

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 2018**

CHARITY COMMISSION  
FIRST CONTACT  
21 MAR 2018  
ACCOUNTS  
RECEIVED

CHARITY COMMISSION  
FIRST CONTACT  
21 MAR 2019  
RECEIVED

**THREE COUNTIES AGRICULTURAL SOCIETY**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2018**

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# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2018

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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 2018 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 number of 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 information pack containing everything they need to know about the Society and its work for effective and informed decision-making, and trustee training sessions are held whenever a requirement is identified. 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 four 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 2018

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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 £466k (2017: £532k) 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 2018

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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

In light of the new Charity Governance code Three Counties Agricultural Society is currently undergoing a review by Crowe U.K. of its current governance structure. 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 2018, the Society's achievements against those objectives and the objectives for 2019 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 2018

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### ACHIEVEMENTS AND PERFORMANCE

The Society's key objectives are inextricably linked to the three major agricultural and horticultural shows, to CountryTastic, which informs and educates 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 2018

- 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.**

In 2017 the Board of Trustees approved a strategy to improve the financial performance of the Royal Three Counties Show whilst not diminishing the quality or what the show stands for. A committee was then formed to oversee the delivery of the strategy. This committee along with the show committee ensure the show delivers best practice in agriculture and rural affairs underpinning our charitable objectives.

- 2. Deliver shows of high quality to promote British agriculture, horticulture and general countryside matters.**

Shows run by the Society are designed to underpin our charitable objectives whilst providing an enjoyable visitor experience. The recent appointment of Diana Walton to Head of Shows and several new recruits to the shows team has proved effective, bringing a new look to CountryTastic, RHS Malvern Spring Festival and The Royal Three Counties Show. This fresh appearance was appreciated by visitors, traders and competitors and achieved financial targets. Further restructuring is planned.

- 3. Progress the Showground Development Plan to improve the attractiveness of the showground for all users and to protect the longevity of the Society.**

The Society re-applied for planning permission to establish a lodges park within its Langdale Woodland. The application, which was reduced to 40 lodges with a smaller administration lodge, was subsequently approved.

Simultaneously the Society prepared plans to develop a new events and facilities building joining existing buildings Avon and Wye at the south of the showground. This will replace essential facilities which are no longer adequate and provide new exhibition space, a cafeteria and other visitor facilities. A planning application has been submitted in January 2019.

Both projects will provide new income for the Society and contribute towards the Society's longevity by providing facilities visitors expect and a new financial resource.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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**4. Through a programme of planned maintenance and capital improvement increase the standard of the showground and the visitor experience.**

The usual programme of planned maintenance and capital projects was undertaken during this year and for the sixth year in succession. Feature projects during the year included a new main entrance gate building for security staff, additional Duralock fencing for the equine rings, new cattle isolation pens, commencement of refurbishment of the Friesian Pavilion and the relocation of the compound for our marquee contractor. There has been substantial investment in extending the fibre optic cabling, further improvements to CCTV coverage, office P.C. replenishment and enhanced Wi-Fi services. The showground now looks very attractive throughout the year and positive comments are regularly received despite the high usage from over 120 events staged.

**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.**

Positive cash flow was maintained throughout the year. For 2018 net cash from operating activities was £670k (2017 was £571k) and EBITDA (earnings before interest, tax, depreciation and amortisation) was £542k (2017 was £582k).

**6. Operate an educational programme for all age groups, of which the Society can be proud.**

The prominence of education within the Society's activities has grown in both quantity and quality during 2018. The inaugural Three Counties Careers Fair, held in Severn Hall during January, brought 500 secondary aged children into contact with over 40 different organisations who were promoting educational and employment opportunities within the three counties area, and with a noticeable emphasis on the land-based industries. The School Garden Challenge has remained a strong event and provided outstanding opportunities for the 14 participating schools to develop their school curriculum. This year Royal Three Counties Show continued with the 'Schools Go Free' day on the Friday of the event, with 2,500 school-aged visitors attending. The Farming Conference continues to be our main event in targeting university-aged students, with increased contact between our Society and the key higher education institutions within our region.

