have also launched a programme of support for young people in care across Surrey. Both Dance in the Meadows and the Sparks Festival, our Waverley wide youth theatre event, are now dynamic regular elements of the programme connecting with many people new to the arts as audience and makers.

The museum has managed to adapt and rebuild its education offer, in light of the many changes and challenges that schools face to organise 'out of school' visits and the team continues to present a varied programme of relevant exhibitions. We continue to work with Waverley on a long term capital renewal plan which, given the Grade 1 listing and significance of the building as a key element of the museum offer presents financial challenges. A new summer café offer has been a valuable way of testing the potential of offering a light-touch catering offer from the museum.

Brilliance, the rural touring play we toured nationally, was particularly well reviewed by the ACE assessment team with a report fulsome in its praise of the quality of the production and the event. This was complimented with a second national tour of Brave Folk, which again proved popular selling out a 6-week tour.

The international strand work of work has continued to flourish, allowing us to be both rooted locally and connect with the best artists and thinking wherever it is happening in the world. This has been beneficial for every part of the business as we work at understanding how best to make the case for investment in cultural activity as an essential part of everyone's lives.

The Craft festival programme has now established themselves as a characteristic component of the Maltings offer. Both unravel and thread attract a national audience, the quilters fair has flourished since we purchased the enterprise three years ago and the Festival of Crafts has developed in the quality of makers presenting. This has been a quiet achievement of the past ten years and has become an essential part of the business in terms of our own distinctiveness and as a contributor to the balance sheet.

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

FINANCIAL REVIEW

The charity had an overall small surplus for the year of £11.5k compared with a deficit in 2017 of (£121k). This significant turnaround has been achieved mainly due to an improvement in profitability from the catering department, the much improved revenue from visual and performing arts and a taxation receivable mainly relating to theatre tax relief.

The reduction on restricted funds includes £104k for depreciation on property improvements including work carried out in the summer of 2015 on the Great Hall. The 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 £1,397k from Arts Council England, Waverley Borough Council, Farnham Town Council and various other sources, plus £1,630k 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.

The charity's wholly owned subsidiary company, Farnham Maltings Trading Ltd was formed in March 2010 but has been dormant until June 2015. During the year it was commissioned to produce four theatre productions for the charity, namely *While We're Here*, *Jess and Joe Forever*, *Brilliance* and *Brave Folk*. It has claimed theatre tax relief of £20k on these productions and has made no profit or loss for the year.

Reserves and reserves policy

At the year end the charity held £577k in restricted funds, which must be spent on specific projects described in note 20 to the financial statements. Most of the funds are expected to be spent over the next 3 years and the fund for Great Hall improvements will reduce gradually until 31 March 2020, when the asset will be fully depreciated.

At the year end the charity held £1,756k in unrestricted funds, which included £1,390k relating to fixed assets, leaving free reserves of £366k. 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 £666k. Included within this figure is £306k in respect of a designated reserve for arts development and producing and £400k on other 2018-2022 designated projects which leaves free reserves of (£40k).

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 the House, Caravan and Producing projects and funds are expected to be spent over the next 3 years.

The trustees have reviewed the reserves policy and consider that the desired level of free reserves remains at £200k. This would provide a buffer against losses due to reduced income or additional 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 is therefore the intention to increase the level of free reserves from (£40k) to £200k over the next five years.

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.

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

FUTURE PLANS

We have, finally, managed to move from a respond and repair mode of operation to having developed a five-year capital plan for the long-term future of these buildings. The challenge will be financing this as we still do not yet generate sufficient surplus to underwrite these larger costs. Over and above these general improvements we have ambitions to refurbish and make better use of the Courtyard, explore reconfiguring the cellar bar toilets and working at improving the catering offer and customer experience – vital as we consider the implications of the development of East street.

We intend to take a more active role in leading Craft town as a vehicle for shaping a view of the distinctiveness of the town. In terms of the festival offer we are certain that thread, the textiles festival, has the potential to grow as an event – all the more so now that it sits in a new programme slot in the summer, and that we need to work on the Festival of Crafts to ensure it holds its place in an increasingly competitive market place.

We are growing the number of companies that we support by one to include Bucket Club, are increasingly looking to play a leadership role across the region and nationally for touring theatre and work with the Rothschild's Foundation on a programme of work with Libraries as they repositioned themselves to a harsh economic climate.

