

Report of the Trustees' and
Financial Statements
For the Year Ended 31 March 2008
For
Halsway Manor Society Limited

Page	Contents
1 – 4	Directors' and Trustees' Annual Report
5	Kennedy-Grant Memorial Library
6	Independent Auditors' Report
7	Consolidated Statement of Financial Activities
8	Consolidated Summary Income and Expenditure Account
9	Consolidated Balance Sheet
10 – 18	Notes to the Financial Statements

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Halsway Manor Society Limited

Directors' and Trustees' Annual Report for the year ended 31 March 2008

As Directors and Trustees of the charitable company the Council presents its Annual Report for the year ended 31 March 2008

1 Legal and administrative information

1.1 Charity name

The name of the charity is "Halsway Manor Society Limited"

1.2 Registered charity number – 247230

1.3 Company Registration Number – 849615

1.4 Status and governing document

The charity is constituted as a company limited by guarantee and not having a share capital under the Companies Act and is governed by the terms of its Memorandum and Articles of Association

1.5 Trustees

The Council are the Directors and Trustees of the charity Members of the Council during the year were -

Mr P Bull	(died 6 April 2007)
Mr A B Corkett	
Mr R Goodswen	(re-elected 7 October 2007)
Mr C R Little	
Mrs S Swann	(re-elected 7 October 2007 and resigned 26 November 2007)
Mr R Williams	
Mr A Wilson	
Mr A Hill	
Mr A Kelly	(resigned 30 June 2008)
Mr A Davies	
Mrs E Norman	
Mrs E Bromell	(resigned 7 October 2007)
Mrs A Deane	(elected 7 October 2007)
Mrs G Poole	(elected 7 October 2007)

Council members are elected or appointed in accordance with the charitable company's Articles of Association and with Company Law

1.6 Other information

Registered Office	Auditors	Principal Bankers
Halsway Manor	A C Mole & Sons	Lloyds TSB plc
Crowcombe	Riverside House	Fore Street
Taunton	Bridgwater	Williton
Somerset	Somerset	Somerset
TA4 4BD	TA6 4BH	TA4 4QT

1.7 Policies and procedures adopted for the induction of trustees

The procedure adopted for inducting new trustees starts at the first short meeting immediately following the AGM when the trustee was appointed. At this meeting, they are supplied with a number of relevant documents, minutes from the previous meeting, a copy of the Memorandum and Articles of Association, a copy of the previous years Annual Report and Accounts, a copy of the Charity Commission booklet "Responsibilities of Charity Trustees". They are also requested to complete the statutory document required by Companies House. It has been decided that as part of the induction process, the first Board meeting after the day of the AGM would be run as a two-day event. This extended meeting would give the new trustees a good length of time to become quickly acquainted with the practices of the board and serve as a good introduction to the other members, especially during the less formal periods when any remaining questions could be dealt with.

Halsway Manor Society Limited

Directors' and Trustees' Annual Report for the year ended 31 March 2008

1.8 Management

Day to day management of the charity is delegated to the Chief Executive Officer (currently Sarah Knight)

1.9 Risk management

The trustees have considered that the major risk to the charity is the loss of use of the buildings for an extended period, resulting from a fire or a similar catastrophe. To manage this risk they have undertaken suitable Insurance cover, and risk assessment is undertaken on a regular basis by the manager to ensure the safety precautions at the Manor are maintained.

Another risk perceived by the trustees is the possible reduction in income following a reduction in students. To manage this risk, steps are constantly being taken to extend and vary the courses run at the Manor to ensure attendance is maintained.

2 Charitable objects and policies

2.1 Charitable objects of Halsway Manor Society Limited

Halsway Manor Society Limited is established to advance the education of the public by preserving for the benefit of the public the heritage of English folk music, dances, songs, folk traditions and folklore and other folk music, dances, songs, folk traditions and folklore (including singing games, literature, painting, street theatre, storytelling, choirs and orchestras), and the promotion of traditional crafts and craftsmanship, to make them known and to encourage the practice of them in their traditional forms and to use and maintain Halsway Manor as a hub for these activities.