**7. Continuously explore and mitigate potential risks that could affect the Society's reputation.**

Possibly one the most important committees of the Society is the Risk and Audit Review Committee, appointed to consider and mitigate potential risks before they occur. Over recent years this committee's remit has been extended to include strategic matters as well as operational issues. During this year the committee addressed cyber-security, IT capability, GDPR regulations and the managerial structure for the Spring Festival, and it has considered policies for lone working and business continuity.

**8. Maintain good relations with local stakeholders and develop effective practices for environmental matters.**

The Chief Executive attends annual meetings with local Parish Councils to provide an update on the activities of the Society. During 2017 he also attended a residents' meeting at a local village hall to address concerns relating to a planning application. Two new important relationships have been established including the neighbouring 'Traders Association' of Barnards Green high street promoting showground visitors to local retailers, and 'The Priory Rehabilitation Centre' whose clients now attend showground events as part of their treatment.

The Society also works hard at public relations producing regular media releases about showground activities and provides a caring approach where concerns are raised.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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### **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.**

The Society made further significant appointments in 2018 to strengthen its staff compliment and add gravitas to the roles. Under the leadership of the Head of Shows the Shows Team was restructured to include staff dedicated to delivering particular show roles. An example of this is RHS Malvern Spring Festival, where specific expertise is required in Horticulture and liaison with the Royal Horticultural Society. Also, logistics roles were highlighted to make good use of skills in show layouts and procurement; this was evidenced in the revised content and layout for both RHS Malvern Spring Festival and Malvern Autumn Show in 2018 which were met with good attendances and innovative changes welcomed by visitors. The Sponsorship Account Manager role has been taken forward by a new staff member, and a further addition made to bolster Venue Hire. Of particular strength this year has been the enhanced services of an I.T. specialist consultant to further develop our systems, cyber-security, Wi-Fi, CCTV and GDPR requirements.

### **OBJECTIVES FOR 2019**

The objectives for 2019, together with the strategies to achieve those objectives, are set out below:

1. Continue to stage shows of high quality which deliver the Society's charitable objectives and promote British agriculture, horticulture and the rural economy whilst meeting the expectations of stakeholders.
2. Strategically review the Royal Three Counties Show to raise its profile and popularity whilst maintaining its reputation as one of the UK's best agricultural shows.
3. Maintain the showground to a high standard through planned maintenance and capital development programmes.
4. Develop new business opportunities to secure the longevity of the Society.
5. Re-structure and implement an appropriate education programme.
6. Identify and mitigate against potential risks which could affect the future and reputation of the Society.
7. Establish initiatives to maintain an appropriate staffing compliment and introduce a system for succession planning.
8. Maintain positive cash flow at all times.
9. Implement a public relations programme to develop good relationships with local communities and stakeholders.
10. Continue to promote the Three Counties Showground as a premier location for staging third party events.



# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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### STRATEGIES FOR ACHIEVING OBJECTIVES

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

- A. Best practice in agriculture, horticulture, arboriculture, apiculture, locally produced food, the countryside and the rural economy is provided through the Society's shows including CountryTastic, RHS Malvern Spring Festival, Royal Three Counties Show, Malvern Autumn Show and the Farming Conference. These shows provide the platform for achieving our charitable objectives.
- B. Communications with stakeholders relating to every aspect of the Society will continue through an effective flow of information.
- C. The Society's commerciality 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. An appropriate Education Strategy lead by the Education Committee will focus our delivery of agricultural and horticultural-based education programmes.
- E. Good relations will be maintained with local community groups through regular engagement.
- F. The Society will focus on delivering its showground development programme to maintain high standards and develop new income streams through capital investment.
- G. Staff are a key asset of the Society and good practice regarding the recruitment, training, communication and management of staff will maintain a motivated team.

### 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 £2,235k (2017: £2,061k) making up 38% (2017 36%) of total income.

The Statement of Financial Activities (SoFA), set out on page 15, shows that total incoming resources increased by 3% to £5,890k and expenditure on charitable activities increased by 4.8% to £4,495k. Total resources expended amounted to £5,673k (2017: £5,509) resulting in a net surplus for the year before gains/(losses) on investments of £217k (2017: Surplus £209k). This resulted in total funds carried forward increasing by £207k to £5,083k (2017: increasing by £262k to £4,876k).

### T.C.A. Trading Limited

The wholly-owned trading subsidiary experienced a challenging year. Whilst most annual events returned to the showground and several additional events were added, there were fewer events in total compared to the preceding year and some biennial events were not held this year.