We are fortunate that we enjoy positive, co-intentional working relationships with our three Local Authorities, particularly in light of the challenges they face. Our view is that these partnerships and blending strategic ambitions with our delivery acumen are going to offer new opportunities and become increasingly influential in the way we work and succeed. The community engagement strand of work, in particular the Arts and Health strand of work is likely to become an increasingly central element of the value we offer to Local Authorities as they struggle to find new ways of delivering services.

The museum is, to some extent, hampered by uncertainty about the long-term future of Wilmer House which, whilst expensive, is a key component of the museums offer. Whilst this is not entirely in our hands we need to think imaginatively about the ways the museum service can contribute to the sense of place and collective memory of the town.

We have recently secured significant investment to undertake a five-year programme of work with Esmee Fairbairn to create popular new work – challenging the received notion that it is not possible to be both. This is a particularly exciting means to reach a new, broader audience and go some way to meeting our ambition to ensure the centrality of creativity in everyone's lives.

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

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. Trustees are voting members and are 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. 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 do not wish to nominate a representative on Farnham Maltings Council of Management, but request copies of minutes and papers.

The current trustees and nominee members and those who have been appointed or retired during the year 2017/18 are as listed on the next page.

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 and nominee members of the Council of Management 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 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 is a sub-group 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.

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.

Related 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.

FARNHAM MALTINGS ASSOCIATION LIMITED

Report of the Trustees - continued for the year ended 31 March 2018

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

President

Mr A H Baxter

Trustees

Ms L Hennessey (Chair from 06.02.17)	(Appointed 21.11.15)
Ms C Hughes (Vice Chair from 08.05.17)	(Appointed 21.11.15)
Mr D Brinton (Treasurer)	(Retired 28.11.17)
Mr C McWhirter (Treasurer)	(Appointed 28.11.17)
Ms H Phung	(Retired 25.11.17)
Ms C Hammond	(Appointed 26.11.16)
Ms R Skeels	(Appointed 26.11.16)
Ms L Lockett	(Retired 28.04.17)
Ms E Haigh	(Appointed 25.11.17)
Ms M Norris	(Appointed 28.11.17)
Ms F Miller	(Appointed 28.11.17)
Mr M Cooper	(Appointed 28.11.17)
Mr S Lunn	(Appointed 28.11.17)
Mr M Wilkie	(Appointed 28.11.17)

Nominee members of the Council of Management

Cllr P Frost	(Nominee, Farnham Town Council)
Mr W Ramsdale	(Nominee, Surrey County Council)
Cllr J Potts	(Nominee, Waverley Borough Council)
Cllr J Else	(Nominee, Waverley Borough Council)
Ms C Hall	(Observer, Waverley Borough Council)

Chief executive

Mr G Stride

Company Secretary

Mr C A McWhirter

Auditors

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

Bankers

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

**Report of the Trustees
for the year ended 31 March 2018**

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 LLP, 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 company') for the year ended 31 March 2018 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group and company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

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 charitable company'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.

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 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, 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.

Opinion 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.

Matters on which we are required to report by exception

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

**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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

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 LLP
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 2018**

	Not es	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	37,898	-	37,898	33,169
Charitable activities	5				
Catering, PRS, Security		338,089	-	338,089	329,270
Venue hire		279,490	-	279,490	300,136
Visual and performing arts promoted by the Maltings		475,400	87,653	563,053	387,296
Farnham Museum		-	120,515	120,515	122,079
Commission received on artist sales		14,418	-	14,418	11,327
Core funding and other grants		1,001,744	395,478	1,397,222	1,394,540
Other trading activities	3	275,845	-	275,845	280,233
Investment income	4	-	-	-	2,680
Other income		12	-	12	-
Total		2,422,896	603,646	3,026,542	2,860,730
EXPENDITURE ON					
Charitable activities	6				
Arts, development and producing expenditure		767,083	142,065	909,148	1,010,967
Workshops, courses and exhibitions		267,324	364,827	632,151	448,598
Catering, PRS, Security		314,855	760	315,615	340,890
Farnham Museum		-	142,247	142,247	120,507
Support costs		931,661	103,916	1,035,577	1,084,892
Total		2,280,923	753,815	3,034,738	3,005,854
NET INCOME/(EXPENDITURE)		141,973	(150,169)	(8,196)	(145,124)
Transfers between funds	20	(61,101)	61,101	-	-
Taxation (paid)/receivable		19,713	-	19,713	24,480
Net movement in funds		100,585	(89,068)	11,517	(120,644)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,655,719	666,060	2,321,779	2,442,423
TOTAL FUNDS CARRIED FORWARD		<u>1,756,304</u>	<u>576,992</u>	<u>2,333,296</u>	<u>2,321,779</u>