2.2 Summary of policies adopted

The policies of the Council may be summarised as the Preservation, Practice and Promotion of traditional folk music, dance and song, particularly in the English tradition, in the residential facilities provided at the Manor, Mews and associated grounds.

The major thrust of the preservation policy is through the Kennedy-Grant Library, which we are continually seeking to expand.

The practice continues through the increasing number and variety of events being held at the Manor.

We are promoting the work by placing more emphasis on education and outreach with particular regard to the encouragement of young people.

3 Organisational structure

Overall direction of the charity's affairs is the responsibility of the Council, which comprises up to twelve elected members. In addition a further three members may be appointed by the Council. The Council generally meets once a month.

The Council decides all matters of strategy and principle but some detailed supervision of the charity's activities is delegated to individual members of Council with defined terms of reference and specified levels of authority. Final authority always lies with Council as a whole.

All staff at Halsway Manor, including the Chief Executive Officer, office staff and domestic and catering staff are employed by the Society.

4 Review of the Year: Development, Activities and Achievements

Thanks to two very generous legacies received during the year we have been able to implement a plan the Board have been discussing for some time. This involved a major reorganisation of our staff and the appointment of a Chief Officer with marketing, project management and funding skills, whose main responsibility is to oversee and expand our programme of events and also to ensure that Halsway continues to be enjoyed in the future as it now is. This plan was put into effect at the end of January when advertisements were placed for the new post and the new Chief Officer commenced work during April.

4 Review of the Year: Development, Activities and Achievements (continued)

In the meantime we continue to expand our range of activities to encourage renewed interest in English Folk Song Dance and music not only locally, through the clubs that meet regularly at the Manor, but also nationally and internationally through the interest shown in our many and varied events

The new boilers for the Manor were installed and commissioned before Christmas and have proved very efficient. The few complaints we now get are about being too hot! The new hot water and central heating for the Mews remains in abeyance for the time being until further funds are available but we do hope to complete the project in the not too distant future. The Long Room was completely redecorated and refurbished thanks to the dedicated work of a group of volunteers who spent over a week scrubbing, scraping and painting to produce a splendid result.

Due to the staff reorganisation there was no position suitable for the Manager and he left us on redundancy terms in January. One of the Directors 'filled the gap' between his departure and the arrival of the new Chief Officer and we are indebted to him for the excellent way he carried out an unexpected and sometimes onerous job. A new Head of Kitchen also arrived in January tasked with raising the standard and quality of the meals and is making good progress.

Our heartfelt thanks again go to our staff, our members and the many other people who have helped in so many ways over the past year. It seems that whatever the problem there is always someone on hand to help and our task would be immensely more difficult without this assistance. We must make particular reference to the 'Friends' who raise a considerable sum each year and with it are able to provide us with anything from a paper-folding machine to a projector. We are deeply indebted to them for all their help, not just financially but as volunteers as well.

5 Financial Review

5.1 Review of the year

A year in which much has been done to improve the Manor's facilities and standard of operation has consequently seen a heavy demand upon financial resources. Over £50,000 of these improvement costs were met from Restricted Funds – the product of generous gifts, legacies and fund-raising. These included £12,433 given in the year by the Friends of Halsway Manor and £2,822 in sundry donations and sales. What does not show in the accounts is the great added value of the voluntary work which has been put in by members and friends in caring for and improving The Manor. This funding, physical work and overall financial control has enabled us to avoid significant overspending on the general operating account whilst continuing to upgrade our facilities.

However, the need to increase our scale and scope of operation has become ever more apparent. The proceeds of generous legacies, amounting to nearly £124,000, from the estates of Stella Buckland & Edward Gibbs have been designated to meet the first two years' costs of implementing a new marketing strategy and consequent reorganisation. It is planned that from year three these initiatives will be self-funded from the resulting increase in activity and turnover.

5.2 Financial reserves

At present the charity's income is only just sufficient for its normal working needs. Therefore there are no funds available to be set aside for reserves. At the year end unrestricted funds of £440,023 and restricted funds of £19,288 were held by the charity.