During 2018, revenue for the company decreased by 6.8% to £1,381k. (2017: £1,482k). The company undertakes the trading activities of the Society and generated a profit of £466k (2017: £532k). The full profit has been donated to the Society under the provisions of Gift Aid.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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### 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 the possibility that one or more major shows could be cancelled during a period of national mourning or 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 £5,083k (2017: £4,876k). Of these, £4k were restricted at the year-end (2017: £5k). This is disclosed in note 15.

#### Investment Policy and performance

The Society's investments were valued at £1,112k at the start of the financial year. The investment portfolio continues to be managed with a cautious to medium risk profile. As at the balance sheet date, the portfolio is now valued at £1,121k. 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 17 to these financial statements.

### FUNDRAISING

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act.

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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### REFERENCE AND ADMINISTRATIVE INFORMATION:

#### PRINCIPAL ADDRESS AND REGISTERED OFFICE

The Showground  
Malvern  
Worcestershire  
WR13 6NW

#### SECRETARY

Ken Nottage

#### PRESIDENT

Lt. Col. Patrick Holcroft LVO OBE (until 30 November 2018)  
Helen Thomas DL (from 1 December 2018)

#### VICE PRESIDENTS

Joanna Beswick (until 30 November 2018)  
Glyn Morgan MBE (until 30 November 2018)  
David Smart (until 30 November 2018)  
Maurice Hart (from 1 December 2018)  
James Hawkins (from 1 December 2018)  
Cate Morris (from 1 December 2018)

#### CHIEF EXECUTIVE

Ken Nottage

#### MEMBERS OF THE BOARD

Chris Bailey (Chairman)  
Richard Bradstock (until 30 November 2018)  
Lindsey Craddock (County Director)  
Peter Dowle (from 6 December 2018)  
Patrick Downes (County Director)  
Roger Head OBE DL  
Adrian Hope (County Director)  
Cate Morris  
David Owens  
David Smart  
Michael Warner  
Michael Weaver  
Clive Roads

#### AUDIT COMMITTEE

Ruth Goodman  
Chris Lloyd  
Mark Tufnell (Chairman)  
Mary Wathen

#### MEMBERS OF COUNCIL

Joanna Beswick (until 30 November 2018)  
Penelope Bossom (from 11 October 2018)  
Richard Bradstock (until 30 November 2018)  
Philip Burford  
Penny Corbett (from 7 December 2017)  
Lindsey Craddock  
Clive Davies (from 7 December 2017)  
Peter Dowle (from 7 December 2017)  
Patrick Downes  
Ruth Goodman  
Robert Grinnall (from 11 October 2018)  
Laura Hamilton  
Francis Harcombe

# THREE COUNTIES AGRICULTURAL SOCIETY

## ANNUAL REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2018

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### MEMBERS OF COUNCIL (Continued)

John Harper  
Maurice Hart  
James Hawkins  
Dene Hazelwood  
Roger Head OBE DL  
Adrian Hope  
Martin Hoskins  
Chris Lloyd (until 8 March 2018)  
Richard Lutwyche  
Henry Marfell  
Glyn Morgan MBE  
Cate Morris  
David Owens  
Robin Pearce  
Roger Phillips  
Tania Phillips  
Andrew Powers  
Prof. Joanna Price (from 7 December 2017)  
Judy Proger (until 30 November 2018)  
Bill Quan  
Clive Roads (Chairman from 7 December 2017)  
Henry Robinson  
Peter Rose  
Helen Smalley  
David Smart  
Kate Speke-Adams (from 7 December 2017)  
Mark Tufnell  
Michael Warner  
Mary Wathen (from 22 March 2018)  
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 2018

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### PRINCIPAL PROFESSIONAL ADVISERS

#### Independent Auditor

Crowe U.K. LLP  
Statutory Auditor  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

#### Principal Bankers

National Westminster Bank plc  
1 The Cross  
Worcester  
WR1 3PR

#### Solicitors

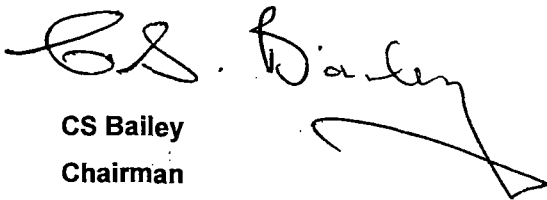
Harrison Clark Rickerbys  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire  
GL50 1YD

#### 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 7 March 2019 and signed on their behalf.

  
CS Bailey  
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 2018

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

#### Opinion

We have audited the financial statements of Three Counties Agricultural Society for the year ended 30 November 2018 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).