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED

**Company Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2018**

	Not es	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	37,898	-	37,898	33,169
Charitable activities	5				
Catering, PRS, Security		338,089	-	338,089	329,270
Venue hire		279,490	-	279,490	300,136
Visual and performing arts promoted by the Maltings		475,400	87,653	563,053	387,296
Farnham Museum		-	120,515	120,515	122,079
Commission received on artist sales		14,418	-	14,418	11,327
Core funding and other grants		1,001,744	395,478	1,397,222	1,394,540
Other trading activities	3	275,845	-	275,845	280,233
Investment income	4	-	-	-	2,680
Other income		12	-	12	-
Total		2,422,896	603,646	3,026,542	2,860,730
EXPENDITURE ON					
Charitable activities	6				
Arts, development and producing expenditure		749,120	142,065	891,185	989,987
Workshops, courses and exhibitions		267,324	364,827	632,151	448,598
Catering, PRS, Security		314,855	760	315,615	340,890
Farnham Museum		-	142,247	142,247	120,507
Support costs		929,911	103,916	1,033,827	1,083,392
Total		2,261,210	753,815	3,015,025	2,981,374
NET INCOME/(EXPENDITURE)		161,686	(150,169)	11,517	(120,644)
Transfers between funds	20	(61,101)	61,101	-	-
Net movement in funds		100,585	(89,068)	11,517	(120,644)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,655,719	666,060	2,321,779	2,442,423
TOTAL FUNDS CARRIED FORWARD		<u>1,756,304</u>	<u>576,992</u>	<u>2,333,296</u>	<u>2,321,779</u>

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED (REGISTERED NUMBER: 00954753)

**Consolidated Balance Sheet
At 31 March 2018**

		Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	Not es	£	£	£	£
FIXED ASSETS					
Tangible assets	12	1,390,486	228,459	1,618,945	1,632,462
CURRENT ASSETS					
Stocks	14	7,335	-	7,335	-
Debtors	15	133,977	-	133,977	187,243
Cash at bank and in hand		<u>667,059</u>	<u>348,772</u>	<u>1,015,831</u>	<u>900,545</u>
		808,371	348,772	1,157,143	1,087,788
CREDITORS					
Amounts falling due within one year	16	(415,464)	(239)	(415,703)	(364,696)
NET CURRENT ASSETS					
		<u>392,907</u>	<u>348,533</u>	<u>741,440</u>	<u>723,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,783,393	576,992	2,360,385	2,355,554
CREDITORS					
Amounts falling due after more than one year	17	(27,089)	-	(27,089)	(33,775)
NET ASSETS					
		<u>1,756,304</u>	<u>576,992</u>	<u>2,333,296</u>	<u>2,321,779</u>
FUNDS					
Unrestricted funds	20			1,756,304	1,655,719
Restricted funds				<u>576,992</u>	<u>666,060</u>
TOTAL FUNDS					
				<u>2,333,296</u>	<u>2,321,779</u>

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

The financial statements were approved by the Board of Trustees 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)

**Company Balance Sheet
At 31 March 2018**

		Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	Not es	£	£	£	£
FIXED ASSETS					
Tangible assets	12	1,390,486	228,459	1,618,945	1,632,462
Investments	13	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		1,390,488	228,459	1,618,947	1,632,464
CURRENT ASSETS					
Stocks	14	7,335	-	7,335	-
Debtors	15	132,225	-	132,225	183,122
Cash at bank and in hand		<u>667,059</u>	<u>348,772</u>	<u>1,015,831</u>	<u>900,545</u>
		806,619	348,772	1,155,391	1,083,667
CREDITORS					
Amounts falling due within one year	16	(413,714)	(239)	(413,953)	(360,577)
		<u>392,905</u>	<u>348,533</u>	<u>741,438</u>	<u>723,091</u>
NET CURRENT ASSETS					
		1,783,393	576,992	2,360,385	2,355,554
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	17	(27,089)	-	(27,089)	(33,775)
		<u>1,756,304</u>	<u>576,992</u>	<u>2,333,296</u>	<u>2,321,779</u>
NET ASSETS					
FUNDS					
Unrestricted funds	20			1,756,304	1,655,719
Restricted funds				<u>576,992</u>	<u>666,060</u>
TOTAL FUNDS					
				<u>2,333,296</u>	<u>2,321,779</u>