Halsway Manor Society Limited

Directors' and Trustees' Annual Report for the year ended 31 March 2008

6 Statement of the Council's responsibility for the accounts

The purpose of this statement is to distinguish the Council's responsibilities for the accounts from those of the auditors, as stated in their report

Company Law requires the Council to prepare financial statements for each year that give a true and fair view of the state of affairs of the charitable company and of its group at the end of the year and of the surplus or deficit for the period. In preparing those statements the Council is required to

- a) select suitable accounting policies and then apply them consistently,
- b) make judgements and estimates that are reasonable and prudent,
- c) follow applicable accounting policies and the Charities SORP, disclosing and explaining any departures in the financial statements, and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Society will continue in operation

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Society and which enable them to ensure that the accounts comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

7 Statement as to Disclosure of Information to Auditors

The Council have provided all relevant audit information to the auditors as far as they are aware. The Council have taken all steps expected of them to make themselves aware of any relevant information

The Directors and Trustees Report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Council on 8 July 2008 and signed on their behalf by


N J Gardner (Company Secretary)

Halsway Manor Society Limited

Kennedy-Grant Memorial Library

Annual Report to the Halsway Manor Society

The library is expanding rapidly as the Kennedy Collection (KC) and other donations are gradually absorbed. Over 300 books from the KC are now catalogued and on display at Halsway. This has been made possible by the purchase of new bookcases for the Mardon Room with money raised by Helga and John Burt at their joint 70th Birthday Party and we thank them.

The use is also growing and we have answered enquiries for songs, dances, sheet music and folklore throughout the year. It would be great to find someone locally who could help visitors to exploit the stock and we are hoping to soon find a suitable person. To further promote the library we eventually plan to introduce a series of lectures and activities.

The K-GL, as well as having a large stock of reference material, is a lending library. Two or three copies of titles are kept so that we can offer up to two for loan. It is necessary to keep two because much of the material is out of date and irreplaceable and it is also a prerequisite of the agreement with the Kennedy's. Items surplus to this are offered to visitors at the Manor, last year we raised £500 and this year have already made more than this. The money goes into the Library Development Fund which should total almost £5000 by the end of the year. Making this material available is very much appreciated by many of our guests and they seem to be very happy to give donations to what is proving to be a very popular project.

A great disappointment is that the Board of Trustees has been advised by the local planning authority to withdraw plans for the new library building as much more detail is required. The situation is to be reviewed before further planning applications are attempted.

Meanwhile we plough on with the KC, sorting, repairing and cataloguing. The latest catalogue on the web includes some of this collection. It was updated in June by Tony Kelly and we hope in future to revise it in June and December.

Our aim is to build a collection of national importance in the south west, to provide information on all aspects of the folk tradition and be a centre for study and research. We hope to achieve this with the help of the new Chief Officer, Sarah Knight, who has shown a keen interest in the library and its potential.

Thanks again to all the staff who are always helpful and supportive and without them it would be impossible to make progress.

Cynthia and Bonny Sartin

Halsway Manor Society Limited

Independent Auditors' Report to the Members of Halsway Manor Society Limited

We have audited the financial statements of Halsway Manor Society Limited for the year ended 31 March 2008 which comprise Statement of Financial Activities, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of the Council and Auditors

The Council's responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the Charity has not kept proper financial records, or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the Group is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the Charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the Charity's risk management and control procedures.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implication for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the Group and the Charity's state of affairs as at 31 March 2008 and of the Group's incoming resources and resources expended, including its income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 1985
- the information given in the Trustees' Report is consistent with the Financial Statements



