

Registered Charity Number: 511868  
Company number: 01568571

**Three Counties Agricultural Society  
(a company limited by guarantee)**

**Annual Report and Financial Statements**

**For the year ended 30 November 2017**

CHARITY COMMISSION  
FIRST CONTACT

30 APR 2018

ACCOUNTS  
RECEIVED

**THREE COUNTIES AGRICULTURAL SOCIETY**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2017**

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# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### THE BOARD

The Board of Trustees (who are the Trustees of the Society for the purposes of charity law and the directors of the company for the purposes of company law) of the Three Counties Agricultural Society ("the Society") present their annual report for the year ended 30 November 2017 prepared in accordance with section 415A of the Companies Act 2006 relating to small entities, and the Charities Act 2011, together with the audited financial statements for that year.

### REFERENCE AND ADMINISTRATIVE DETAILS

The Three Counties Agricultural Society is a registered Charity (No. 511868) and a company (No. 01568571) limited by membership guarantees. Its principal address and registered office is shown on page 9.

The Members of the Board, which includes the present Trustees, and any past Trustees who served during the year, are given on page 9, together with the name of the Chief Executive. The President and Vice-Presidents and external advisers of the Society are as set out on pages 9 to 11.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society is governed by its Memorandum adopted on 12 May 1981 and last amended on 30 May 2008 and Articles of Association adopted on 28 October 1992 and last amended on 24 November 2005.

Under the amended Articles of Association adopted on 24 November 2005, the number of Trustees is a maximum of twelve and the Council members a maximum of forty five. The Board is responsible for the overall governance of the Society. Trustees are either elected or co-opted and the total number of Trustees may not exceed twelve. Nine Trustees are elected directly by Council and three may be co-opted by the Board of Trustees. Elected Trustees may remain in office for three years but may not serve more than three consecutive full terms. Co-opted Trustees are appointed by the Board of Trustees and may serve for up to two terms of three years or on other terms determined by the Board at the time of their co-option.

Effective partnership between Trustees and staff continues to contribute significantly to our success. To increase the effectiveness of the Trustees' roles and responsibilities, each has portfolio interests which require an understanding and a responsibility for specific aspects of the Society's work. Trustees are required to meet at least five times a year. Apart from the AGM, these meetings include four Board meetings where Trustees review strategy and operational/investment performance and set operating plans and budgets. New Trustees receive an induction pack containing everything they need to know about the Society and its work for effective and informed decision-making, and Trustee-training sessions for the whole Board are held annually as directed by professional advisers. Additional strategic reviews are held as and when needed for any other purpose.

Key Management Personnel for the Society are outlined on page 10. Remuneration is set by the Remuneration Committee, which is appointed by the Board of Trustees. The Remuneration Committee meets annually and includes Chairman of the Board of Trustees, Chairman of Council and a County Director. Its role is to approve staff bonuses and remuneration for the forthcoming year, with the objective of encouraging enhanced performance and rewarding fairly and responsibly individual contributions to the charity's success.

The Board delegates the exercise of certain powers in connection with the management and administration of the Society as set out below. This is controlled by requiring regular reporting back to the Board so that all decisions made under delegated powers can be ratified by the full Board in due course.

### RISK AND AUDIT REVIEW COMMITTEE

The Risk and Audit Review Committee is a committee of the Council whose purpose is to advise the Board on risk management and internal control and act as an independent review mechanism for the preparation and audit of the annual financial statements. The committee is formed of up to three individuals, at least two of whom shall be Council members and all of whom will be independent of the Board of Trustees. One of these shall be Chairman of the committee.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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The committee has introduced a formal risk management process to assess business risks and implement risk management strategies. This has involved identifying the types of risks the Society faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the committee has reviewed the adequacy of the Society's current internal controls and the costs of operating particular controls relative to the benefits obtained. Procedures have been established for reporting failings immediately to appropriate levels of management and to the Board of Trustees.

The Board confirms that the major risks, to which the Society is exposed, as identified by the committee, have been reviewed and systems have been established to mitigate those risks.

### CHIEF EXECUTIVE

The Chief Executive is responsible for the day to day management of the Society's affairs and for implementing policies agreed by the Board of Trustees. The Chief Executive is assisted by a team of senior managers.

### GROUP STRUCTURE

The Society has a wholly owned subsidiary, T.C.A. Trading Limited. The subsidiary carries out trading activities to raise funds for donating to the Society under Gift Aid, and during the financial year made an operating profit of £532k (2016: £488k) all of which has been covenanted to the Society.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the auditor is 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 auditor is aware of that information.

### CORPORATE GOVERNANCE

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

### OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE SOCIETY

The Memorandum of Association reflects the activities of the Society and incorporates the Charity Commission's GD1 model clause on Trustees' benefits. The following is an extract from the Society's Memorandum of Association:

"The Society's primary object is to promote agriculture, horticulture, arboriculture, apiculture, forestry, rural crafts and skills and conservation for the public benefit; and in particular, but not exclusively, by

- holding demonstrations of modern agricultural methods and processes;
- holding shows for the exhibition of agriculture, livestock, poultry, animal husbandry, farm and horticultural produce and forestry, and for the demonstration of agricultural and horticultural methods and processes, rural crafts and skills, machinery, vehicles, domestic goods, implements, tools and appliances, animal feed stuffs, fertilisers, seeds and other items appertaining or ancillary to agriculture, horticulture or any allied industry."

Each year the Society sets objectives which not only address the strategic objectives contained in the Memorandum but include tactical and operational objectives. The objectives for 2017, the Society's achievements against those objectives and the objectives for 2018 are discussed under the heading of Achievements and Performance, set out below.

Our vision is to be the regional centre within the Three Counties dedicated to the promotion of agriculture, horticulture and arboriculture through public and trade shows and through direct/indirect education programmes.

