

THE FARNHAM INSTITUTE CHARITY
ANNUAL REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED
30 SEPTEMBER 2020

Charity Number 305033

tc accounts · tax · legal · financial planning

The Granary
Hones Yard
Waverley Lane
Farnham
Surrey
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THE FARNHAM INSTITUTE CHARITY

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2020

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THE FARNHAM INSTITUTE CHARITY

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their report and the unaudited financial statements of the Charity for the year ended 30 September 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity name The Farnham Institute

Charity registration number 305033

7 Crownwood Gate
Beavers Road
Farnham
Surrey
GU9 7GE

The Trustees

The Trustees who served the Charity during the year and since the year end were as follows:

Andrew Lodge (Chairman)
Emily Joyce (Treasurer)
Margaret Daniels (Secretary)
Peter Greenyer
Max Lyons
David Leggett (resigned 22 September 2020)
Barbara Milam
Christopher Tibbott
Jerome O'Callaghan (appointed 22 September 2020)

Bankers

Lloyds Bank
75 Castle Street
Farnham
Surrey
GU9 7LT

Independent Examiner

Mr S. P. F. Howell FCCA
TC Group
The Granary
Hones Yard
Waverley Lane
Farnham
Surrey
GU9 8BB

THE FARNHAM INSTITUTE CHARITY

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2020

STATUTORY ADMINISTRATIVE DETAILS

The Trustees present their report, the Independent Examiner's report and financial statements for the year ended 30th September 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by a declaration of trust originally dated 1897 and most recently updated on 17th January 1977, under a scheme approved by the Charity Commission.

The Charity is controlled, managed and operated by the Trustees. The Trustees are all unpaid. Trustees are appointed from interested and competent residents of Farnham and surrounding areas. New Trustees are provided with copies of the governing document and accounts as well as Charity Commission guidance for Trustees of charities.

The Trustees examine the major risks the Charity faces when considering its future plans and projects. The Charity has developed systems to monitor and control these risks to mitigate any impact they may have on the Charity.

OBJECTIVES AND ACTIVITIES

The object of the Charity is the management and letting of the Farnham Institute building, South Street, Farnham, and the application of the income derived there from for any charitable purposes for the general benefit of the inhabitants of Farnham.

The Trustees have had regard to the guidance issued by the Charity Commission on public benefit and believe that they are advancing community development and culture in Farnham through their grant making policies to organisations active in the locality.

ACHIEVEMENTS AND PERFORMANCE

From 23 January 2003, the Charity has let the Farnham Institute building to Heritage Hotels Limited on a 20 year lease, the lease being assigned to the Bush Hotel Limited.

The Charity distributes the income for the assigned lease to causes which benefit the people of Farnham. During the year the Trust made grants to 38 local organisations amounting to £50,446 (2019: £71,053). Details of the organisations benefitting from these grants are given in note 5 to the financial statements.

With the arrival of Coronavirus, the Charity and its beneficiaries have had a difficult year. With the building being rented to the Bush Hotel Limited which operates in the badly hit leisure industry the Trustees agreed to waive rent for the April-June and September - December quarters of 2020, having a significant impact on income available for distribution. In turn a large number of events that the Charity supports were cancelled. The Trustees were pleased however to give their support to a number of organisations needing additional assistance and to the Farnham Coronavirus Support Fund. They also continued to give their support of Farnham in Bloom, which achieved the joint aims of supporting a very worthwhile community project, finding a fitting recipient for the Beryl Mackay Bequest and also raising the profile of the Charity in Farnham, as a source of support for other well deserving activities in the town.

THE FARNHAM INSTITUTE CHARITY

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2020

FINANCIAL REVIEW

During the year under review the total value of the Charity's Funds increased from £477,784 to £495,684 (2019: £461,897 to £477,784). A significant proportion of the increase in funds during the year relates to the increase in value of fixed asset investments held by the charity. This is detailed in note 8 to the financial statements.

The charity's reserves policy is to maintain sufficient liquid and unrestricted funds to meet the charities anticipated liabilities, plus a minimum of one year's rental income in order to ensure that there is no immediate impact on charitable activities should it's income stream be interrupted. At 30 September 2020, the Charity's available unrestricted funds (which the Trustees consider to be a good approximation of liquid reserves) stood at £116,398 (2019: £123,566). This amount is in excess of one year's rental income. However, liquid funds have been maintained at this higher level should additional costs arise in relation to the charity's property as it approaches the end of its current lease.

The Trustees consider the overall position of the Charity is satisfactory and foresee that funds will be available to meet obligations in the future.