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 2018 and of the group's 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 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.

#### 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.

## 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 2018

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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.

#### **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.

# 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 2018

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### 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.

### 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, 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.

Guy Biggin  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**

Statutory Auditor

Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

Date

18 Mar 2019

Crowe U.K. 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 2018**

	Note	Unrestricted Funds £000	Total Funds 2018 £000	Total Funds 2017 £000
<b>INCOME FROM</b>				
<b>Charitable activities</b>				
Agricultural and horticultural shows		4,192	4,192	3,917
<b>Other trading activities</b>				
Fundraising events		288	288	298
Trading subsidiary income	3	1,381	1,381	1,482
Investments	4	29	29	21
<b>Total</b>		<u>5,890</u>	<u>5,890</u>	<u>5,718</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Agricultural and horticultural shows	6A	4,495	4,495	4,288
<b>Other</b>				
Fundraising events	6B	256	256	265
Trading subsidiary expenditure	6B	915	915	950
Investment management costs	6B	7	7	6
<b>Total</b>		<u>5,673</u>	<u>5,673</u>	<u>5,509</u>
Net (losses) / gains on investments		<u>(10)</u>	<u>(10)</u>	<u>53</u>
<b>Net income</b>		<u>207</u>	<u>207</u>	<u>262</u>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward at 1 December 2017	15	4,876	4,876	4,614
<b>TOTAL FUNDS CARRIED FORWARD AT 30 NOVEMBER 2018</b>	15	<u>5,083</u>	<u>5,083</u>	<u>4,876</u>

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

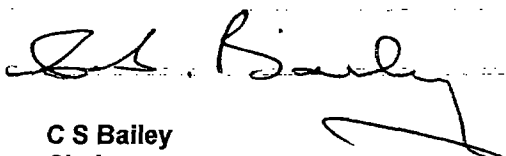
**THREE COUNTIES AGRICULTURAL SOCIETY  
CHARITY AND CONSOLIDATED BALANCE SHEETS  
AS AT 30 NOVEMBER 2018  
COMPANY NUMBER: 01568571**

	Notes	GROUP		CHARITY	
		2018	2017	2018	2017
		£000	£000	£000	£000
<b>FIXED ASSETS</b>					
Tangible assets	9	2,801	2,850	2,801	2,850
Intangible assets	10	23	33	23	33
Investments	11	1,121	1,112	1,121	1,112
		<u>3,945</u>	<u>3,995</u>	<u>3,945</u>	<u>3,995</u>
<b>CURRENT ASSETS</b>					
Debtors	12	441	339	450	399
Cash at bank and in hand		1,538	1,153	1,494	1,039
		<u>1,979</u>	<u>1,492</u>	<u>1,944</u>	<u>1,438</u>
<b>CREDITORS:</b> Amounts falling due within one year	13	(841)	(611)	(808)	(559)
<b>NET CURRENT ASSETS</b>		<u>1,138</u>	<u>881</u>	<u>1,136</u>	<u>879</u>
<b>NET ASSETS</b>		<u>5,083</u>	<u>4,876</u>	<u>5,081</u>	<u>4,874</u>
<b>FUNDS</b>					
Unrestricted funds	15	5,083	4,876	5,081	4,874
<b>TOTAL FUNDS</b>		<u>5,083</u>	<u>4,876</u>	<u>5,081</u>	<u>4,874</u>

The Charity's net income for the period was £207k (2017: £262k).