### PUBLIC BENEFIT

As a charitable trust, the Society seeks to benefit the public through its stated aims which are shown in the Objects, Objectives and Principal Activities of the Society section of this report.

In furtherance of these aims the directors, as charity Trustees, have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant subsector guidance concerning the operation of the Public Benefit requirement under the Act.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### ACHIEVEMENTS AND PERFORMANCE

The Society's key charitable objectives are inextricably linked to the three major agricultural and horticultural shows, to CountryTastic which educates and entertains children and to the Farming Conference which disseminates relevant information to the farming and allied communities. These activities are supplemented through activities in Langdale Wood, the Perry Pear collection and the Environmental Lake.

In addition, each year the Society sets specific objectives for the following twelve months and those objectives together with performance against those objectives are shown below:

#### OBJECTIVES FOR 2017

- 1. Devise and implement a strategy to maintain the Royal Three Counties Show as one of the best agricultural shows in the UK regarding livestock and content.**

The origins of this show date back to 1797 and for this reason it is regarded as the Society's 'signature event'. It is consistently one of the largest agricultural shows in the UK both in terms of livestock and attracting 90,000 visitors.

Adam Henson, presenter of BBC Countryfile and Gloucestershire farmer became our Ambassador for the Show and the event was honoured by the presence of the Rt Hon Michael Gove M.P. on his first official visit as Secretary of State for Environment, Food and Rural Affairs. The prestigious Aberdeen Angus World Forum visited the Show on Saturday; delegates from around the world were welcomed to enjoy a U.K. livestock event, this was the Forum's first U.K. visit in 40 years. Numerous breed societies were present and 3 held their National shows here in 2017 – British Simmental's, British Blonde and Murray Grey. We also held the inaugural National Junior Dairy Show and hosted the Midland and Southern Highland Cattle Club Show, Beltex English Sheep and Wiltshire Horn Sheep National Shows. The Equine event staged 54 Horse of the Year Show qualifying classes. The Show is popular with breeders, producers, traders and rural organisations such as the C.L.A., the N.F.U. and the Countryside Alliance who again attended in large numbers. The weather was the hottest for many years requiring care to be taken with both livestock and visitors.

- 2. Through the Society's shows promote British agriculture, horticulture, arboriculture, apiculture, forestry and rural affairs to the full.**

The Society's shows are the main platform for promoting these objectives. The appointment of Diana Walton as Head of Shows has brought a welcomed new look and new content to The Royal Three Counties Show and Autumn Show. A recent strategic review of the agricultural show will bring further changes ensuring the show retains its popularity and improves its economic viability.

Three years had passed since the RHS Malvern Spring Festival had a full revamp and it was time to give the show a new look. This was spectacularly achieved through a specialist recruited with this sole objective. This event is now one of the most successful of its kind in England.

- 3. Explore new commercial initiatives to increase the Society's income and protect its future.**

This was the fifth year that the commercial department has operated and the last three years have been the most successful commercially in the Society's history. Sponsorship continues to be challenging although several commercial partners have shown great loyalty in remaining supportive for the last five years. A new recruit will begin in December whose role is to encourage sponsorship for the agricultural show.

The major performer this year was the venue hire section. Their function is to secure lettings of the showground to third parties who stage their own events. Usage of the showground was close to capacity throughout the year often putting pressure on the infrastructure and bringing a new challenge for the operations department.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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**4. Progress the Showground Development plan to improve the attractiveness of the showground to new and existing users and protect the longevity of the Society.**

Considerable effort and cost was applied to preparing our application for a lodges park in Langdale Woods adjacent to the showground. Due to the sensitivity of this location alternative locations were explored. However, despite close consultation with the planning authorities which enabled all issues to be addressed the plans were rejected in the post year-end period. The Society plans to reconsider its options in 2018.

The need for improved facilities to bolster the showground Infrastructure gave motivation for the design of a new building to be located between the existing event halls on the south side of the showground. This building will include much needed additional toilets, facilities to support campers, a cafeteria and small exhibition space. The building will link to the existing Avon Hall and in time a new large exhibition hall of 2,000m<sup>2</sup> will complete the link to Wye Hall. It is intended that the planning application will be submitted in 2018.

**5. Increase the quality and standard of the showground and its facilities through a programme of repairs and maintenance.**

The increased usage of the showground over the last three seasons, from additional visitors to our shows and lettings by third party hirers has put a strain on the facilities which was mitigated through a precise programme of increased maintenance and repair. The financial impact of the additional work will be reflected in budgets going forward. Many positive comments were received about the appearance of the showground even in the more challenging period of the year.

**6. Always maintain positive operational cash flow.**

Positive cash flow was maintained throughout the year (defined as earnings before interest, tax, depreciation and amortisation). For 2017 cashflow was £572k (2016 was £637k).

**7. Establish and operate a comprehensive educational programme for all age groups which promotes the objectives of the Society and of which the Society can be proud.**

Education has grown in importance for the Society over recent years. During this year the Trustees agreed a policy and five year strategy which now includes all age groups. This was the first year for Education Executive, Mark Harwood-Browne. His focus was to engage schools within our region and improve the quality and focus of education delivered through the Society's own shows ensuring it was in line with the national curriculum. New initiatives in education delivered at the Royal Three Counties Show in 2017 recorded 995 hours of learning to children who attended the event free of charge, courtesy of the Society. On top of this more than 600 hours of 'out of classroom' learning was achieved during the RHS Malvern Spring Festival.

Engagement with secondary schools, colleges and universities has focused around supporting rural entrepreneurship through mentoring of individuals and groups. At the Royal Three Counties Show one participating secondary school was able to return £650 back to the school funds after successfully selling milkshakes as part of its school enterprise.