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

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

.....
C A McWhirter - Trustee

The notes form part of these financial statements

FARNHAM MALTINGS ASSOCIATION LIMITED

**Consolidated Cash Flow Statement
for the year ended 31 March 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	214,798	57,931
Interest paid		<u>(2,088)</u>	<u>(2,537)</u>
Net cash provided by (used in) operating activities		<u>212,710</u>	<u>55,394</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(90,399)	-
Interest received		<u>-</u>	<u>2,680</u>
Net cash provided by (used in) investing activities		<u>(90,399)</u>	<u>2,680</u>
Cash flows from financing activities:			
Loan repayments in year		<u>(7,025)</u>	<u>(7,883)</u>
Net cash provided by (used in) financing activities		<u>(7,025)</u>	<u>(7,883)</u>
Change in cash and cash equivalents in the reporting period		115,286	50,191
Cash and cash equivalents at the beginning of the reporting period	2	<u>900,545</u>	<u>850,354</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>1,015,831</u></u>	<u><u>900,545</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 2018**

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

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	11,517	(120,644)
Adjustments for:		
Depreciation charges	103,916	98,609
Interest received	-	(2,680)
Interest paid	2,088	2,537
Increase in stocks	(7,335)	-
Decrease/(increase) in debtors	53,266	(44,108)
Increase in creditors	<u>51,346</u>	<u>124,217</u>
Net cash provided by (used in) operating activities	<u><u>214,798</u></u>	<u><u>57,931</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	27,216	24,077
Notice deposits (less than 3 months)	<u>988,615</u>	<u>876,468</u>
Total cash and cash equivalents	<u><u>1,015,831</u></u>	<u><u>900,545</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements for the year ended 31 March 2018

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 2015)', 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.

Consolidated financial statements (Group accounts) have been prepared in respect of Farnham Maltings Association Limited and its wholly owned subsidiary, Farnham Maltings Trading Limited, has been consolidated on a line by line basis.

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 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.

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.

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2018

1. ACCOUNTING POLICIES - continued

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2018

1. ACCOUNTING POLICIES - continued

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.

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 £20,897, this is allocated to funds based on the time spent by the staff to which the cost relates.

2. DONATIONS AND LEGACIES (Group and Company)

	2018	2017
	£	£
Donations	15,311	10,905
Subscriptions	<u>22,587</u>	<u>22,264</u>
	<u>37,898</u>	<u>33,169</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

3. OTHER TRADING ACTIVITIES (Group and Company)

	2018	2017
	£	£
Car park income	148,509	152,853
Market income	63,533	66,390
Tenancy rental income	<u>63,803</u>	<u>60,990</u>
	<u>275,845</u>	<u>280,233</u>

4. INVESTMENT INCOME (Group and Company)

	2018	2017
	£	£
Deposit account interest	<u>-</u>	<u>2,680</u>

5. INCOME FROM CHARITABLE ACTIVITIES (Group and Company)

		2018	2017
	Activity	£	£
Catering income	Catering, PRS, Security	338,089	329,271
Venue hire	Venue hire	279,490	300,136
Visual and performing arts promoted by the Maltings	Visual and performing arts promoted by the Maltings	563,053	387,295
Farnham museum	Farnham Museum	120,515	122,079
Commission received on artist sales	Commission received on artist sales	14,418	11,327
Grants	Core funding and other grants	<u>1,397,222</u>	<u>1,394,540</u>
		<u>2,712,787</u>	<u>2,544,648</u>

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

	2018	2017
	£	£
Waverley Borough Council - Revenue funding	32,490	32,491
Farnham Town Council	13,000	12,800
Arts council	1,278,487	1,173,859
Other grants received	70,245	76,530
Esme Fairbairn - Greenhouse	<u>3,000</u>	<u>98,860</u>
	<u>1,397,222</u>	<u>1,394,540</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

**6. CHARITABLE ACTIVITIES COSTS
Group**

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Arts, development and producing expenditure	909,148	-	909,148
Workshops, courses and exhibitions	625,440	6,711	632,151
Catering, PRS, Security	315,615	-	315,615
Farnham Museum	142,247	-	142,247
Support costs	<u>-</u>	<u>1,035,577</u>	<u>1,035,577</u>
	<u>1,992,450</u>	<u>1,042,288</u>	<u>3,034,738</u>

Company

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Arts, development and producing expenditure	891,185	-	891,185
Workshops, courses and exhibitions	625,440	6,711	632,151
Catering, PRS, Security	315,615	-	315,615
Farnham Museum	142,247	-	142,247
Support costs	<u>-</u>	<u>1,033,827</u>	<u>1,033,827</u>
	<u>1,974,487</u>	<u>1,040,538</u>	<u>3,015,025</u>

