



DEMOCRATIC AND ELECTORAL SERVICES

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Dear Councillor

AUDIT COMMITTEE - SUPPLEMENTARY

The next meeting of the Audit Committee will be held as follows:

DATE: THURSDAY, 5TH DECEMBER, 2013
TIME: 6.00 PM
VENUE: ROOM 6, CAPSWOOD, OXFORD ROAD, DENHAM

Yours faithfully

Jim Burness

Director of Resources

To: The Audit Committee

Mr Hollis
Mr Hardy
Mr Anthony
Mr Bradford
Dr A Dhillon
Mrs Wallis



Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

SUPPLEMENTARY AGENDA

	(Pages)
9. Farnham Park Public Facilities - Annual Report and Accounts	
To consider report of the Director of Resources.	(1 - 6)
<i>Appendix A</i>	(7 - 10)
<i>Appendix B</i>	(11 - 30)

The next meeting is due to take place on Thursday, 27 March 2014

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The majority of land at Farnham Park Golf Course and the Farnham Park Sports Fields were transferred to the Council under the Eton Rural District Council Act 1971. This Act obliges the Council to 'appropriate and use the hereditaments transferred to the Council ... under and by virtue of this Act for the maintenance and improvement of the physical well-being of persons resident in the rural district of Eton and adjoining areas by the provision of facilities for physical training and recreation and for promoting and encouraging all forms of recreational activities calculated to contribute to the health and physical well-being of such persons'. As such, any decisions made by the Council in relation to the use of these lands must be taken by members acting both as members of SBDC and as the corporate trustee for the charity in accordance with the charity objectives

SUBJECT:	Farnham Park Public Facilities - Annual Report and Accounts 2012/13
REPORT OF:	Officer Management Team - Director of Resources Prepared by - Head of Finance

1. Purpose of Report

- 1.1 The purpose of this report is to request that the Audit Committee approve the Farnham Park Public Facilities Annual Report and Accounts for 2012/13.

2. Links to Objectives

- 2.1 Producing financial statements is part of good corporate governance and is essential for the prudent use of resources.

3. Background

- 3.1 The Eton Rural District Council (ERDC) Act 1971 transferred land and buildings at Farnham Park Sport Field (FPSF), and parts of Farnham Park Golf Course (FPGC) 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 management of these assets is therefore governed by the ERDC Act.
- 3.2 Prior to the ERDC Act these assets 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.
- 3.3 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 charity trustee.
- 3.4 Legislation requires Charitable Trusts to produce an Annual Reports and Accounts document and submit these to the Charity Commission. Furthermore
- if the gross income is above £250,000 but not exceeding £500,000 (and the gross assets do not exceed £3.26m) then the Accounts have to be subject to either an independent examination (by a member of a specified body) or a full audit
 - if the gross income is above £500,000 (or gross assets exceed £3.26m and gross income exceeds £250,000) then the Accounts have to be audited.

3.5 Cabinet on 25 November 08 recommended that the Audit Committee should be given the remit to review and approve the Farnham Charitable Accounts on behalf of the Charitable Trust. This recommendation was approved by full Council on 9 December 08.

4. Legislative Background

4.1 The Charities Act 2011 came into effect on 14 March 2012. This is the Act of Parliament which sets out how all charities in England and Wales are registered and regulated.

4.2 The main legislation governing the Accounts of charities is the Charities (Accounts and Reports) Regulations 2008. These regulations set out what information has to be included in Charitable Annual Reports and Accounts, as well as the duties of the auditors.

5. Format of Charity Accounts

5.1 Statements of Accounts can be compiled using various different accounting methodologies.

- Local Authority accounts have to be compiled in accordance with the ‘Code of Practice on Local Authority Accounting in the United Kingdom - A Statement of Recommended Practice’ - the Local Authority SORP.
- Charity accounts have to be compiled in accordance with ‘Accounting and Reporting by Charities - Statement of Recommended Practice’ - the Charity SORP.

5.2 The attached Farnham Charity Accounts (Appendix B) follow the Charity SORP, and are therefore in a different format to the main SBDC accounts.

5.3 In the main all Accounts follow consistent principals. However the main differences between local authority Accounts and charity Accounts are set out in the table below.