**8. Develop the Society's processes for determining, assessing and safeguarding against potential risk.**

Potential risks are considered and mitigated by the Society's Risk and Audit Review Committee. During this year the Committee considered risks relating to loss of power and water at shows, reviewed the Trustees Skills and Knowledge Survey, introduced a Safeguarding Policy with a nominated officer for Society shows, completed a review of the Risk Register and introduced a policy regarding the use of mobility scooters on the showground.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### **9. Communicate and maintain good relations at all times with the Society's neighbours.**

There has never been a time when good communications were more important with increased attendances at shows, additional events by third party hirers and ongoing plans to develop the showground. We maintain a close relationship with the Malvern Hills District Council, the Chief Executive regularly attends Parish Council meetings to update them on Society activities and the appointment of a P.R. company ensures effective media announcements are made.

### **10. Grow the awareness and understanding of good practice relating to environmental and sustainability matters.**

The Society has upgraded its ISO 14001 accreditation in 2017, the audit takes place in November. Work began towards appointing a waste contractor capable of achieving recycling of all waste at Society shows. The Society continued to value its good relationship with Malvern Hills Area of Outstanding Natural Beauty Partnership (AONB) and ensured consultation on all intended work which may have an impact on the environment and views from the Malvern Hills.

### **11. Increase the effectiveness of personnel through continuous training and communication.**

Effective staff recruitment over the past five years has resulted in a very strong staffing compliment across the Society which has positively impacted on results. A wide range of training was ongoing throughout the year ranging from 'tool box training' for the estate team, first aid training, work place relevant academic study support as well as ongoing mentoring of new staff. Retention is the objective going forward and training will play an important role in this.

### **12. Continue to raise the Society's profile in the Three Counties and the wider community**

The Society strives to deliver its aims and objectives through a continuous programme of improvement and excellence at our events.

One objective that we continually reach for is to engage with visitors from within our own 'three counties,' and from the surrounding conurbations. It is perhaps our greatest achievement that the high status and quality of our events is commented on by both returning visitors and new visitors alike. There is no greater success than when your visitors carry the word for you.

We use a variety of tools to enhance our standing in the community, such as regular updates and press releases via our P.R. agency, responsible use of social media, support of fundraisers for local schools, clubs, associations and charities and significantly the launch in March 2017 of our new website, which was a major investment for the Society this year.

## **OBJECTIVES FOR 2018**

The objectives for 2018, together with the strategies to achieve those objectives, are set out below:

1. Continue to implement a five year strategy for the Royal Three Counties Show, as devised by the Royal Three Counties Show Strategy Committee, to produce one of the best agricultural shows in the UK.
2. Deliver shows of high quality to promote British agriculture, horticulture and general countryside matters.
3. Progress the Showground Development plan to improve the attractiveness of the showground for all users and to protect the longevity of the Society.
4. Through a programme of planned maintenance and capital improvement increase the standard of the showground and the visitor experience.



# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

5. Maintain positive cash flow and adequate reserves at all times to protect the Society against occurrences of adverse weather or unavoidable events that may put the Society's shows at risk.
6. Operate an educational programme for all age groups of which the Society can be proud.
7. Continuously explore and mitigate potential risks that could affect the Society's reputation.
8. Maintain good relations with local stakeholders and develop effective practices for environmental matters.
9. Develop a staffing structure to successfully run the activities of the Society and raise its profile across the Three Counties and in the wider community.

### STRATEGIES FOR ACHIEVING OBJECTIVES

The objectives will be developed through the use of the following strategies:

- A. The Society's Shows including CountryTastic, RHS Malvern Spring Festival, Royal Three Counties Show, Malvern Autumn Show and the Three Counties Farming Conference will continue to provide the mainstay for achieving our charitable objectives. Through continuous development of these five events we will endeavour to promote best practice in agriculture, horticulture, and rural affairs. Including the promotion of local food and drink producers, the countryside and the rural economy to all who attend.
- B. Maintain good communications and relationships with all stakeholders relative to the Society through an effective flow of information. This will include local councillors and community groups through regular consultation.
- C. The commercial function of the Society will continue to develop to realise the potential of the Society's revenue opportunities in relation to attendance at shows, sponsorship, hospitality, venue hire, membership and other related income streams.
- D. Continue to develop and enhance our Education Strategy and delivery via the Education Committee, Trustees and Education Executive. The main focus of our delivery will continue to be through our own agricultural and horticultural based show content. We will also be developing a careers fair in 2018.
- E. The Society will continue to focus on delivering our showground development programme to enhance facilities and strive to provide new income streams. Continue with an effective maintenance, renewal and repair programme so as to achieve high standards and implement new business systems and hardware to support our business at all times.
- F. Continue to develop an effective programme relating to Cyber security in order to mitigate determinable risk to the Society.
- G. The Society will continue its good practice regarding the recruitment, training, communication and good management of staff with a view to maintaining a motivated team. Continue to develop a programme of progression for key roles.

### FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The main source of funding for the Society is ticket income from agricultural and horticultural shows. During the year income for this totalled £2,061k (2016: £1,976k) making up 36% (2016 36%) of total income.

The Statement of Financial Activities (SoFA), set out on page 15, shows that total incoming resources increased by 3.4% to £5,718k and expenditure on charitable activities increased by 3.9% to £4,288k. Total resources expended amounted to £5,509k (2016: £5,264) resulting in a net surplus for the year before gains/(losses) on investments of £209k (2016: Surplus £265k). This resulted in total funds carried forward increasing by £262k to £4,876k (2016: increasing by £345k to £4,614k).

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### **T.C.A. Trading Limited**

The wholly-owned trading subsidiary enjoyed another successful year attracting additional events to the showground. Most annual events returned to the showground and several attracted greater rentals.

During 2017, revenue for the company increased by 10.9% to £1,482k. (2016: £1,336k). The company undertakes the trading activities of the Society and generated a profit of £532k (2016: £488k). The full profit has been donated to the Society under the provisions of Gift Aid.