**7. SUPPORT COSTS
Group**

	Management £	Finance £	Human resources £	Governance costs £	Totals £
Workshops, courses and exhibitions	-	-	6,711	-	6,711
Support costs	<u>103,916</u>	<u>2,088</u>	<u>919,823</u>	<u>9,750</u>	<u>1,035,577</u>
	<u>103,916</u>	<u>2,088</u>	<u>926,534</u>	<u>9,750</u>	<u>1,042,288</u>

Company

	Management £	Finance £	Human resources £	Governance costs £	Totals £
Workshops, courses and exhibitions	-	-	6,711	-	6,711
Support costs	<u>103,916</u>	<u>2,088</u>	<u>919,823</u>	<u>8,000</u>	<u>1,033,827</u>
	<u>103,916</u>	<u>2,088</u>	<u>926,534</u>	<u>8,000</u>	<u>1,040,538</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

**8. NET INCOME/(EXPENDITURE)
Group**

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

	2018	2017
	£	£
Auditors' remuneration	9,750	9,500
Depreciation - owned assets	<u>103,916</u>	<u>98,610</u>

Company

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

	2018	2017
	£	£
Auditors' remuneration	8,000	8,000
Depreciation - owned assets	<u>103,916</u>	<u>98,610</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

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.

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

10. STAFF COSTS (Group and Company)

	2018 Total Funds £	2017 Total Funds £
Gross wages	1,062,325	1,009,835
Employer's national insurance	75,142	67,955
Pension	20,405	20,891
	<u>1,157,872</u>	<u>1,098,681</u>

The average number of employees analysed by function was

	2018	2017
Administration	6	5
Box office and front of house	16	14
Operations	23	22
Workshop and courses	12	5
Touring	5	8
Catering	15	19
Museum	5	5
	<u>82</u>	<u>78</u>

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

	2018	2017
£70,000 - £80,000	1	1
	<u>1</u>	<u>1</u>

Total pension contributions for higher paid staff during the year was £12,008 (2017 £12,033).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Group

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	33,169	-	33,169
Charitable activities			
Catering, PRS, Security	329,270	-	329,270
Venue hire	300,136	-	300,136
Visual and performing arts promoted by the Maltings	384,149	3,147	387,296
Farnham Museum	-	122,079	122,079
Commission received on artist sales	11,327	-	11,327
Core funding and other grants	1,114,150	280,390	1,394,540
Other trading activities	280,233	-	280,233
Investment income	2,680	-	2,680
	<u>2,455,114</u>	<u>405,616</u>	<u>2,860,730</u>
Total	2,455,114	405,616	2,860,730

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
EXPENDITURE ON			
Charitable activities			
Arts, development and producing expenditure	957,408	53,559	1,010,967
Workshops, courses and exhibitions	246,113	202,485	448,598
Catering, PRS, Security	340,890	-	340,890
Farnham Museum	-	120,507	120,507
Support costs	<u>955,252</u>	<u>129,640</u>	<u>1,084,892</u>
Total	<u>2,499,663</u>	<u>506,191</u>	<u>3,005,854</u>
NET INCOME/(EXPENDITURE)	(44,549)	(100,575)	(145,124)
Transfers between funds	(4,085)	4,085	-
Taxation (paid)/receivable	<u>24,480</u>	<u>-</u>	<u>24,480</u>
Net movement in funds	(24,154)	(96,490)	(120,644)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,679,873</u>	<u>762,550</u>	<u>2,442,423</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,655,719</u></u>	<u><u>666,060</u></u>	<u><u>2,321,779</u></u>
Company	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies			
Charitable activities			
Catering, PRS, Security	329,270	-	329,270
Venue hire	300,136	-	300,136
Visual and performing arts promoted by the Maltings	384,149	3,147	387,296
Farnham Museum	-	122,079	122,079
Commission received on artist sales	11,327	-	11,327
Core funding and other grants	1,114,150	280,390	1,394,540
Other trading activities	280,233	-	280,233
Investment income	<u>2,680</u>	<u>-</u>	<u>2,680</u>
Total	<u>2,455,114</u>	<u>405,616</u>	<u>2,860,730</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
EXPENDITURE ON			
Charitable activities			
Arts, development and producing expenditure	934,428	53,559	987,987
Workshops, courses and exhibitions	246,113	202,485	448,598
Catering, PRS, Security	340,890	-	340,890
Farnham Museum	-	120,507	120,507
Support costs	<u>953,752</u>	<u>129,640</u>	<u>1,083,392</u>
Total	<u>2,475,183</u>	<u>506,191</u>	<u>2,981,374</u>
NET INCOME/(EXPENDITURE)	(20,069)	(100,575)	(120,644)
Transfers between funds	<u>(4,085)</u>	<u>4,085</u>	<u>-</u>
Net movement in funds	(24,154)	(96,490)	(120,644)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,679,873</u>	<u>762,550</u>	<u>2,442,423</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,655,719</u></u>	<u><u>666,060</u></u>	<u><u>2,321,779</u></u>