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 7 March 2019 and signed on their behalf by

  
C S Bailey  
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 2018**

	Note	2018 £000	2017 £000
<b>Net cash inflow from operations</b>			
Net cash provided by operating activities	i	670	571
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		29	21
Purchase of property, plant and equipment		(295)	(233)
Purchase of intangible assets		-	(40)
Cash transferred to investment account		141	(139)
Proceeds from sale of investments		72	83
Purchase of investments		(232)	(207)
Net cash (used in) investing activities		(286)	(515)
Change in cash and cash equivalents in the reporting period		385	56
Cash and cash equivalents at 1 December 2017		1,153	1,097
Cash and cash equivalents at 30 November 2018	ii	1,538	1,153

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

	2018 £000	2017 £000
Net income	207	262
<b>Adjustments for:</b>		
Depreciation charge	338	374
Impairment charge	-	26
Amortisation charge	10	7
(Gains) / losses on investments	10	(53)
Loss on disposal of fixed assets	6	13
Dividends and interest from investments	(29)	(21)
(Increase) / decrease in debtors	(102)	(104)
Increase in creditors	230	67
	670	571

ii) Analysis of cash and cash equivalents:

	2018 £000	2017 £000
Cash at bank	1,538	1,153
Deposits	-	-
	1,538	1,153

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

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**1. CHARITY INFORMATION**

Three Counties Agricultural Society ('the 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: 01568571, 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 income attributable to the Charity totalled £207k for the year (2017: £262k). 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 2018**

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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 of 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 2018**

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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. Operating leases**

Rentals payable under operating leases are charged to the SOFA as incurred over the term of the lease.

**q. Judgements in applying accounting policies and key sources of estimation of 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 are 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 2018**

**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 AND BALANCE SHEET FOR THE YEAR ENDED 30 NOVEMBER 2018**

	2018 £000	2017 £000
<b>Turnover</b>	1,381	1,482
Cost of sales	(198)	(240)
<b>Gross profit</b>	1,183	1,242
Administrative expenses	(717)	(710)
<b>Operating profit</b>	466	532
Gift aid payable to Three Counties Agricultural Society	(466)	(532)
<b>Retained (loss) for the year</b>	-	-
<b>Total assets</b>	£	£
Debtors: amounts falling due within one year	55,592	34,922
Cash at bank and in hand	44,337	113,861
	99,929	148,783
<b>Total liabilities</b>		
Creditors: amounts falling due within one year	(98,242)	(147,096)
<b>Total assets less total liabilities</b>	1,687	1,687
<b>Reserves</b>	£	£
Profit and loss reserves	1,682	1,682
Share capital	5	5
<b>Shareholders' Funds</b>	1,687	1,687

Administration expenses include £699,767 (2017: £691,512) for services supplied by the Charity which are recharged to the subsidiary.

The trading company made a gift aid donation of £466,263 (2017: £531,945) to the Charity, with the result that it has a £nil annual corporation tax liability. At the year-end £64,696 was due from T.C.A Trading Limited to Three Counties Agricultural Society (2017: £95,834).

**4. INVESTMENT INCOME**

	2018 £000	2017 £000
Bank interest receivable	2	1
Dividends	27	20
	29	21

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

**5. NET INCOMING RESOURCES**

This is stated after charging the following:

	2018 £000	2017 £000
Auditor's remuneration:		
For audit services	15	14
Assets owned by the Group:		
Depreciation	338	374
Amortisation:	10	7
Operating Lease Costs	6	6

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

Activity	Activities Undertaken Directly £000	Support Costs £000	2018 Total Costs £000	2017 Total Costs £000
Agricultural and Horticultural shows	<u>4,265</u>	<u>230</u>	<u>4,495</u>	<u>4,288</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	2018 Total £000	2017 Total £000
Agricultural and Horticultural shows	994	3,165	336	4,495	4,288
Costs of raising funds	66	178	12	256	265
Finance costs	<u>-</u>	<u>7</u>	<u>-</u>	<u>7</u>	<u>6</u>
<b>Total for Charity</b>	<b>1060</b>	<b>3,350</b>	<b>348</b>	<b>4,758</b>	<b>4,559</b>
Trading costs of the Subsidiary	<u>320</u>	<u>595</u>	<u>-</u>	<u>915</u>	<u>950</u>
<b>Total for Group</b>	<b><u>1,380</u></b>	<b><u>3,945</u></b>	<b><u>348</u></b>	<b><u>5,673</u></b>	<b><u>5,509</u></b>