A C MOLE & SONS

Chartered Accountants and Registered Auditors

Riverside House
Riverside Business Park
Wylds Road
Bridgwater
Somerset TA6 4BH

18 August 2008

Halsway Manor Society Limited**Consolidated Statement of Financial Activities for the year ended 31 March 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2008 £	Total 2007 £
Incoming Resources						
Incoming resources from generated funds						
Voluntary income						
Friends of Halsway		-	12433	-	12433	4678
Other donations and gifts		7504	22891	-	30395	14474
Legacies		123771	-	-	123771	-
Activities for generating funds	2	94901	-	-	94901	82476
Investment income		5062	479	-	5541	3168
Incoming resources from charitable activities	2	395149	-	-	395149	332711
Other incoming resources		479	-	-	479	2021
Total Incoming Resources		<u>626866</u>	<u>35803</u>	<u>-</u>	<u>662669</u>	<u>439528</u>
Resources Expended						
Cost of generating funds						
Fundraising trading cost of goods sold and other costs	5	104480	-	-	104480	102946
Charitable activities	3	356337	23391	-	379728	299541
Governance costs	4	62139	-	-	62139	61125
Total Resources Expended		<u>522956</u>	<u>23391</u>	<u>-</u>	<u>546347</u>	<u>463612</u>
Net Incoming Resources Before Transfers		103910	12412	-	116322	(24084)
Transfers between funds	14	27434	(27434)	-	-	-
Net Income Resources Before Unrecognised Gains for the Year	7	131344	(15022)	-	116322	(24084)
Net Gain on Investments		888	-	-	888	242
Net Movement on Funds		132232	(15022)	-	117210	(23842)
Balances brought forward at 1 April 2007		307791	33310	1000	342101	365943
Balances carried forward at 31 March 2008		<u>440023</u>	<u>18288</u>	<u>1000</u>	<u>459311</u>	<u>342101</u>

Halsway Manor Society Limited

Consolidated Summary Income and Expenditure Account for the year ended 31 March 2008

Continuing Operations

	2008	2007
	£	£
Gross income from all sources	662669	439528
	<hr/>	<hr/>
Total income	662669	439528
Total expenditure out of income funds	(546347)	(463612)
	<hr/>	<hr/>
Net income for the year	<u>116322</u>	<u>(24084)</u>

Total income comprises £626866 for unrestricted funds and £35803 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities on page 7.

Turnover for the trading subsidiary amounted to £93960 (2007: £80277).

Detailed analyses of expenditure are provided in the Statement of Financial Activities and in notes 3 to 6.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 7 which, together with the notes to the financial statements on pages 10 to 18, provides full information on the movements during the year on all funds of the group.

The parent charity's net surplus for the year was £116322 (2007: deficit £24084).

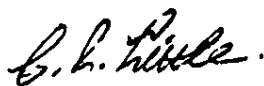
The consolidated net result for Companies Act purposes comprises net incoming resources for the year plus the trading company's net profit, less unrealised gains on investments, was a surplus of £116322 (2007: deficit £24084).

Halsway Manor Society Limited**Balance Sheet as at 31 March 2008**

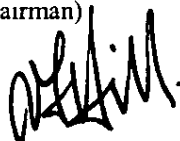
		Group		Charity	
	Notes	2008	2007	2008	2007
		£	£	£	£
Fixed Assets					
Tangible fixed assets	8	337395	309891	337395	309891
Investments					
Shares in group undertakings	9	-	-	2	2
		<u>337395</u>	<u>309891</u>	<u>337397</u>	<u>309893</u>
Current Assets					
Stocks	11	6490	5118	4879	3495
Debtors	12	19769	15585	16142	12998
Investments	10	20085	19197	20085	19197
Cash at bank and in hand		164532	93324	164432	93224
		<u>210876</u>	<u>133224</u>	<u>205538</u>	<u>128914</u>
Creditors:					
Amounts falling due within one year	13	78960	101014	73624	96706
Net Current Assets		<u>131916</u>	<u>32210</u>	<u>131914</u>	<u>32208</u>
Creditors:					
Amounts falling due after more than one year		10000	-	10000	-
Total Net Assets	15	<u>459311</u>	<u>342101</u>	<u>459311</u>	<u>342101</u>
Funds					
Endowment	14	1000	1000	1000	1000
Restricted	14	18288	33310	18288	33310
Unrestricted other charitable funds	14	323217	307791	323217	307791
Unrestricted designated funds	14	116806	-	116806	-
		<u>459311</u>	<u>342101</u>	<u>459311</u>	<u>342101</u>