INDEPENDENT EXAMINER

Simon Howell FCCA, of TC Group has been re-appointed as Independent Examiner for the ensuing year.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting practices and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

THE FARNHAM INSTITUTE CHARITY

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2020

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees on *23 June*
2021 by

7 Crownwood Gate
Beavers Road
Farnham
Surrey
GU9 7GE

A handwritten signature in black ink, appearing to read 'A. Lodge', with a large, sweeping flourish at the end.

Andrew Lodge
Chairman

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FARNHAM INSTITUTE CHARITY**

YEAR ENDED 30 SEPTEMBER 2020

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2020 which are set out on pages 5 to 12.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Simon Howell FCCA, of TC Group
The Granary
Hones Yard
Waverley Lane
Farnham
Surrey
GU9 8BB

Dated: 08/07 2021

THE FARNHAM INSTITUTE CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities	2	46,875	-	46,875	62,500
TOTAL INCOME		<u>46,875</u>	<u>-</u>	<u>46,875</u>	<u>62,500</u>
EXPENDITURE ON:					
Charitable activities	3	49,033	4,510	53,543	78,657
TOTAL EXPENDITURE		<u>(49,033)</u>	<u>(4,510)</u>	<u>(53,543)</u>	<u>(78,657)</u>
Net gains/(losses) on investments		24,568	-	24,568	32,044
NET INCOME/(EXPENDITURE)		<u>22,410</u>	<u>(4,510)</u>	<u>17,900</u>	<u>15,887</u>
Transfer between funds				-	-
NET MOVEMENT IN FUNDS		<u>22,410</u>	<u>(4,510)</u>	<u>17,900</u>	<u>15,887</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		473,274	4,510	477,784	461,897
TOTAL FUNDS CARRIED FORWARD		<u>495,684</u>	<u>-</u>	<u>495,684</u>	<u>477,784</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 7 to 12 form part of these financial statements.

THE FARNHAM INSTITUTE CHARITY

BALANCE SHEET

30 SEPTEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	8	379,286	354,718
CURRENT ASSETS			
Debtors	9	15,625	-
Cash at bank and in hand		119,782	139,075
		135,407	139,075
CREDITORS: Amounts falling due within one year	10	<u>(19,009)</u>	<u>(16,009)</u>
NET CURRENT ASSETS		116,398	123,066
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>495,684</u>	<u>477,784</u>
NET ASSETS		<u>495,684</u>	<u>477,784</u>
FUNDS			
Restricted funds		-	4,510
Unrestricted income funds	11	495,684	473,274
TOTAL FUNDS		<u>495,684</u>	<u>477,784</u>

These financial statements were approved by the members of the committee and authorised for issue on 23 June 2021 and are signed on their behalf by:



Andrew Lodge
Chairman

The notes on pages 7 to 12 form part of these financial statements.

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES

Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Farnham Institute Charity meets the definition of a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Funds structure

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

Restricted funds can be used at the discretion of the Trustees. See note 11 of the financial statements for further details.

Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income can be measured reliably.

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 settlement will be required and the amount of obligation can be measured reliably.

All expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT.

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire or use put options, derivatives or other complex financial instruments.

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES (continued)

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments (if any) are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised (if any) and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Rents received	<u>46,875</u>	<u>46,875</u>	<u>62,500</u>

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	2020 £	2019 £
Grants payable (see note 4 below)	50,446	76,053
Support costs (see note 4 below)	2,087	1,570
Governance costs (see note 5)	1,010	1,034
	<u>53,543</u>	<u>78,657</u>

4. ANALYSIS OF GRANTS

Analysis	Grants to institutions £	Support cost £	Total £
Educational	11,648	348	11,996
Young peoples services	6,350	348	6,698
Services to the older community	5,698	348	6,046
The Arts	3,000	348	3,348
Community events and projects	21,750	348	22,098
Sports	2,000	347	2,347
Total	<u>50,446</u>	<u>2,087</u>	<u>52,533</u>

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

4. ANALYSIS OF GRANTS (continued)

Analysis of educational grants

	Total £
The Parenting Space	750
Farnham Heath End School	2,558
The Hale Association	2,000
The Woodlarks Centre	5,000
Potters Gate School	340
Helen Arkell Dyslexia Centre	1,000
Total	<u>11,648</u>

Analysis of Young Peoples Services grants

	Total £
1st Rowledge Girl Guides	1,500
40 Degreeez	500
Disability Challengers	2,850
Change of Scene	1,500
Total	<u>6,350</u>