### **FINANCIAL MANAGEMENT POLICIES**

#### **Reserves Policy**

Each year the Board considers the Society's exposure to major risks in terms of their likely impact on its income sources and planned expenditure in the short term. As a matter of policy, the Trustees review the value of the reserves retained in the form of investments.

The major risks to The Society are a decline in revenues from the major shows through inclement weather, a general downturn or change in economic conditions or Foot and Mouth or equivalent disease. In addition, the trading subsidiary is vulnerable to the same underlying economic circumstances.

Following this review, the Trustees believe it is appropriate to hold in the investment portfolio sufficient holdings to allow the Society to be run efficiently, in order to provide a buffer against the short notice cancellation of a major show, to fund fixed capital renewals and maintenance to the Showground and provide between 6 and 12 months resource expended on administration and governance costs of the Society.

The Society is currently operating in line with its outlined policy. Total reserves at the year-end were £4,878k (2016: £4,614k). Of these, £5k were restricted at the year-end (2016: £3k). This is disclosed in note 15.

#### **Investment Policy and performance**

The Society's investments were valued at £797k at the start of the financial year. A further £250k was invested within the portfolio during the year and this continued to be managed with a cautious to medium risk profile since many major markets were already at an all-time high. As at the balance sheet date, the portfolio is now valued at £1,112k. Following a recent review with the fund managers the Trustees remain satisfied that this remains an appropriate vehicle for the Society.

#### **EMPLOYEES**

The Society aims to be an organisation where employees enjoy a sense of fulfilment and where they feel supported and developed. Employees are kept fully informed about its strategy and objectives, as well as day-to-day news and events. Information about the organisation is available through regular briefings and post show meetings. All employees are encouraged to give their suggestions and views on performance and strategy. The Society continues to follow a policy of recruitment and promotion on the basis of aptitude and ability without discrimination.

#### **PENSIONS**

The Society operates a contributory defined contribution pension scheme in which all permanent employees are entitled to participate, together with a Workplace Pension for the appropriate employees.

#### **RELATED PARTY TRANSACTIONS**

The related party transactions are included in note 16 to these financial statements.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### REFERENCE AND ADMINISTRATIVE INFORMATION:

#### PRINCIPAL ADDRESS AND REGISTERED OFFICE

The Showground  
Malvern  
Worcestershire  
WR13 6NW

#### SECRETARY

Ken Nottage

#### PRESIDENT

Robert Bernays OBE DL (until 30 November 2017)

Lt. Col. Patrick Holcroft LVO OBE  
Lord Lieutenant of Worcestershire (from 1 December 2017)

#### VICE PRESIDENTS

Judy Proger (until 30 November 2017)

Robin Pearce (until 30 November 2017)

Bill Quan (until 30 November 2017)

David Smart (from 1 December 2017)

Joanna Beswick (from 1 December 2017)

Glyn Morgan MBE (from 1 December 2017)

#### CHIEF EXECUTIVE

Ken Nottage

#### MEMBERS OF THE BOARD

Chris Bailey (Chairman)

Michael Blandford (until 30 November 2017)

Richard Bradstock

(County Director)

Lindsey Craddock

(County Director)

Patrick Downes

(from 1 December 2016)

Roger Head OBE DL

(County Director)

Adrian Hope

Cathryn Morris

David Owens

David Smart

(from 1 December 2016)

Michael Warner

Michael Weaver

Clive Roads

(from 30 November 2017)

#### AUDIT COMMITTEE

Ruth Goodman

(from 1 December 2016)

Chris Lloyd

Mark Tufnell

(Chairman)

#### MEMBERS OF COUNCIL

Kate Speke-Adams

(from 7 December 2017)

Chris Bailey

(until 30 November 2017)

Joanna Beswick

Michael Blandford

(Chairman) (retired 30 November 2017)

Richard Bradstock

Phillip Burford

Alex Burgess

(until 1 February 2017)

Penny Corbett

(from 7 December 2017)

Lindsey Craddock

Clive Davies

Peter Dowle

(from 7 December 2017)

Patrick Downes

Ruth Goodman

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### MEMBERS OF COUNCIL (Continued)

Laura Hamilton  
Francis Harcombe  
John Harper  
Maurice Hart  
James Hawkins  
Dene Hazelwood  
Roger Head OBE DL  
Adrian Hope  
Martin Hoskins  
Arthur Hurrant (until 30 November 2017)  
Chris Lloyd  
Richard Lutwyche  
Henry Marfell  
Glyn Morgan MBE  
Cate Morris  
Barbara Norman (until 30 November 2017)  
David Owens  
Robin Pearce  
Roger Phillips  
Tania Phillips  
Andrew Powers (from 8 December 2016)  
Prof. Joanna Price (from 7 December 2017)  
Judy Proger  
Bill Quan  
Clive Roads (from Chairman 7 December 2017)  
Henry Robinson (from 8 December 2016)  
Peter Rose  
Helen Smalley  
David Smart  
Chris Southgate (until 30 November 2017)  
Mark Tufnell  
Michael Warner  
Graham Watkins  
Dermot Weaver  
Michael Weaver  
Paul Westaway (from 7 December 2017)

### KEY MANAGEMENT PERSONNEL

Paul Butler – Head of Ticketing and Business Systems  
David Fenwick – Head of Finance  
Suzy Hillier – Head of Commercial  
Ken Nottage – Chief Executive  
Di Walton – Head of Shows  
John Wilesmith – Head of Operations

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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### PRINCIPAL PROFESSIONAL ADVISERS

#### Independent Auditor

Crowe Clark Whitehill LLP  
Statutory Auditor  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

#### Principal Bankers

National Westminster Bank plc  
30 Church Street  
Malvern  
Worcestershire  
WR14 2AY

#### Solicitors

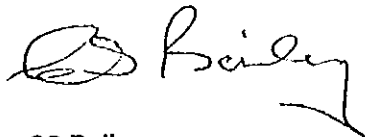
Harrison Clark Rickerbys  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire  
GL50 1YD

#### Investment Managers

Rathbone Investment Management Limited  
Port of Liverpool Building  
Pier Head  
Liverpool  
L3 1NW

The report of the Trustees has been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 1 March 2018 and signed on their behalf.