Local Authority Accounts	Charity Accounts
The Accounts have to be accompanied by a fairly basic ‘Explanatory Foreword’	The Accounts have to be accompanied by a more comprehensive ‘Trustees’ Annual Report’
The main revenue account is called the ‘Comprehensive Income and Expenditure Account (CI&E)’	The main revenue account is called the ‘Statement of Financial Activities (SOFA)’
There is a requirement to include a ‘cashflow statement’	Only very large charities have to include a cashflow statement, and the Farnham Charity is not large enough to have to produce one.
Extensive notes to the Accounts have to be produced	More limited notes to the Accounts have to be produced.
Local Authority reserves are split between those that are available to fund capital expenditure and those that are available to fund any expenditure.	Charity reserves are split between those that have to be held in perpetuity (endowment funds) and those that can be used to fund any expenditure (unrestricted funds).
Capital expenditure is financed from ‘capital reserves’ (ie accumulated income from the sale of fixed assets, borrowing and government grants) and depreciation is only a notional charge in the I&E Account.	Capital expenditure is charged to the SOFA in line with the annual expected benefit ie depreciation is a real bottom line charge in the SOFA.

6. Commentary on Accounts

6.1 A commentary on each of the main sections of the Farnham Accounts is detailed below using the following standard headings.

- Trustee's Annual Report
- Statement of Financial Activities (SoFA)
- Balance Sheet
- Notes to the Financial Statements (including accounting policies)
- Auditors' Report.

7. Trustee's Annual Report

7.1 The Trustee's Annual Report provides the Charitable Trust with the opportunity to explain its activities and its Accounts to the reader. The Charity SORP is fairly prescriptive regarding what has to be included in the Trustee's Annual Report.

7.2 The Audit Committee's attention is specifically drawn to the following issues:

Public Benefit Statement

7.3 The Charities (Accounts and Reports) Regulations 2008 require the Trustee's Annual Report to include a statement that the trustees have had regard to the Charity Commission guidance on public benefit. A copy of the relevant summary guidance for Charity Trustees is therefore included as Appendix A.

Reserve Policy

7.4 The Charities (Accounts and Reports) Regulations 2008 require the Trustee's Annual Report to include the Charitable Trust's policy on reserves. A Reserve Policy is therefore included on page 6.

8. Statement of Financial Activities (SOFA)

8.1 The Statement of Financial Activities (SOFA) shows the income generated by the Charitable Trust and how this has been spent.

8.2 The SOFA is split between unrestricted funds and endowment funds. Endowment funds are those funds that have been given to the Charity on the basis that they must be used for the benefit of the Charity in perpetuity, and they cannot generally be spent. For the Farnham Charitable Trust the land and buildings that were transferred to SBDC under the ERDC Act represent a permanent endowment.

8.3 This shows that in 2012/13

- The Charitable Trust earned £451,000 in income and spent £650,000 on running costs and £16,000 on its endowment assets giving a net loss for the year of £215,000.
- The Charitable Trust's unrestricted fund has reduced from £334,000 at the start of the year to £119,000 at the end of the year, due to the net loss in the year.
- The value of the Endowment fund (ie the value of the endowment land and buildings) increased by £159,000 over the year due to new investment of £16,000 and revaluation of £451,000 offset by depreciation of £308,000.

8.4 Balance Sheet

8.5 The Balance Sheet shows the assets and liabilities of all the activities of the Charitable Trust and the balances and reserves at the Charitable Trust's disposal. In essence it is a statement of everything that the Charitable Trust owned / was liable for at the end of the financial year.

8.6 Again the Balance Sheet is split between unrestricted and endowment funds.

8.7 The unrestricted balance sheets is made up of:

- fixed assets of £810,000 (preliminary work on the new clubhouse £741,000 plus vehicles and equipment £59,000 and software £10,000)
- golf stock of £49,000
- debtors of £12,000 (outstanding rent)
- Creditors of £181,000 (bills waiting to be paid and season ticket monies paid in advance).
- Overdraft balance with SBDC £571,000

8.8 The Endowment balance sheet is solely made up of fixed assets of £1,678,000 (the value of the land and buildings at the Sports Field and the Golf Course).

9. Notes to the Financial Statements

9.1 The notes to the Accounts provide additional information relating to the figures in the main accounting statements to assist the reader understand and interpret the Accounts. The Charity SORP sets out what notes have to be included.

9.2 Note 1 sets out the Charitable Trust's Accounting policies. The accounting policies that all charities are required to use are set out in the Charity SORP. The policies set out on are therefore in line with the standard requirements.

