The Farnham Society

76th Annual General Meeting

FINANCIAL STATEMENT

Support costs which include printing, stationery items and administration have increased as we have extended communications with members. However, I am pleased to report that out expenditure has slightly reduced compared with 2021 although individual item costs have increased. We have started to pay again for secretarial services combining this with membership, an area that the Society has had difficulty in fulfilling. Website costs are down as we are now able to take full advantage of the website design that took place in 2021.

Subscription income was slightly down on 2021/2022. A new database has been designed to enable improved communication with our members. However, due to a lack of concentration on encouraging new members to join and ensuring existing members remain has resulted in a slight reduction in our total membership. It is hoped that this situation will be temporary and will change during the coming year. Our current membership now stands at 633 members (443 households).

The sale of Christmas cards was disappointing as production costs prohibited sales. Total income was down by 22% which reflected the lack of activity during the year. Lectures have not taken place and together with a lack of activity to generate income has subsequently reduced annual turnover.

We have been able to claim gift aid again on subscriptions and this is reflected in the accounts.

Our investment strategy has continued by maintaining a balance between risk and return with a prime aim to mitigate potential reduction of capital value. The Russian invasion of Ukraine and continuing conflict has had a destabilising effect throughout the year. The continued war in Ukraine and ongoing tensions between China and Taiwan have also weighed heavily on performance.

M&G Charibond Fixed Interest Fund is struggling at the moment and we shall continue to review this closely. The period under review saw deep uncertainty across global bond markets, with the majority of fixed income assets (as bonds are also known) delivering negative returns over the period. This resulted in the poor performance of this fund.

We have continued drip feeding our two equity-based investments.

The Edentree Amity Balanced Fund is a tax-elected fund and aims to achieve a balance between capital growth and income. This investment favours a green infrastructure, which offers a solid yield and has defensive characteristics. Overall, the fund remains well diversified and is positioned to benefit from the prevailing economic backdrop.

The Schroders Cazenove Charity Multi-Asset Fund has benefitted from a decision to strategically and tactically favourr a broad range of alternative assets rather than bonds. The most significant driver of return was currency. This was particularly true for US dollar listed investments.

Recent higher levels of inflation in the UK have made it difficult to meet return targets but despite this, confidence remains in the ability to meet targets over the longer term.

John F M Cattell Treasurer 11th May 2023