**CS Balley**  
**Chairman**

## THREE COUNTIES AGRICULTURAL SOCIETY

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THREE COUNTIES AGRICULTURAL SOCIETY FOR THE YEAR ENDED 30 NOVEMBER 2017

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#### Independent Auditor's Report to the Members of Three Counties Agricultural Society

We have audited the financial statements of Three Counties Agricultural Society for the year ended 30 November 2017 which comprise the consolidated Statement of Financial Position, the consolidated and charity Balance Sheet, the consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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, and to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 November 2017 and of the group's Incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or 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.

## THREE COUNTIES AGRICULTURAL SOCIETY

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THREE COUNTIES AGRICULTURAL SOCIETY (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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#### 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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.

## THREE COUNTIES AGRICULTURAL SOCIETY

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THREE COUNTIES AGRICULTURAL SOCIETY (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

#### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 2, 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 group's or 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.

#### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Guy Biggin  
Senior Statutory Auditor  
For and on behalf of  
Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2 QJ

Date 19 April 2018

Crowe Clark Whitehill LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



**THREE COUNTIES AGRICULTURAL SOCIETY  
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Note	Unrestricted Funds £000	Total Funds 2017 £000	Total Funds 2016 £000
<b>INCOME FROM</b>				
<b>Charitable activities</b>				
Agricultural and horticultural shows		3,917	3,917	3,838
<b>Other trading activities</b>				
Fundraising events		298	298	333
Trading subsidiary income	3	1,482	1,482	1,336
Investments	4	21	21	22
<b>Total</b>		<u>5,718</u>	<u>5,718</u>	<u>5,529</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Agricultural and horticultural shows	6A	4,288	4,288	4,126
<b>Other</b>				
Fundraising events	6B	265	265	285
Trading subsidiary expenditure	6B	950	950	848
Investment management costs	6B	6	6	5
<b>Total</b>		<u>5,509</u>	<u>5,509</u>	<u>5,264</u>
Net gains on investments		53	53	80
<b>Net Income</b>		<u>262</u>	<u>262</u>	<u>345</u>
<b>RECONCILIATION OF FUNDS</b>				
<i>Total funds brought forward at 1 December 2016</i>	15	4,614	4,614	4,269
<b>TOTAL FUNDS CARRIED FORWARD AT 30 NOVEMBER 2017</b>	15	<u>4,876</u>	<u>4,876</u>	<u>4,614</u>

All amounts relate to continuing operations. The notes on pages 18 to 29 form part of these financial statements.

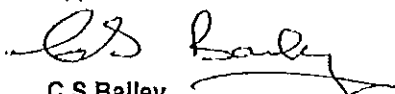
**THREE COUNTIES AGRICULTURAL SOCIETY  
CHARITY AND CONSOLIDATED BALANCE SHEETS  
AS AT 30 NOVEMBER 2017  
COMPANY NUMBER: 01568671**

	Notes	GROUP		CHARITY	
		2017 £000	2016 £000	2017 £000	2016 £000
<b>FIXED ASSETS</b>					
Tangible assets	9	2,850	3,030	2,850	3,030
Intangible assets	10	33	-	33	-
Investments	11	1,112	797	1,112	797
		<u>3,995</u>	<u>3,827</u>	<u>3,995</u>	<u>3,827</u>
<b>CURRENT ASSETS</b>					
Debtors	12	339	234	399	224
Cash at bank and in hand		1,163	1,097	1,039	1,063
		<u>1,492</u>	<u>1,331</u>	<u>1,438</u>	<u>1,287</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	(611)	(544)	(559)	(502)
<b>NET CURRENT ASSETS</b>		<u>881</u>	<u>787</u>	<u>879</u>	<u>785</u>
<b>NET ASSETS</b>		<u><u>4,876</u></u>	<u><u>4,614</u></u>	<u><u>4,874</u></u>	<u><u>4,612</u></u>
<b>FUNDS</b>					
Unrestricted funds	15	4,876	4,614	4,874	4,612
<b>TOTAL FUNDS</b>		<u><u>4,876</u></u>	<u><u>4,614</u></u>	<u><u>4,874</u></u>	<u><u>4,612</u></u>

The Charity's net income for the period was £262k (2016: £345k).

The Financial Statements are prepared in accordance with the special provisions of part 15 of the Companies Act relating to small companies.

Approved and authorised for issue by the Trustees on 1 March 2018 and signed on their behalf by

  
C S Balley  
Chairman

The notes on pages 18 to 29 form part of these financial statements.

**THREE COUNTIES AGRICULTURAL SOCIETY  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Note	2017 £000	2016 £000
<b>Net cash inflow from operations</b>			
Net cash provided by operating activities	I	571	611
<b>Cash flows from Investing activities</b>			
Dividends and interest from investments		21	22
Purchase of property, plant and equipment		(233)	(559)
Purchase of intangible assets		(40)	-
Cash transferred to investment account		(139)	-
Proceeds from sale of investments		83	101
Purchase of investments		(207)	(112)
Net cash (used in) investing activities		(515)	(548)
Change in cash and cash equivalents in the reporting period		56	63
Cash and cash equivalents at 1 December 2016		1,097	1,034
Cash and cash equivalents at 30 November 2017	II	1,153	1,097

i) Reconciliation of net income to net cash flow from operating activities:

	2017 £000	2016 £000
Net incoming resources	262	345
<b>Adjustments for:</b>		
Depreciation charge	374	394
Impairment charge	26	-
Amortisation charge	7	-
(Gains) on investments	(53)	(80)
Loss on disposal of fixed assets	13	-
Dividends and interest from investments	(21)	(22)
(Increase)/decrease/ in debtors	(104)	118
Increase/(decrease) in creditors	67	(144)
	571	611

ii) Analysis of cash and cash equivalents:

	2017 £000	2016 £000
Cash at bank	1,153	1,097
Deposits	-	-
	1,153	1,097

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

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**1. CHARITY INFORMATION**

Three Counties Agricultural Society is a registered charity with the Charities Commission England and Wales (charity number: 511868) and is incorporated as a company limited by guarantee (company number: 01588571, England and Wales). The address of its principal and registered office is The Showground, Malvern, Worcestershire, WR13 6NW.