Analysis of Services to the Older Community grants

	Total £
Farnham Assist	2,685
Brightwells Gostrey Centre	1,353
Hale Darby & Joan Club	500
Abbeyfield Wey Valley Society	160
Waverley Hoppa Community Transport	1,000
Total	<u>5,698</u>

Analysis of The Arts grants

	Total £
Stop Gap Dance Company	3,000
Total	<u>3,000</u>

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

5. ANALYSIS OF GRANTS (continued)

Analysis of Community events and projects grants

	Unrestricted	Restricted	Total
	£	£	£
Aston Defibrillator Fund	1,000	-	1,000
Farnham Community Farm	1,000	-	1,000
Farnham Food Bank	1,000	-	1,000
Farnham in Bloom	490	4,510	5,000
Farnham Town Council – Covid fund	2,500	-	2,500
FCCT Ltd	1,000	-	1,000
Hale Community Centre	2,000	-	2,000
The Old Kiln Museum Trust	6,000	-	6,000
Space 2 Grow	1,750	-	1,750
Wrecclesham Community Centre	500	-	500
Total	<u>17,240</u>	<u>4,510</u>	<u>21,750</u>

Analysis of Sports grants

	Total
	£
Rowledge Cricket Club	1,000
The Rotary Club of Farnham Weyside	1,000
Total	<u>2,000</u>

5. GOVERNANCE COSTS

	2020	2019
	£	£
Trustees expenses	650	650
Independent Examiner's Fee	360	384
	<u>1,010</u>	<u>1,034</u>

6. TRUSTEE REMUNERATION

No remuneration directly or indirectly out of the funds of the Charity was paid or was payable to any Trustees or to any person or persons known to be connected with any of them.

Expenses totalling £650 (2019 - £650) were reimbursed to eight Trustees (2019 – nine).

7. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2019 – nil).

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

8. FIXED ASSET INVESTMENTS

COIF Charities Investment Fund Accumulation Shares

	2020 £
Market Value at 1 October	354,718
Gains/(losses) on investment	<u>24,568</u>
Market Value at 30 September	<u>379,286</u>
 Historical cost at 30 September	 <u>19,739</u>

9. DEBTORS

	2020 £	2019 £
Other debtors	<u>15,625</u>	<u>-</u>

10. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Other creditors	15,625	15,625
Accruals	<u>3,384</u>	<u>384</u>
	<u>19,009</u>	<u>16,009</u>

11. ANALYSIS OF CHARITABLE FUNDS

ANALYSIS OF MOVEMENT IN UNRESTRICTED FUNDS

	Balance at 1 Oct 2019 £	Incoming resources £	Expenditure	Transfers	Gains and losses	Balance at 30 Sept 2020 £
General Funds	<u>473,274</u>	<u>46,875</u>	<u>(49,033)</u>	<u>-</u>	<u>24,568</u>	<u>495,684</u>

ANALYSIS OF MOVEMENT IN UNRESTRICTED FUNDS – Previous year

	Balance at 1 Oct 2018 £	Incoming resources £	Expenditure	Transfers	Gains and losses	Balance at 30 Sept 2019 £
General Funds	<u>452,387</u>	<u>62,500</u>	<u>(73,657)</u>	<u>-</u>	<u>32,044</u>	<u>473,274</u>

THE FARNHAM INSTITUTE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020

10. ANALYSIS OF CHARITABLE FUNDS (continued)

ANALYSIS OF MOVEMENT IN RESTRICTED FUNDS

	Balance at 1 Oct 2019 £	Incoming resources £	Expenditure	Transfers	Gains and losses	Balance at 30 Sept 2020 £
Mackay Bequest	4,510	-	(4,510)	-	-	-

ANALYSIS OF MOVEMENT IN RESTRICTED FUNDS – Previous year

	Balance at 1 Oct 2018 £	Incoming resources £	Expenditure	Transfers	Gains and losses	Balance at 30 Sept 2019 £
Mackay bequest	9,510	-	(5,000)	-	-	4,510

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted Funds £	2020 Total reserves £
Investments	-	379,286	379,286
Cash at bank	-	119,782	119,782
Current assets	-	15,625	15,625
Current liabilities	-	(19,009)	(19,009)
	-	495,684	495,684

ANALYSIS OF NET ASSETS BETWEEN FUNDS – Previous year

	Restricted funds £	Unrestricted Funds £	2019 Total reserves £
Investments	-	354,718	354,718
Cash at bank	4,510	134,565	139,075
Current liabilities	-	(16,009)	(16,009)
	4,510	473,274	477,784