**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

<b>SUPPORT COSTS BREAKDOWN BY ACTIVITY</b>	<b>Raising Funds</b>	<b>Charitable Activities</b>	<b>2018 Total Group</b>	<b>2017 Total Group</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Management	3	50	53	47
Finance	5	75	80	71
Information technology	6	85	91	101
Human resources	<u>2</u>	<u>20</u>	<u>22</u>	<u>23</u>
<b>Total</b>	<b><u>16</u></b>	<b><u>230</u></b>	<b><u>246</u></b>	<b><u>242</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>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Auditors' remuneration:		
For audit services	14	14
Legal and professional fees	16	46
Staff costs	26	23
Other	21	19
	<u>77</u>	<u>102</u>

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

**7. STAFF COSTS**

**a. Staff costs**

	2018	2017
	£000	£000
Wages and salaries	1,223	1,131
Social security costs	96	88
Pension contributions	61	41
	1,380	1,260

**b. Staff numbers**

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

	2018	2017
	No.	No.
Office management	22	20
Permanent showground	9	10
Temporary office	1	1
Temporary showground	1	1
	33	32

The average headcount of employees during the year was:

	<u>97</u>	<u>92</u>
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**c. Higher paid staff**

One employee of the charity earned between £140,000 and £150,000 during the year (2017: one employee earned between £130,000 and £140,000 during the year). Pension contributions in respect of this employee were £35,833 (2017: £20,000).

**d. Remuneration of Key Management Personnel**

Aggregate employee benefits of key management personnel (including employer NIC and pension costs) totalled £451,642 (2017: £410,606).

**e. Termination payments**

During the year no termination payments were made (2017: £10,000).

**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.

No travelling expenses were reimbursed to trustees in 2018 (2017: one trustee received expenses reimbursed at £239). No trustees waived any expenses in 2018 or 2017.

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

**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 2017</i>	270	125	5,852	775	45	460	7,527
Additions	-	74	86	81	7	47	295
Disposals	-	-	-	(14)	(7)	-	(21)
Impairment	-	-	-	-	-	-	-
	<b>270</b>	<b>199</b>	<b>5,938</b>	<b>842</b>	<b>45</b>	<b>507</b>	<b>7,801</b>
<b>Depreciation</b>							
<i>At 1 December 2017</i>	-	-	3,585	625	43	424	4,677
Disposals	-	-	-	(8)	(7)	-	(15)
Charge for the year	-	-	257	57	4	20	338
	-	-	<b>3,842</b>	<b>674</b>	<b>40</b>	<b>444</b>	<b>5,000</b>
<b>Net Book Value</b>							
<b>At 30 November 2018</b>	<b>270</b>	<b>199</b>	<b>2,096</b>	<b>168</b>	<b>5</b>	<b>63</b>	<b>2,801</b>
<i>At 30 November 2017</i>	270	125	2,267	150	2	36	2,850

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 2018**

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

<b>Cost</b>	<b>Website £000</b>	<b>Total £000</b>
As at 1st December 2017	40	40
Additions in year	-	-
	<u>40</u>	<u>40</u>
 <b>Amortisation</b>		
As at 1st December 2017	7	7
Charge for year	10	10
	<u>17</u>	<u>17</u>
 <b>Net book value</b>		
<b>As at 30th November 2018</b>	<u>23</u>	<u>23</u>
 As at 30th November 2017	<u>33</u>	<u>33</u>

**11. INVESTMENTS**

	<b>Charity Listed Investments</b>	
	<b>2018 £000</b>	<b>2017 £000</b>
At 1 December 2017	921	744
Additions	232	207
Disposals	(72)	(83)
Realised/Unrealised (losses)/gains	<u>(10)</u>	<u>53</u>
	1,071	921
 Cash balances awaiting reinvestment	<u>50</u>	<u>191</u>
 <b>At 30 November 2018</b>	<u>1,121</u>	<u>1,112</u>
 Historical cost	<u>974</u>	<u>968</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 £388,965 (2017: £295,691).