**2. STATEMENT OF ACCOUNTING POLICIES**

**a. Basis of preparation**

The financial statements have been prepared in accordance with 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) - (Charities SORP 2015 (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical cost convention.

Three Counties Agricultural Society meets the definition of a public benefit entity under FRS 102.

The functional currency of the Society is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

**b. Consolidated Financial Statements**

These financial statements consolidate the Society and its subsidiary undertaking, T.C.A. Trading Limited. No separate SOFA has been presented for the Society alone, as permitted by Section 408 of the Companies Act 2006. Net incoming resources includes £262k (2016: £345k) attributable to the Charity. The Society has also taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

**c. Going Concern**

The Society has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements. There are no material uncertainties about the Society's ability to continue as a going concern.

**d. Funds Structure**

Unrestricted funds are those funds available for use by the society for any charitable purpose at the discretion of the Trustees.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**e. Incoming Resources**

All incoming resources are included in the Statement of Financial Activities ("SOFA") as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Society is considered probable.

Incoming resources from charitable activities comprises income from shows staged in accordance with the Society's charitable activities.

Income from fundraising events represents entry fees and services provided and sponsorships which relate to the current financial year.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

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**f. Resources Expended**

Costs of raising funds include direct and indirect costs attributed to fundraising activities for the Society. These include shows and other fundraising events.

Costs of charitable activities include direct and support costs attributed to activities in furtherance of the Society's educational activities. These comprise primarily agricultural and horticultural shows.

Governance costs are included within support costs and comprise direct and indirect expenditure involved in ensuring that the Society complies with its charitable and statutory obligations.

The allocation and apportionment of costs to T.C.A. Trading Limited is based on management's estimate of attributable costs incurred. The apportionment of costs for all shows and fundraising is based on the turnover for each show.

**g. Pension**

The Society operates two defined contribution schemes. Contributions are charged to the Statement of Financial Activities as they become due.

**h. Taxation**

As a registered charity, Three Counties Agricultural Society is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

**i. Tangible Fixed Assets and Depreciation**

Fixed assets costing less than £500 are written off to the Statement of Financial Activities.

Tangible fixed assets are stated at cost less depreciation and impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Permanent buildings	4% on cost
Property improvements	10% to 25% on cost
New wooden buildings	10% to 25% on cost
Plant and machinery	10% to 25% on cost
Motor vehicles	33% on cost
Office and show equipment	25% to 33% on cost

Assets in the course of construction are included at cost and are not depreciated until they are brought into use. Land is not depreciated.

**j. Intangible Fixed Assets and Amortisation**

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at the following annual rate in order to write off each asset over its estimated useful life and charged to the SOFA:

Company Website	25% on cost
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**k. Investments**

Fixed asset investments are stated at market value at the balance sheet date. Changes in the valuation of investments during the year are shown as gains or losses in the Statement of Financial Activities.

**l. Creditors**

Creditors are recognised on an accruals basis once there is a legal or constructive obligation that commits the Society to the obligation.

**m. Debtors**

Short term debtors are initially measured at transaction price, less any impairment. Prepayments are measured at the amount prepaid.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

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**n. Financial Instruments**

Three Counties Agricultural Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value.

**o. Termination payments**

Termination payments are accounted for as soon as the charitable company is aware of the obligation to make the payment.

**p. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

**I) Useful economic lives of tangible and intangible assets**

The annual depreciation charges for the tangible assets and amortisation charges of intangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible assets and note 2i for the useful lives for each class of asset.

**II) Impairment**

Debtors – the Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors.

Fixed assets – Property, plant and equipment is stated at historical cost less accumulated depreciation and any recognised impairment losses. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's value is impaired when the asset's carrying amount is greater than its estimated recoverable amount.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

**3. SUBSIDIARY RESULTS**

Three Counties Agricultural Society owns 100% of the share capital of T.C.A. Trading Limited (registered company no: 01638353), which was set up to carry out the trading activities of the group. The entity exists to undertake any non-primary purpose trading activity with any profits being donated back to the Charity under Gift Aid rules. Its registered address is The Showground, Malvern, Worcestershire, WR13 6NW.

Its trading results, as extracted from the audited accounts, are summarised below:

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2017**

	2017 £000	2016 £000
Turnover	1,482	1,336
Cost of sales	(240)	(177)
<b>Gross profit</b>	<b>1,242</b>	<b>1,159</b>
Administrative expenses	(710)	(671)
<b>Operating profit</b>	<b>532</b>	<b>488</b>
Gift aid payable to Three Counties Agricultural Society	(532)	(488)
<b>Retained (loss) for the year</b>	<b>-</b>	<b>-</b>
	£	£
<b>Reserves</b>		
Profit and loss reserves	1,682	1,682
Share capital	5	5
<b>Shareholders Funds</b>	<b>1,687</b>	<b>1,687</b>

Administration expenses include £691,512 (2016: £654,531) for services supplied by the Charity which are recharged to the subsidiary.

The trading company made a gift aid donation of £531,945 (2016: £487,581) to the Charity, with the result that it has a £nil annual corporation tax liability. At the year-end £95,834 was due from T.C.A Trading Limited to Three Counties Agricultural Society (2016: £8,965).