The accounts have been prepared in accordance with the special provisions of Part VIII of the Companies Act 1985 relating to small companies

Approved by the Council on 8 July 2008 and signed on its behalf by



C R Little (Chairman)



A Hill (Finance Officer)

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

1 Accounting Policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' published in 2005, the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Companies Act 1985

Basis of Consolidation

The group accounts consolidate the accounts of Halsway Manor Society Limited and its wholly-owned non-charitable subsidiary trading company Halsway Manor Limited on a line by line basis

The charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate income and expenditure account or statement of financial activities has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 397 of the SORP 2005

Going Concern

The accounts have been prepared on a going concern basis. This basis assumes that the nature and level of the charity's present activities will continue for the foreseeable future

Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For material legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received

Donations and gifts are accounted for when received, as are members' subscriptions. Income tax reclaimed in relation to amounts received under gift aid is included in the accounting period in which it is received

Gifts in kind are included at the value to the charity and recognised as income when received. No amounts are included in the financial statements for services donated by volunteers

Income generated on the endowment fund are unrestricted

Resources expended

All resources expended are accounted for on an accruals basis and are classified under headings that aggregate all costs related to the category

As far as possible, fundraising costs, support costs and administrative costs are separately identified at the time they are incurred. Costs not directly attributable to any of the principal expenditure headings are apportioned on a fair and reasonable basis by the Council

Fixed Assets

All fixed assets are stated at purchase cost plus incidental expenses of acquisition, less depreciation until 31 March 2004

The Society maintains the value of the assets collectively by virtue of a policy of repair or replacement as appropriate such that further depreciation is deemed inappropriate. Accordingly, the renewals basis has been in use since 1 April 2004 whereby the cost of repair or replacement of existing assets is charged against income as incurred whilst the Balance Sheet value of Fixtures, Fittings and Equipment is increased for the cost of additional items or any element of improvement

In the opinion of the Council the residual value of the freehold buildings is not considered to be less than cost such that no depreciation charge arises in respect of these assets

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

1 Accounting Policies (continued)

Heritage assets

Heritage assets are only included in the balance sheet if a reliable valuation of the items are available. If items are not thought to be material no professional valuation will be carried out as this would not be cost effective.

Stock

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis.

Taxation

No charge to taxation arises in respect of any of the activities of the charitable company by reason of its charitable status.

Irrecoverable VAT

VAT that is irrecoverable following partial exemption calculations is included as an expense in the SOFA.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council in furtherance of the general objectives of the charity, and which have not been designated for other purposes. Restricted funds are to be used for specific purposes as laid down by the donor.

2 Operating Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Activities in furtherance of the charity's objectives				
Members subscriptions	4537	-	4537	3370
Folk events	383068	-	383068	329341
Publication sales	7544	-	7544	-
	<u>395149</u>	<u>-</u>	<u>395149</u>	<u>332711</u>
Activities for generating funds				
Society events	941	-	941	2199
Trading income	93960	-	93960	80277
	<u>94901</u>	<u>-</u>	<u>94901</u>	<u>82476</u>

3 Direct Charitable Expenditure

Traditional folk music, dance and song events

Planning and organisation of folk events

Administration support costs	11985	-	11985	14039
Staff costs	41142	-	41142	40851

Board and accommodation

Staff costs	123131	-	123131	81966
Food and consumables	70539	-	70539	63110

Other direct costs	28591	519	29110	14382
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Establishment and amenity costs

Maintenance of property, equipment and grounds	44647	22872	67519	48531
Staff costs	6145	-	6145	8022
Rates, insurance and utilities	30157	-	30157	28640

