FARNHAM PARK SPORTS FIELDS
CHARITY NO 308164

Annual Report and Accounts
For the year ended 31 March 2019

Trustee's Annual Report

Charity Details

Official charity name	Farnham Park Sports Fields	
Registered charity number	308164	
Charity's principal address	Council Offices Capswood Business Centre Oxford Road, Denham Bucks, UB9 4LH	
Charity trustee	South Bucks District Council is the sole Corporate Trustee	
Principal Officers	Chief Executive	Bob Smith Chief Executive of South Bucks District Council
	Treasurer	Jim Burness Director of Resources of South Bucks District Council
Principal advisors	External audit	Wilkins Kennedy Audit Services Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Bucks HP6 6FA
	Bank	Barclays Bank Plc 16/18 St Peters Street, St Albans, Herts AL3 4DZ

Financial and legal advice is provided by South Bucks District Council.

Structure, Governance and Management

Governing Document and how the Charitable Trust is Constituted

The Farnham Park Sports Fields charity is governed by the Eton Rural District Council (ERDC) Act 1971.

Prior to the ERDC Act land and buildings at Farnham Park Sport Field (FPSF), and parts of the South Buckinghamshire Golf Course (SBGC) were controlled by the Farnham Park Recreational Trust, which was constituted by a conveyance dated 30th December 1946 between United Commercial Association Limited and the Trustees of the Trust.

The ERDC Act transferred these assets to Eton Rural District Council. South Bucks District Council (SBDC) is the successor in title to Eton Rural District Council, under provisions contained in the Local Government Act 1972.

The ERDC Act obliges SBDC to maintain and manage the transferred land in accordance with the purposes of the original trust (as substantially re-enacted in schedule 4 of the ERDC Act). These assets therefore form a charitable trust, with SBDC being the sole corporate trustee. Furthermore, as the usage of these assets is subject to the restrictions contained within this Act, these assets represent a permanent endowment.

Trustee Appointment

As South Bucks District Council is the sole Corporate Trustee, Members of SBDC act in a corporate capacity as trustee. There are no other charity trustees.

Members of SBDC are elected every 4 years and are provided with induction training after each election.

Trustee's Annual Report

Objectives for Year

The key objectives for 2018/19 were:

1. To ensure that the facilities continue to provide value for money for users, and
2. To ensure that the facilities operated within the Charitable Trust's available resources.

Strategies for Achieving Objectives

1. To ensure that the facilities provide value for money for users, the Charitable Trust aims to:
   - maintain the facilities to a high standard,
   - annually review its fees and charges to ensure that they remain competitive, and
   - offer discounted prices for under 18s, senior citizens and those on low incomes.

2. To ensure that the facilities operate within the Charitable Trust's available resources, the Charitable Trust sets an annual budget and monitors this throughout the year, taking corrective action as necessary.

Public Benefit

Public Benefit is the legal requirement that every organisation set up for one or more charitable aims must be able to demonstrate that its aims are for the public benefit.

The Charitable Trust is aware of the Charity Commission's guidance on public benefit, and believes that the Charitable Trust's aims meet the two key public benefit principles which are set out in the Charity Commission guidance:
- Principle 1: There must be an identifiable benefit or benefits
- Principle 2: Benefit must be to the public, or a section of the public.

Achievements and Performance

Review of Activities Undertaken

The Farnham Park Sports Fields comprise full size rugby / football pitches, softball pitches, a baseball pitch and a children's playground. During 2018/19 the following organisations rented some of these facilities:

- Unity Martial Arts
- Baseballsoftball UK Limited
- Farnham Royal Rugby Club.

The number of rounds played at the South Buckinghamshire in 2018/19 was 32,732 against a figure of 32,946 the previous year. There are a large number of golf courses in the area competing for the same shrinking market due to the general decline in the popularity of golf. Offering a high quality course at a competitive price in future years continues to be imperative to the success of the golf operation.

The low number of golfers, and a general reduction in spend per visit common across the sector, has also caused a reduction in income from bar food and drink. Furthermore, room bookings remain static as the economic climate remains uncertain, depressing spending by local companies.