**4. INVESTMENT INCOME**

	2017 £000	2016 £000
Bank interest receivable	1	4
Dividends	20	18
	<b>21</b>	<b>22</b>

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

**5. NET INCOMING RESOURCES**

This is stated after charging the following:

	2017 £000	2016 £000
Auditor's remuneration:		
For audit services	14	13
Assets owned by the Group:		
Depreciation	374	394
Amortisation:	7	-
Operating Lease Costs	6	-

The total amount payable over the term of the five year lease is £29,379.

**6. A) AGRICULTURAL AND HORTICULTURAL ACTIVITIES – Resources Expended**

Activity	Activities Undertaken Directly £000	Support Costs £000	2017 Total Costs £000	2016 Total Costs £000
Agricultural and Horticultural shows	<u>4,063</u>	<u>225</u>	<u>4,288</u>	<u>4,126</u>

**6. B) ANALYSIS OF TOTAL RESOURCES EXPENDED AND SUPPORT COSTS BREAKDOWN BY ACTIVITY**

**ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs £000	Other costs £000	Depreciation and Amortisation £000	2017 Total £000	2016 Total £000
Agricultural and Horticultural shows	883	3,039	366	4,288	4,126
Costs of raising funds	65	185	15	265	285
Finance costs	-	6	-	6	5
<b>Total for Charlty</b>	<b>948</b>	<b>3,230</b>	<b>381</b>	<b>4,559</b>	<b>4,416</b>
Trading costs of the Subsidiary	<u>312</u>	<u>638</u>	-	<u>950</u>	<u>848</u>
<b>Total for Group</b>	<b><u>1,260</u></b>	<b><u>3,868</u></b>	<b><u>381</u></b>	<b><u>5,509</u></b>	<b><u>5,264</u></b>



**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

<b>SUPPORT COSTS BREAKDOWN BY ACTIVITY</b>	<b>Raising Funds</b>	<b>Charitable Activities</b>	<b>2017 Total Group</b>	<b>2016 Total Group</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Management	3	44	47	41
Finance	5	66	71	69
Information technology	7	94	101	83
Human resources	<u>2</u>	<u>21</u>	<u>23</u>	<u>21</u>
<b>Total</b>	<b><u>17</u></b>	<b><u>225</u></b>	<b><u>242</u></b>	<b><u>214</u></b>

**Basis of allocation**

Support costs are allocated between Agricultural and Horticultural shows and Fundraising events on the basis of their respective income.

**GOVERNANCE COSTS**

	<b>2017 £000</b>	<b>2016 £000</b>
Auditors' remuneration:		
For audit services	14	13
Legal and professional fees	46	30
Staff costs	23	22
Other	19	18
	<u>102</u>	<u>83</u>

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

**7. STAFF COSTS**

**a. Staff costs**

	2017	2016
	£000	£000
Wages and salaries	1,131	1,102
Social security costs	88	86
Pension contributions	41	53
	<u>1,260</u>	<u>1,241</u>

**b. Staff numbers**

The average number of full time equivalent employees during the year was:

	2017	2016
	No.	No.
Office management	20	18
Permanent showground	10	11
Temporary office	1	1
Temporary showground	<u>1</u>	<u>1</u>
	<u>32</u>	<u>31</u>

The average headcount of employees during the year was:

	<u>92</u>	<u>89</u>
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**c. Higher paid staff**

One employee of the charity earned between £130,000 and £140,000 during the year (2016: one employee earned between £130,000 and £140,000 during the year). Pension contributions in respect of this employee were £20,000 (2016: £30,500).

**d. Remuneration of Key Management Personnel**

Aggregate employee benefits of key management personnel (including employer NIC and pension costs) totalled £410,606 (2016: £393,373).

**e. Termination payments**

During the year a termination payment of £10,000 was made (2016: £Nil).

**8. TRUSTEES REMUNERATION AND EXPENSES**

Neither the Trustees nor persons connected with them received any remuneration or other benefits from the Society or any connected organisation.

Travelling expenses in the sum of £239 were reimbursed to one Trustee in 2017 (2016: £Nil). No Trustees waived any expenses in 2017 or 2016.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

**9. TANGIBLE FIXED ASSETS OF THE GROUP AND THE CHARITY**

	Freehold Land	Assets Under Construction	Buildings	Plant and Machinery	Motor Vehicles	Office/ Show Equip ment	Total
	£000	£000	£000	£000	£000	£000	£000
<b>Cost</b>							
<i>At 1 December 2016</i>	270	76	5,770	842	45	453	7,456
Additions	-	79	95	31	-	28	233
Disposals	-	(4)	(13)	(98)	-	(21)	(136)
Impairment	-	(26)	-	-	-	-	(26)
	<b>270</b>	<b>125</b>	<b>5,852</b>	<b>775</b>	<b>45</b>	<b>460</b>	<b>7,527</b>
<b>Depreciation</b>							
<i>At 1 December 2016</i>	-	-	3,326	653	38	409	4,426
Disposals	-	-	(11)	(91)	-	(21)	(123)
Charge for the year	-	-	270	63	5	36	374
	<b>-</b>	<b>-</b>	<b>3,585</b>	<b>625</b>	<b>43</b>	<b>424</b>	<b>4,677</b>
<b>Net Book Value</b>							
<b>At 30 November 2017</b>	<b>270</b>	<b>125</b>	<b>2,267</b>	<b>150</b>	<b>2</b>	<b>36</b>	<b>2,850</b>
<i>At 30 November 2016</i>	270	76	2,444	189	7	44	3,030

Included within tangible fixed assets above are perpetual cups and trophies with a cost of £53k. These have been held for a number of years and are fully written down at the Balance Sheet date.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2017**