**THREE COUNTIES AGRICULTURAL SOCIETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2018**

12. DEBTORS	Group		Charity	
	2018 £000	2017 £000	2018 £000	2017 £000
Trade debtors	354	285	299	249
Amounts due from subsidiary company	-	-	65	96
Prepayments and accrued income	73	54	72	54
Other debtors	<u>14</u>	<u>-</u>	<u>14</u>	<u>-</u>
	<b><u>441</u></b>	<b><u>339</u></b>	<b><u>450</u></b>	<b><u>339</u></b>

13. CREDITORS	Group		Charity	
	2018 £000	2017 £000	2018 £000	2017 £000
Trade creditors	106	46	106	44
Taxation and social security	118	91	118	91
Accruals	198	127	198	126
Pension costs	4	2	4	2
Deferred income (see note 14)	407	337	379	293
Bank credit cards	3	3	3	3
Other creditors	<u>5</u>	<u>5</u>	<u>-</u>	<u>-</u>
	<b><u>841</u></b>	<b><u>611</u></b>	<b><u>808</u></b>	<b><u>559</u></b>

14. DEFERRED INCOME	Group		Charity	
	2018 £000	2017 £000	2018 £000	2017 £000
<i>Balance at 1 December 2017</i>	337	225	293	193
Released during the year	(337)	(225)	(293)	(193)
Income received in the year	<u>407</u>	<u>337</u>	<u>379</u>	<u>293</u>
Deferred income at 30 November 2018	<b><u>407</u></b>	<b><u>337</u></b>	<b><u>379</u></b>	<b><u>293</u></b>

Deferred income at 30 November 2018 represents income invoiced in respect of the shows to be held in 2019.

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**15. STATEMENT OF FUNDS**

	<i>Balance at 1 December 2017</i>	<b>Income</b>	<b>Expenditure</b>	<b>Gains / (losses)</b>	<b>Balance at 30 November 2018</b>
	<i>£000</i>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Unrestricted funds</b>					
<b>Charity</b>	4,874	4,975	(4,758)	(10)	<b>5,081</b>
Trading subsidiary	2	1,381	(1,381)	-	<b>2</b>
Eliminated on consolidation	-	(466)	466	-	-
<b>TOTAL FUNDS</b>	<b>4,876</b>	<b>5,890</b>	<b>(5,673)</b>	<b>(10)</b>	<b>5,083</b>

Included within unrestricted income is a restricted donation of £6,000 (2017: £6,000) which was made during the year from an anonymous donor towards an educational bursary. Of this, £2,000 (2017: £4,000) was expended during the year on the bursary and £4,000 (2017: £5,000) has been carried forward at the year end.

**16. CAPITAL COMMITMENTS**

At the year-end there were no capital commitments (2017: £Nil).

**17. RELATED PARTY TRANSACTIONS**

During the current year a commercial vehicle to the value of £6,363 (2017: £Nil) was purchased from Warners of Gloucester Ltd, of which Michael Warner is a Director and also a Trustee of Three Counties Agricultural Society. As at the year-end £Nil (2017: £Nil) was outstanding.

During the current year Bruton Knowles, a business of which Patrick Downes was formerly Managing Director and also a Trustee of Three Counties Agricultural Society, did not provide any property consultancy services to the Society (2017: £500). As at the year-end £Nil (2017: £Nil) was outstanding.

During the year Adrian Hope Tree Services, a business jointly owned by Adrian Hope who is a Trustee of Three Counties Agricultural Society, did not provide any forestry services (2017: £500). As at the year-end £Nil was outstanding (2017: £Nil).

Adrian Hope Tree Services did not make any payments to the Society during the year for the supply of electricity in order to provide tree cutting demonstrations at the RHS Malvern Spring Festival (2017: £131 plus VAT). As at the year-end £Nil was outstanding (2017: £Nil).

All transactions were conducted on an arms-length basis.

**THREE COUNTIES AGRICULTURAL SOCIETY  
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**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 £61,232 (2017: £41,312). At the year-end £3,803 (2017: £1,792) remained outstanding.

**19. GROUP FINANCIAL INSTRUMENTS**

	<b>2018</b>	<i>2017</i>
	<b>£000</b>	<i>£000</i>
Financial assets measured at fair value	<b>1,121</b>	1,112
Financial assets measured at settlement value	<b>1,906</b>	1,438
Financial liabilities measured at settlement value	<b>(312)</b>	(181)

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 £Nil (2017: £26k).

**20. OPERATING LEASES**

As at 30 November 2018 the group had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Other 2018 £000</b>	<b>Other 2017 £000</b>
Expiry Date:		
Less than 1 year	<b>6</b>	6
Within 2 - 5 years	<b>12</b>	18
	<b>18</b>	24