	<u>356337</u>	<u>23391</u>	<u>379728</u>	<u>299541</u>
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Halsway Manor Society Limited**Notes to the Financial Statements for the year ended 31 March 2008****4 Management and Administration of the Charity**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Staff costs	34303	-	34303	32892
Establishment costs	6699	-	6699	3822
Administrative expenses	8202	-	8202	7005
Audit and professional fees	7110	-	7110	6871
Bank charges	1750	-	1750	1051
Interest payable	-	-	-	4
Travel expenses	4075	-	4075	8828
VAT surcharges	-	-	-	652
	<u>62139</u>	<u>-</u>	<u>62139</u>	<u>61125</u>

5 Costs of Generating Funds

Board and accommodation	10241	-	10241	32392
Bar purchases	13369	-	13369	12374
Musicians fees and other event costs	-	-	-	-
Advertising and publicity	5591	-	5591	4482
Staff costs	29060	-	29060	21852
Establishment costs	40937	-	40937	25106
Administration	5282	-	5282	6740
	<u>104480</u>	<u>-</u>	<u>104480</u>	<u>102946</u>

6 Allocation of Support

The charity allocates its support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of resources.

	Charitable Activities £	Fundraising £	Governance £
Administrative expenses	11985	5282	8202
Staff costs	170418	29060	34303
Establishment costs	67519	40937	6699
	<u>249922</u>	<u>75279</u>	<u>49204</u>

Halsway Manor Society Limited**Notes to the Financial Statements for the year ended 31 March 2008****7 Changes in Resources Available for Charity Use**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2008 £	Total 2007 £
Net movement in funds for the year	132232	(15022)	-	117210	(24084)
Resources used for the acquisition of fixed assets	(27504)	-	-	(27504)	(31621)
Net movement in funds available for future activities	<u>104728</u>	<u>(15022)</u>	<u>-</u>	<u>89706</u>	<u>(55705)</u>

8 Tangible Fixed Assets

Group	Freehold Land & Buildings £	Caravans & Temporary Buildings £	Fixtures, Fittings & Equipment £	Total £
Cost				
1 April 2007	263205	8847	104489	376541
Additions	26225	-	1279	27504
At 31 March 2008	<u>289430</u>	<u>8847</u>	<u>105768</u>	<u>404045</u>
Depreciation				
At 1 April 2007 and 31 March 2008	<u>-</u>	<u>-</u>	<u>66650</u>	<u>66650</u>
Net book values				
At 31 March 2008	<u>289430</u>	<u>8847</u>	<u>39118</u>	<u>337395</u>
At 31 March 2007	<u>263205</u>	<u>8847</u>	<u>37839</u>	<u>309891</u>
Charity				
Cost				
At 1 April 2007	263205	8847	100087	372139
Additions	26225	-	1279	27504
At 31 March 2008	<u>289430</u>	<u>8847</u>	<u>101366</u>	<u>399643</u>
Depreciation				
At 1 April 2007 and 31 March 2008	<u>-</u>	<u>-</u>	<u>62248</u>	<u>62248</u>
Net book values				
At 31 March 2008	<u>289430</u>	<u>8847</u>	<u>39118</u>	<u>337395</u>
At 31 March 2007	<u>263205</u>	<u>8847</u>	<u>37839</u>	<u>309891</u>

Halsway Manor Society Limited**Notes to the Financial Statements for the year ended 31 March 2008****8 Tangible Fixed Assets (continued)**

The freehold premises relate to Halsway Manor and Mews near Crowcombe, Somerset, together with ancillary buildings and grounds

The book value of £289430 attributed to the property in the Society's Balance Sheet at the end of the year represents the cumulative historical cost to the Society of the Manor and Mews together with improvements to date. The Council believes that the current value of the property is considerably in excess of its book value, although no formal valuation has been undertaken

9 Shares in Group Undertakings

	Charity	
	2008	2007
	£	£
Halsway Manor Limited Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Halsway Manor Limited was incorporated on 18 February 1993 as a wholly-owned subsidiary of the Society. The Society has licensed Halsway Manor Limited to use the property, fixtures and equipment located at Halsway Manor in the furtherance of its trading activities providing facilities for day and residential conferences, courses, weddings and social functions on a commercial basis. The company gifts all its taxable profits to the Society under the Gift Aid scheme for use in the furtherance of the Society's charitable objectives.