12. TANGIBLE FIXED ASSETS (Group and Company)

	Freehold property £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2017	1,401,298	493,047	352,305	14,545	2,261,195
Additions	<u>-</u>	<u>90,399</u>	<u>-</u>	<u>-</u>	<u>90,399</u>
At 31 March 2018	<u>1,401,298</u>	<u>583,446</u>	<u>352,305</u>	<u>14,545</u>	<u>2,351,594</u>
DEPRECIATION					
At 1 April 2017	64,664	197,219	352,305	14,545	628,733
Charge for year	<u>-</u>	<u>103,916</u>	<u>-</u>	<u>-</u>	<u>103,916</u>
At 31 March 2018	<u>64,664</u>	<u>301,135</u>	<u>352,305</u>	<u>14,545</u>	<u>732,649</u>
NET BOOK VALUE					
At 31 March 2018	<u><u>1,336,634</u></u>	<u><u>282,311</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,618,945</u></u>
At 31 March 2017	<u><u>1,336,634</u></u>	<u><u>295,828</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,632,462</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

13. FIXED ASSET INVESTMENTS
Company

	Unlisted investments £
MARKET VALUE	
At 1 April 2017 and 31 March 2018	<u>2</u>
 NET BOOK VALUE	
At 31 March 2018	<u><u>2</u></u>
At 31 March 2017	<u><u>2</u></u>

There were no investment assets outside the UK.

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

Farnham Maltings Trading Limited
Nature of business: Theatre Productions

	%
Class of share:	holding
Ordinary	100

14. STOCKS (Group and Company)

	2018	2017
	£	£
Stocks	<u>7,335</u>	<u>-</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group

	2018	2017
	£	£
Trade debtors	96,181	136,061
Other debtors	20,363	42,544
Prepayments	<u>17,433</u>	<u>8,638</u>
	<u>133,977</u>	<u>187,243</u>

Company

	2018	2017
	£	£
Trade debtors	96,181	136,061
Amounts owed by group undertakings	17,963	37,621
Other debtors	648	802
Prepayments	<u>17,433</u>	<u>8,638</u>
	<u>132,225</u>	<u>183,122</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

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

	2018	2017
	£	£
Bank loans and overdrafts (see note 18)	6,959	7,297
Trade creditors	99,880	101,304
Social security and other taxes	22,080	24,480
VAT	45,767	44,944
Other creditors	206,389	177,171
Accrued expenses	<u>34,628</u>	<u>9,500</u>
	<u>415,703</u>	<u>364,696</u>

Company

	2018	2017
	£	£
Bank loans and overdrafts (see note 18)	6,959	7,297
Trade creditors	99,880	101,304
Social security and other taxes	22,080	18,880
VAT	45,767	44,944
Other creditors	206,389	178,652
Accrued expenses	<u>32,878</u>	<u>9,500</u>
	<u>413,953</u>	<u>360,577</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (Group and Company)

	2018	2017
	£	£
Bank loans (see note 18)	<u>27,089</u>	<u>33,775</u>

18. LOANS (Group and Company)

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>6,959</u>	<u>7,297</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>6,959</u>	<u>7,297</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>20,130</u>	<u>21,892</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>-</u>	<u>4,586</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

19. SECURED DEBTS (Group and Company)

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loans	<u>34,048</u>	<u>41,072</u>

The bank loan is secured on 4 Red Lion Lane, a property owned by the Charity.