**10. INTANGIBLE FIXED ASSETS OF THE GROUP AND THE CHARITY**

	Website £000	Total £000
<b>Cost</b>		
As at 1st December 2016	-	-
Additions in year	40	40
	<u>40</u>	<u>40</u>
<b>Amortisation</b>		
As at 1st December 2016	-	-
Charge for year	7	7
	<u>7</u>	<u>7</u>
<b>Net book value</b>		
As at 30th November 2017	<u>33</u>	<u>33</u>
As at 30th November 2016	<u>-</u>	<u>-</u>

**11. INVESTMENTS**

	Charity Listed Investments	
	2017 £000	2016 £000
At 1 December 2016	744	653
Additions	207	112
Disposals	(83)	(93)
Unrealised (losses)/gains	53	72
	<u>921</u>	<u>744</u>
Cash balances awaiting reinvestment	191	53
<b>At 30 November 2017</b>	<b><u>1,112</u></b>	<b><u>797</u></b>
Historical cost	<u>968</u>	<u>712</u>

The Society owns 100% of the five £1 ordinary share capital of T.C.A. Trading Limited, which carries out the letting of facilities and associated activities.

No single listed investment held represent over 5% of the total portfolio.

The market value of investments held outside of the UK was £295,691 (2016: £281,623).

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12. DEBTORS	Group		Charity	
	2017 £000	2016 £000	2017 £000	2016 £000
Trade debtors	285	127	249	111
Amounts owed from subsidiary company	-	-	96	9
Prepayments and accrued income	54	106	54	103
Other debtors	-	1	-	1
	<u>339</u>	<u>234</u>	<u>399</u>	<u>224</u>

13. CREDITORS	Group		Charity	
	2017 £000	2016 £000	2017 £000	2016 £000
Trade creditors	46	52	44	48
Taxation and social security	91	117	91	116
Accruals	127	135	126	135
Pension costs	2	4	2	4
Deferred income (see note 14)	337	225	293	193
Bank credit cards	3	3	3	3
Other creditors	5	8	-	3
	<u>611</u>	<u>544</u>	<u>559</u>	<u>502</u>

14. DEFERRED INCOME	Group		Charity	
	2017 £000	2016 £000	2017 £000	2016 £000
<i>Balance at 1 December 2016</i>	225	299	193	278
Released during the year	(225)	(299)	(193)	(278)
Income received in the year	<u>337</u>	<u>225</u>	<u>293</u>	<u>193</u>
Deferred income at 30 November 2017	<u>337</u>	<u>225</u>	<u>293</u>	<u>193</u>

Deferred income at 30 November 2017 represents income invoiced in respect of the Shows to be held in 2018.

**THREE COUNTIES AGRICULTURAL SOCIETY  
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**15. STATEMENT OF FUNDS**

	<i>Balance at 1 December 2016</i>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Gains/losses</b>	<b>Balance at 30 November 2017</b>
	£000	£000	£000	£000	£000
<b>Unrestricted funds</b>					
Charity	4,612	4,768	(4,559)	53	4,874
Trading subsidiary	2	1,482	(1,482)	-	2
Eliminated on consolidation	-	(532)	532	-	-
<b>TOTAL FUNDS</b>	<b>4,614</b>	<b>5,718</b>	<b>(5,509)</b>	<b>53</b>	<b>4,876</b>

Included within unrestricted income is a restricted donation of £6,000 (2016: £6,000) which was made during the year from an anonymous donor towards an educational bursary. Of this, £4,000 (2016: £3,000) was expended during the year on the bursary and £5,000 (2016: £3,000) has been carried forward at the year end.

**16. CAPITAL COMMITMENTS**

At the year-end there were no capital commitments (2016: £37,000).

**17. RELATED PARTY TRANSACTIONS**

During the year, property consultancy services to the value of £500 (2016: £390) were provided by Bruton Knowles, of which Patrick Downes is Managing Director and also a Trustee of Three Counties Agricultural Society. As at the year-end £Nil (2016: £Nil) was outstanding.

During the year forestry services to the value £500 (2016: £315) were provided by Adrian Hope Tree Services, a business jointly owned by Adrian Hope who is a Trustee of Three Counties Agricultural Society. As at the year-end £Nil was outstanding (2016: £Nil).

Adrian Hope Tree Services paid the Society £131 plus VAT during the year for the supply of electricity in order to provide tree cutting demonstrations at the RHS Malvern Spring Festival. As at the year-end £Nil was outstanding (2016: £Nil).

All transactions were conducted on an arms-length basis.

**18. PENSION COMMITMENTS**

The Society operates two defined contribution schemes. Contributions are charged to the Statement of Financial Activities as they become due. The assets are held separately from those of the charity in independently administered funds. The amount charged to the SoFA for the year was £41,312 (2016: £52,814). At the year end £1,792 (2016: £3,959) remained outstanding.

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**19. GROUP FINANCIAL INSTRUMENTS**

	<b>2017</b>	<i>2016</i>
	<b>£000</b>	<i>£000</i>
Financial assets measured at fair value	<b>1,112</b>	<i>797</i>
Financial assets measured at settlement value	<b>1,438</b>	<i>1,225</i>
Financial liabilities measured at settlement value	<b>(181)</b>	<i>(197)</i>

Financial assets measured at fair value comprise of investments.

Financial assets measured at settlement value comprise of cash, trade debtors, and other debtors.

Financial liabilities measured at settlement value comprise of trade creditors, accruals, bank credit cards and other creditors.

Impairment losses charged to non-financial assets measured at settlement value in the year amounted to £26k (*2016: £nil*).

**20. OPERATING LEASES**

As at 30 November 2017 the group had future minimum lease payments under non-cancellable operating leases as follow:

	<b>Other 2017 £000</b>	<b>Other 2016 £000</b>
Expiry Date:		
Less than 1 year	<b>6</b>	<i>-</i>
Within 2 - 5 years	<b>18</b>	<i>-</i>
After 5 years	<b>-</b>	<i>-</i>
	<b>24</b>	<i>-</i>