10 Other Investments

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
Market value at 31 March 2008	<u>20085</u>	<u>19197</u>	<u>20085</u>	<u>19197</u>
UK listed investments are represented by Investment Trust	<u>20085</u>	<u>19197</u>	<u>20085</u>	<u>19197</u>

Other investments have been re-classified as current assets this year as they will be used for general purposes and are not held as an asset to generate income. It is the Council's intention to sell this investment in due course and use the money rather than reinvest it.

11 Stocks

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
Provisions and consumables	4673	5118	3062	3495
Fuel supplies	1817	-	1817	-
	<u>6490</u>	<u>5118</u>	<u>4879</u>	<u>3495</u>

12 Debtors

Trade debtors	3799	2668	372	581
Other debtors and prepayments	15970	12917	15770	12417
	<u>19769</u>	<u>15585</u>	<u>16142</u>	<u>12998</u>

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

13 Creditors: Amounts falling due within one year

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
Trader creditors	11878	25146	11515	24181
Customer deposits and deferred income	57947	50783	52111	43773
Owed to group undertakings	-	-	1812	4617
Other creditors and accruals	9135	25085	8186	24135
	<u>78960</u>	<u>101014</u>	<u>73624</u>	<u>96706</u>

14 Movement in Funds

	Balance 1 April 2007 £	Incoming £	Movement in Resources Outgoing £	Transfers £	Balance 31 March 2008 £
<u>Restricted Funds</u>					
Margaret Grant Library Fund	383	1234	118	(460)	1039
Amenity Fund	349	10	-	-	359
Youth Fund	4669	140	-	-	4809
Memorial Funds (Bradbury Fund)	315	9	-	-	324
Mews Improvement Fund	13632	229	-	(6000)	7861
Strategic Fund	564	17	-	-	581
Manor Heating Fund	-	-	6000	6000	-
Dance for Halsway	-	100	100	-	-
Josie Wilcox Project	11738	-	2338	(9400)	-
Library Development Fund	1274	1427	-	-	2701
Manor Bedrooms En-suiting Fund	-	16825	-	(16825)	-
Friends of Halsway Manor	-	12433	11234	(749)	450
Appeal for Halsway Fund	-	164	-	-	164
Other Specific Donations	386	3215	3601	-	-
Total Restricted Funds	<u>33310</u>	<u>35803</u>	<u>23391</u>	<u>(27434)</u>	<u>18288</u>
<u>Endowment Funds</u>					
Margaret Grant Library Fund	<u>1000</u>	-	-	-	<u>1000</u>
<u>Unrestricted Funds</u>					
Other charitable funds	307791	503984	515992	27434	323217
Designated funds	-	123770	6964	-	116806
Total unrestricted funds	<u>307791</u>	<u>627754</u>	<u>522956</u>	<u>27434</u>	<u>440023</u>
Total Funds	<u>342101</u>	<u>663557</u>	<u>546347</u>	<u>-</u>	<u>459311</u>

Unrestricted funds are held for the ordinary purposes of the Charity and are unrestricted as to their use

Designated funds represent money received from legacies during the year. There was no formal restriction but the Trustees have reserved the money in order to improve the services of the charity. The money spent during the year was spent on recruiting the Chief Officer and other costs associated with staffing charges.

Restricted funds are funds which are subject to external restrictions on how they are spent.

The Margaret Grant Library Fund is held for the purpose of compiling a library of books, records and tapes on the theme of folk dance, song and other folk traditions. A bookcase was purchased using money from this fund during the year, as this represents capital expenditure the amount has been transferred to the unrestricted fund.