Reserve Policy - Unrestricted Fund

Nature of Reserve: This Fund represents the accumulated year on year surplus / deficit of income over expenditure that has been accumulated by the Charitable Trust.

Minimum Value of Fund: The Charitable Trust aims to ensure that the charity operates within its means and therefore aims to ensure that it always holds a balance on its unrestricted funds sufficient to meet its known future commitments.

The current Unrestricted Fund balance is minus £669,000. As in previous years the Charitable Trust continues to rely on the ongoing support of South Bucks District Council.

Usage: The Unrestricted Funds can be applied for any lawful purpose of the charitable trust.

Reserve Policy - Restricted Fund

Nature of Reserve: The Restricted Fund is made up of monies received in 1998/99 for the sale of Farm Cottages and a grant from Sport England received in 2014 to assist with the costs of the new Clubhouse. The balance of the Sport England grant was used during the year. The current balance is £247,000 from the Farm Cottages sale.

Minimum Value of Fund: The value of the restricted funds will reduce over time to reflect the depreciation of the clubhouse and the use of the sale monies to fund redevelopment.

Usage: The Restricted Funds consist of the Farm Cottage Fund set aside for any future redevelopment of the Sports Fields and money from Sport England set aside to cover ongoing usage of the Clubhouse.

Reserve Policy - Endowment Fund

Nature of Reserve: The Endowment Fund represents the value of the assets that were transferred under the ERDC Act.

Minimum Value of Fund: The value of the Endowment Fund will reduce over time to reflect depreciation of the endowment assets.

Usage: Endowment funds cannot generally be spent, and thus changes to the value of the endowment reserve will only be due to changes in the value of the endowment assets.

Statement of Financial Activities (SoFA)

This statement shows the income and expenditure of the Charitable Trust during the year and the accumulated funds at the Charitable Trust's disposal. All operations are continuing.

Notes		2018/19 Unrestricted Funds £'000	2018/19 Restricted Funds £'000	2018/19 Endowment Funds £'000	**2018/19 Total Funds £'000**	2017/18 Unrestricted Funds £'000	2017/18 Restricted Funds £'000	2017/18 Endowment Funds £'000	2017/18 Total Funds £'000
	Income and Endowments								
	Income from charitable activities								
	- Farnham Park Sports Fields	50	-	-	**50**	74	-	-	**74**
	- South Buckinghamshire Golf Course	570	-	-	**570**	528	-	-	**528**
	- South Buckinghamshire Catering	243	-	-	**243**	254	-	-	**254**
*a	Income from non-charitable activities	58	-	-	**58**	57	-	-	**57**
	Total income and endowments	921	-	-	**921**	913	-	-	**913**
1-7	**Expenditure**								
	Charitable activities								
	- Farnham Park Sports Fields	-158	-	-	**-158**	-183	-	-	**-183**
	- South Buckinghamshire Golf Course	-523	-	-	**-523**	-532	-	-	**-532**
	- South Buckinghamshire Catering	-316	-	-	**-316**	-323	-	-	**-323**
	- Depreciation – Intangible Assets	-	-	-	**-**	-1	-	-	**-1**
*b	- Depreciation – Tangible Assets	-35	-31	-10	**-76**	-42	-40	-11	**-93**
	Total expenditure on Charitable activities	-1,032	-31	-10	**-1,073**	-1,081	-40	-11	**-1,132**
	Net movement in funds	-111	-31	-10	**-152**	-168	-40	-11	**-219**
	Total funds brought forward	-558	278	1,438	**1,158**	-390	318	1,449	**1,376**
	Total funds carried forward	-669	247	1,428	**1,006**	-558	278	1,438	**1,158**

**a This is income from work carried out at the South Bucks Country Park owned by SBDC.*

**b Depreciation on restricted fund was limited to £31,000 as that was the balance of the Sport England grant.*

Statement of Cash Flow

This statement shows the changes in cash and cash equivalents during the reporting period.