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

20. MOVEMENT IN FUNDS (Group and Company)

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds				
General fund	1,039,156	(45,473)	57,059	1,050,742
Arts development and producing 2018-2022 projects	616,563	207,159	(518,160)	305,562
	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>400,000</u>
	1,655,719	161,688	(61,101)	1,761,304
Restricted funds				
Youth Participation	7,040	336	-	7,376
Caravan	66,965	-	-	66,965
Creative Communities	13,475	(2)	-	13,473
Visual Arts	-	(129)	129	-
Farnham Museum	31,978	(21,732)	(4,000)	6,246
SPARK	3,608	(1,428)	-	2,180
Craft international	900	-	-	900
Arts Council England - Catalyst	48,584	(18,023)	-	30,561
Esme Fairbairn - Greenhouse	50,133	(62,371)	17,250	5,012
Arts and Health	15,373	1,867	-	17,240
Creative case	35,465	(6,052)	-	29,413
Pop-up Craft	-	(237)	-	(237)
Craft town/signs	-	(4,739)	4,739	-
Teachers school development	10,109	(159)	-	9,950
Great Hall	301,689	(98,617)	-	203,072
Two Minute Silence	-	(357)	357	-
ACE Celebrating Age	(833)	6,585	-	5,752
ACE Collaboration and Exchange	37,811	38,978	-	76,789
ACE International Showcasing	43,763	(32,478)	-	11,285
Meet Me at the Maltings	-	947	-	947
Singing for the mind	-	303	-	303
Keep Sake Boxes	-	1,500	-	1,500
Refreshers fair	-	(334)	334	-
Care for Carers	-	13	-	13
Lift Off!	-	16,384	-	16,384
Civic Engagement events	-	(20)	-	(20)
Farnham afternoon Tea	-	(740)	740	-
Dance in the meadows	-	(885)	2,500	1,615
Lights, Camera, Action!	-	14,856	-	14,856
Surrey Performing Arts Officer	-	3,394	36,552	39,946
Youth Theatre Grant	-	-	2,500	2,500
Jerwood	-	6,721	-	6,721
Dementia Action Alliance	-	250	-	250
High Commission of Canada	-	5,000	-	5,000
SFTM - Godalming	-	1,000	-	1,000
	<u>666,060</u>	<u>(150,169)</u>	<u>61,101</u>	<u>576,992</u>
TOTAL FUNDS	<u><u>2,321,779</u></u>	<u><u>11,517</u></u>	<u><u>-</u></u>	<u><u>2,333,296</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,463,769	(1,509,242)	(45,473)
Arts development and producing	<u>959,127</u>	<u>(751,968)</u>	<u>207,159</u>
	2,422,896	(2,261,210)	161,686
Restricted funds			
Youth Participation	-	336	336
Farnham Museum	120,515	(142,247)	(21,732)
SPARK	5,026	(6,454)	(1,428)
Arts Council England - Catalyst	14,516	(32,539)	(18,023)
Esme Fairbairn - Greenhouse	3,000	(65,371)	(62,371)
Arts and Health	2,388	(521)	1,867
Creative case	-	(6,052)	(6,052)
Pop-up Craft	1,500	(1,737)	(237)
Craft town/signs	-	(4,739)	(4,739)
ACE Celebrating Age	23,647	(17,062)	6,585
ACE Collaboration and Exchange	284,288	(245,310)	38,978
ACE International Showcasing	76,564	(109,042)	(32,478)
Meet Me at the Maltings	3,772	(2,825)	947
Singing for the mind	4,128	(3,825)	303
Keep Sake Boxes	1,500	-	1,500
Care for Carers	13	-	13
Lift Off!	20,970	(4,586)	16,384
Lights, Camera, Action!	15,577	(721)	14,856
Surrey Performing Arts Officer	8,902	(5,508)	3,394
Jerwood	11,090	(4,369)	6,721
Dementia Action Alliance	250	-	250
High Commission of Canada	5,000	-	5,000
SFTM - Godalming	1,000	-	1,000
Creative Communities	-	(2)	(2)
Visual Arts	-	(129)	(129)
Teachers school development	-	(159)	(159)
Great Hall	-	(98,617)	(98,617)
Two Minute Silence	-	(357)	(357)
Refreshers fair	-	(334)	(334)
Civic Engagement events	-	(20)	(20)
Farnham afternoon Tea	-	(740)	(740)
Dance in the meadows	<u>-</u>	<u>(885)</u>	<u>(885)</u>
	603,646	(753,815)	(150,169)
TOTAL FUNDS	<u><u>3,026,542</u></u>	<u><u>(3,015,025)</u></u>	<u><u>11,517</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted Funds				
General fund	1,187,285	(168,690)	20,561	1,039,156
Arts development and producing	<u>492,588</u>	<u>148,621</u>	<u>(24,646)</u>	<u>616,563</u>
	1,679,873	(20,069)	(4,085)	1,655,719
Restricted Funds				
Youth Participation	3,122	1,342	2,576	7,040
Caravan	32,731	-	34,234	66,965
Creative Communities	13,475	-	-	13,475
Pass Project	34,234	-	(34,234)	-
Farnham Museum	17,558	313	14,107	31,978
SPARK	9,746	(6,138)	-	3,608
Craft international	900	-	-	900
Arts Council England - Catalyst	23,659	24,925	-	48,584
Esme Fairbairn - Greenhouse	142,388	5,895	(98,150)	50,133
Arts and Health	11,724	(3,447)	7,096	15,373
Creative case	13,221	22,244	-	35,465
Pop-up Craft	1,311	(2,139)	828	-
CEP Programme	(1,090)	11,880	(10,790)	-
Craft town/signs	(3,282)	314	2,968	-
Toilet refurbishment	(3,103)	-	3,103	-
Teachers school development	7,350	(991)	3,750	10,109
Great Hall	433,597	(128,805)	(3,103)	301,689
Two Minute Silence	21,259	(28,504)	7,245	-
Youth School Projects	3,750	-	(3,750)	-
ACE Celebrating Age	-	(833)	-	(833)
ACE Collaboration and Exchange	-	37,811	-	37,811
ACE International Showcasing	<u>-</u>	<u>(34,442)</u>	<u>78,205</u>	<u>43,763</u>
	762,550	(100,575)	4,085	666,060
TOTAL FUNDS	<u><u>2,442,423</u></u>	<u><u>(120,644)</u></u>	<u><u>-</u></u>	<u><u>2,321,779</u></u>