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

14 Movement in Funds (continued)

The Amenity Fund comprises income received for the purpose of acquiring items of special interest associated with the traditions of folk music, dance and song

The Youth Fund comprises income received for the purpose of promoting the involvement of young people in the tradition of folk music, dance and song

The Memorial Funds comprise income received in memory of individuals to be utilised in specific ways as agreed with the respective families. The Bob Bradbury Fund is now the only fund being carried forward

The Mews Improvement Fund is to raise funds for building work to be carried out on the Mews

The Strategic Fund is to provide for future developments relating to the structure of the Manor

The Josie Wilcox Project comprised income received for the refurbishment and en-suiting of the bedrooms in the manor. As it is capital expenditure the amount spent in the year has been transferred to the unrestricted fund

The Library Development Fund consists of receipts received for this purpose

Manor Bedroom En-suiting fund consists of money to be used for this purpose. As the en-suiting was capitalised during the year, and all money from this fund was spent, the balance has been transferred to unrestricted funds to reflect the expenditure

Friends of Halsway Manor donate money to be used against various specific items throughout the year

Appeal for Halsway monies were received following an appeal, the exact use has yet to be decided

Other Specific Donations comprise of small donations made for a specified purpose

15 Analysis of Group Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2008 £	Total 2007 £
Fund balances at 31 March 2008 are represented by					
Fixed assets	337395	-	-	337395	309891
Current assets	191588	18288	1000	210876	133224
Current liabilities	(78960)	-	-	(78960)	(101014)
Liabilities due after one year	(10000)	-	-	(10000)	-
Total Net Assets	<u>440023</u>	<u>18288</u>	<u>1000</u>	<u>459311</u>	<u>342101</u>

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

16 Trading Company

Halsway Manor Limited – See note 9 Audited accounts are filed with the Registrar of Companies and the following is a summary of the company's trading results

	2008 £	2007 £
Turnover	93960	80277
Cost of sales	(30475)	(44766)
Gross profit	63485	35511
Operating and administrative expenses	(10823)	(35511)
Net profit	52662	-
Amount paid to Halsway Manor Society Limited under Gift Aid	(52662)	-
Retained profit	-	-

17 Cost of Audit and Other Financial Services

	2008 £	2007 £
For the Society and its trading subsidiary		
Audit fees	3550	4150
Other services provided by the auditors	3500	3591
	<u>7050</u>	<u>7741</u>

18 Staff Costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Wages and salaries	203436	-	203436	175902
Social security costs	16305	-	16305	14111
Agency staff costs	9780	-	9780	18340
Redundancy pay	4260	-	4260	-
	<u>233781</u>	<u>-</u>	<u>233781</u>	<u>208353</u>

Agency staff were used when they were in the process of recruiting to fill any vacancies in the short term All agency staff are paid through the agency Halsway Manor Society Limited pay the agency for the use of their staff

The average equivalent full-time number of employees, analysed by function, was

Direct charitable activities		
Domestic and catering staff	9.0	8.0
Planning and organisation of folk events	1.0	1.0
Maintenance of premises	3.0	3.0
Management and administration of the charity	0.5	0.5
	<u>13.5</u>	<u>12.5</u>

No employee earned £60000 or over

Halsway Manor Society Limited

Notes to the Financial Statements for the year ended 31 March 2008

19 Members of Council

The members of Council are the directors and trustees of the charitable company. No Council member has received any remuneration for services as a director, trustee or member of Council but some members also act as leaders at folk events for which they are remunerated at the appropriate rate. Expenses incurred for travelling and administration costs, amounting to £5272 (2007 £7402) were reimbursed to 10 members of Council during the year.

20 Related Party Transactions

The parent undertaking, Halsway Manor Society Limited, is taking advantage of the disclosure exemption conferred by Financial Reporting Standard 8 'Related Party Transactions' in relation to its subsidiary undertaking, Halsway Manor Limited, on the grounds that it controls more than 90% of the voting shares in that undertaking.

During the year, no contracts or transactions were entered into by the parent undertaking, Halsway Manor Society Limited, in which any of the members of Council had a material interest.

21 Controlling Party

The Society is controlled by its members.

22 Heritage Assets

During the previous year the Charity received the "Kennedy Collection", a collection of approximately 3000 books and some audio-visual materials relating to the history of folk music. The Charity is currently cataloguing all the books in the collection. This process has not currently revealed that there are any items of a material nature, it has therefore been decided that they will not get the collection valued at the present time. If the process reveals anything in the future a valuation will be considered.