	2018/19 £'000	2017/18 £'000
Cash flows from operating activities		
Loss for the financial year	-152	-219
Adjustments for:		
Depreciation of tangible assets	76	93
Amortisation of intangible assets	-	1
Interest Paid	36	32
(Increase)/decrease in stocks	8	-4
(Increase)/decrease in debtors	1	15
Increase/(decrease) in creditors	73	-68
Net cash provided by (used in) operating activities	42	-150
Cash flows from investing activities:		
Purchase of tangible assets	-	-1
Net Cash provided by (used in) investing activities	-	-1
Cash flows from financing activities:		
Repayments of loan from SBDC	-88	-89
Interest Paid	-36	-32
Net Cash provided by (used in) financing activities	-124	-121
Change in cash and cash equivalents in the year	-82	-272
Cash and cash equivalents at the beginning of the year	-1,350	-1,078
Cash and cash equivalents at the end of the year	-1,432	-1,350
Split by:		
Cash at Bank	213	104
Amount due to SBDC	-1,645	-1,454
	-1,432	-1,350

Notes to the Accounts

Expenditure and Liabilities

Liability recognition	Liabilities are recognised if it is probable that there is a legal or constructive obligation committing the Charitable Trust to pay out resources.
Expenditure	All expenditure is accounted for on an accruals basis. All expenses including support costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities consist of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.
Grants with performance conditions	Where the Charitable Trust gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.
Grants payable without performance conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the Charitable Trust.
Pension Contributions	The Charitable Trust operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to the Charitable Trust. The Charitable Trust accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities (SoFA) represents contributions payable to the scheme in respect of the accounting period.
Creditors	Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors are recognised at their settlement amount due.

Assets

Intangible fixed assets for use by the Charitable Trust	These are capitalised if the cost is significant and they can be used for more than one year. Expenditure that maintains but does not add to an asset's future economic benefits is charged as an expense. Assets are measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use.

Notes to the Accounts

3. Charitable Expenditure

	Sports Field £'000	Golf Course £'000	Catering £'000	Golf Management £'000	Grounds Maintenance £'000	**2018/19 Total £'000**	2017/18 Total £'000
Employees	2	-	148	167	231	**548**	559
Premises	25	47	-	-	7	**79**	95
Transport	2	-	-	3	32	**37**	35
Supplies & Services	6	39	120	46	41	**252**	252
Bad Debt Provision	-	-	-	-	-	**-**	17
Depreciation	10	42	2	-	22	**76**	94
Interest	-	36	-	-	-	**36**	32
Support Costs							
Human Resources	2	4	-	-	-	**6**	6
Finance	2	4	-	-	-	**6**	6
ICT	2	4	-	-	-	**6**	6
Property & Facilities	4	10	-	-	-	**14**	16
Communications	-	-	-	-	-	**-**	1
Governance	5	8	-	-	-	**13**	13
	60	194	270	216	333	**1,073**	1,132

Governance costs are those costs that are associated with the general running of the Charitable Trust, as opposed to those costs associated with specific charitable activity. Governance costs include: internal and external audit; legal advice for trustees; the cost of preparing statutory accounts; and costs associated with strategic management. Golf Management and Grounds Maintenance are recharged to the Sports Field, Golf Course and Catering on the SoFA and Review of Year.

4. Trustee Expenses

The key management personnel compromise the members who received no remuneration or other financial benefits from the Charitable Trust during either the current or previous year. Any expenses claimed by Members are paid by SBDC rather than the Charitable Trust.

5. Audit Costs

The Charitable Trust incurred the following fees relating to external audit.

This note is prepared based on the fee payable for the audit work related to those years' financial statements, as opposed to what has actually been paid in the year.

	2018/19 £'000	2017/18 £'000
Auditors' fees for reporting on the accounts	**7**	7
Other fees paid to the independent auditor	**-**	-
	7	7

8. Intangible Fixed Assets - Software

	2018/19 £'000	2017/18 £'000
Valuation		
Balance brought forward	**15**	**15**
Additions	**-**	**-**
Balance carried forward	**15**	**15**
Accumulated Depreciation and Impairment Provisions		
Balance brought forward	**14**	**13**
Depreciation charge for year	**-**	**1**
Balance carried forward	**14**	**14**
Net Book Value		
Brought forward	**1**	**2**
Carried forward	**1**	**1**

Intangible assets are amortised using the straight-line method over a period of up to 5 years after the year of expenditure.