FARNHAM MALTINGS ASSOCIATION LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2018**

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,386,254	(1,554,944)	(168,690)
Arts development and producing	<u>1,068,859</u>	<u>(920,238)</u>	<u>148,621</u>
	2,455,113	(2,475,182)	(20,069)
Restricted funds			
Youth Participation	3,150	(1,808)	1,342
Farnham Museum	122,079	(121,766)	313
SPARK	1,000	(7,138)	(6,138)
Arts Council England - Catalyst	44,999	(20,074)	24,925
Esme Fairbairn - Greenhouse	98,860	(92,965)	5,895
Arts and Health	9,263	(12,710)	(3,447)
Creative case	30,000	(7,756)	22,244
Pop-up Craft	725	(2,864)	(2,139)
CEP Programme	30,000	(18,120)	11,880
Craft town/signs	5,541	(5,227)	314
Great Hall	-	(128,805)	(128,805)
Two Minute Silence	-	(28,504)	(28,504)
ACE Collaboration and Exchange	60,000	(22,189)	37,811
Teachers school development	-	(991)	(991)
ACE Celebrating Age	-	(833)	(833)
ACE International Showcasing	<u>-</u>	<u>(34,442)</u>	<u>(34,442)</u>
	405,617	(506,192)	(100,575)
	<u>2,860,730</u>	<u>(2,981,374)</u>	<u>(120,644)</u>
TOTAL FUNDS	<u>2,860,730</u>	<u>(2,981,374)</u>	<u>(120,644)</u>

FARNHAM MALTINGS ASSOCIATION LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2018

20. MOVEMENT IN FUNDS - continued

Description of funds:

Restricted funds

Chantry's Art club - this represents funds received to run art clubs for young people at The Chantry's on Roman Way, Farnham.

Caravan - this represents funds received from Arts Council of England for international export programme for the performing arts sector.

Roman Way Art Club - this represents funds received to run art clubs at The Chantry's and Hadrian's Hall on Roman Way, Farnham.

Creative Community Co-ordinator - this represents funds received from Surrey Arts Partnership for a project to develop social cohesion across the County.

The Learning Revolution - this represents funds received to deliver a programme of adult learning activities to coincide with the Learning Revolution Festival.

Families in the Making - this represents funds for after school sessions for families run in four of the Boroughs priority wards.

PASS project - this is a three year interreg funded project to support contemporary circus.

Farnham Museum - this is a service level agreement, initially, for three years to manage the museum of Farnham.

Restoring the Fabric - this is a capital development project to restore the outside of the Maltings buildings.

Waverley Youth Arts Festival - this is a one day celebration of theatre by young people

Jubilee craft commission - this represents funds to improve the riverside of the building in partnership with Farnham Town Council and private donations.

Digital Cinema - this is a capital project to move the film programme to a digital platform.

Craft connects - this is a one year programme of work funded by the British Army of Rushmore

Designated funds

Arts development and producing - these are funds received from Arts Council England to support the production and distribution of theatre and a programme for the performing arts sector.

Old Fire Station - these are funds received from Surrey County Council and Self Start to support the development of artists' work spaces.

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.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2018.