9. Tangible Fixed Assets

	Freehold Land Sports Fields £'000 PE	Freehold Buildings Sports Fields £'000 PE	Freehold Buildings Sports Fields £'000	Freehold Land Golf Course £'000 PE	Freehold Buildings Golf Course £'000	Vehicles Equip't and IT Systems £'000	Total £'000
Valuation							
Balance b/f	327	293	420	858	2,397	386	4,681
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-50	-50
Balance c/f	327	293	420	858	2,397	336	4,631
Accumulated Depreciation and Impairment Provisions							
Balance b/f	-	41	28	-	119	294	482
Depreciation charge	-	10	7	-	40	19	76
Disposals depreciation	-	-	-	-	-	-50	-50
Balance c/f	-	51	35	-	159	263	508
Net Book Value							
Brought forward	327	252	392	858	2,278	92	4,199
Carried forward	327	242	385	858	2,238	73	4,123

PE - These assets are part of the Charitable Trust's permanent endowment.

Depreciation is provided on all fixed assets with a finite useful life in accordance with FRS 15 as follows:

Land	Not depreciated.
Buildings	Using the straight-line method over the useful life of the asset after the year of expenditure. These range from 20 to 60 years.
Fixtures & Fittings	Using the straight-line method over a period of 10 years after the year of expenditure.
Vehicles, equipment and IT Systems	Using the straight-line method over a period of up to 10 years after the year of expenditure.

Notes to the Accounts

12. Creditors and Accruals - Amounts Falling Due Within 1 Year

	At 31 March 2019	At 31 March 2018
	£'000	£'000
Creditors	**80**	**30**
Audit fee	**7**	**7**
Prepayment of season tickets	**78**	**55**
	165	**92**

13. Loan from South Bucks District Council

The clubhouse building which opened April 2014 was primarily funded from an unsecured £1.98m loan from South Bucks District Council. This will be repaid over 20 years from 2015. The interest rate charged is based on the Public Works Loan Board (PWLB) variable annuity rate published for 1st April each year.

The principal payments due under the loan are as follows:

	At 31 March 2019	At 31 March 2018
	£'000	£'000
Not later than one year	**90**	91
Later than one year not later than five years	**379**	379
Later than five years	**1,105**	1,192
Total Liability	**1,574**	1,662
Interest repayment on the loan was	**36**	32

14. Endowment Funds

The Farnham Park Sports Fields Charity is governed by the Eton Rural District Council Act 1971. This Act transferred to SBDC land and buildings at Farnham Park Sport Field, and parts of South Buckinghamshire Golf Course, and the usage of these assets is subject to the restrictions contained within that Act. These assets therefore represent a permanent endowment.

15. Operating Lease Commitments

The Farnham Park Sports Fields has the following commitments under a rental agreement for the supply of golf buggies and another agreement for the hire of grounds maintenance equipment. During the year a new four year agreement for the supply of six Lithium battery powered buggies was entered into. A separate five year agreement for the leasing of two mowers and one aerator was entered into at the end of the year.

	At 31 March 2019	At 31 March 2018
	£'000	£'000
Not later than one year	**40**	1
Later than one year not later than five years	**142**	-
	182	1

Lease payments recognised as an expense during the year was £8,000 (2017/18 £9,000).

18. Events after the Balance Sheet Date

Events arising after the balance sheet date should be reflected in the Statement of Accounts if they provide additional evidence of conditions that existed at the balance sheet date and materially affect the amounts to be included (adjusting events).

For the 2018/19 accounts there are no significant adjusting events to disclose.

Similarly, events which arise after the balance sheet date and concern conditions which did not exist at that time should be detailed in the notes if they are of such materiality that their disclosure is required for the fair presentation of the financial statements (non adjusting events).

For the 2018/19 accounts there are no significant non-adjusting events to disclose.

report; or

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act 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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Mullis FCCA MAAT (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy Audit Services
Anglo House
Bell Lane Office Village
Bell Lane, Amersham
Buckinghamshire
HP6 6FA

20 January 2020

Wilkins Kennedy Audit Services is eligible for appointment as auditor by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.