10. Fixed Asset Valuation

10.1 As the Trust's fixed assets were last revalued on the 31 March 2008 and the current policy is to revalue these at least every 5 years, the external auditors requested that the assets were revalued as at 31 March 2013.

10.2 This has resulted in an increase in the book value of the Trust land and property of £451,000.

11. Auditors' Report

11.1 In accordance with the Charity Commission rules, the Accounts are required to be audited and the formal audit opinion has to be included in the Accounts.

11.2 The audit work has now been substantially completed and it is anticipated that the auditors will issue a formal opinion on the Accounts once these have been approved by the Audit Committee.

11.3 However it is still possible that the external auditors will request additional minor changes to the accounts and it is therefore suggested that the Audit Committee agree that the Chair of the Audit Committee is given authority to agree any such changes.

12. Formal Approval of Accounts

12.1 Trustees are required to approve the Trustee's Annual Report and Accounts and this responsibility has been delegated to the Audit Committee. The Chairman of the Audit Committee is therefore required to sign and date the Annual Report and Accounts to formally represent the completion of the Charitable Trust's approval process.

13. Resource, Risk and Other Implications

13.1 There are no direct financial, legal or human resource implications from this report. However the level of reserves has a significant impact on the affordability of the Charitable Trust's future plans and its ability to meet its charitable objectives.

13.2 The losses over the past couple of years means that the Charitable Trust's unrestricted reserve has now become severely depleted. The Trust therefore needs to turn around its financial performance quickly in order to avoid having to ask the Council to subsidise it. Once the new golf clubhouse is opened the Trust's performance is expected to improve. However the financial situation will need to be carefully monitored over the next couple of years.

13.3 There is a risk that the Accounts will be incorrect due to fraud or error. The risk is considered to be low as the following controls mitigate against this risk.

- The Council has detailed Financial and Contract Procedure rules.
- Access to the finance system is limited to authorised staff and password protected.
- Internal audit carry out annual reviews of all key finance systems.
- The Accounts are produced by an experienced finance team, lead by a qualified accountant, and this is exactly the same team as last year.
- The Authority has obtained and followed the appropriate Charity SORP.
- A full set of working papers is produced to support the figures in the Accounts.
- All working papers are reviewed by the Head of Finance.
- The Director of Resources reviews the Accounts and signed these off.
- The Head of Finance and the Director of Resources are qualified accountants and are therefore required to comply with CIPFA codes of practice.
- Members have the opportunity to review the Accounts and ask questions about any of the figures.
- The Accounts have been subject to external audit review.

14. Recommendations

- 14.1 The Audit Committee are recommended to Approve the Annual Report and Accounts for 2012/13, subject to any further changes that are required by external audit.
- 14.2 The chair of the Audit Committee is given delegated authority to sign the Annual Report and Accounts to signify the completion of the Charitable Trust's approval process.

Officer Contact:	Rodney Fincham 01895 837268 Email: Rodney.Fincham@southbucks.gov.uk
Background Papers:	None

Charities and Public Benefit

Summary Guidance for Charity Trustees

Introduction

All charities must have charitable purposes or 'aims' that are for the public benefit. This is known as the 'public benefit requirement'. Although all charities already have to meet this requirement, the Charities Act 2006 highlights it by explicitly including public benefit in the definition of a charitable purpose. We expect these changes to take effect from 1 April 2008. From that point, all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit. Previously the law presumed this to be the case for charities that advance education, or religion or relieve poverty. The Charity Commission has to ensure all charities meet the public benefit requirement and provide guidance on what the requirement means. Charity trustees will be required to have regard to the Commission's public benefit guidance and to report on their charity's public benefit.

This summary covers the key principles of our general guidance to charities about public benefit. The full version of this guidance can be found on our website at www.charitycommission.gov.uk under 'About charities' and hard copies are available by calling **Charity Commission Direct** on **0845 300 0218**

Charitable Purposes

Charitable purposes (or aims) are those that fall within the various descriptions of charitable purposes in the Charities Act 2006, set out below, and any new charitable purposes that might be recognised in the future.

- | |
|--|
| a) the prevention or relief of poverty; |
| b) the advancement of education; |
| c) the advancement of religion; |
| d) the advancement of health or the saving of lives; |
| e) the advancement of citizenship or community development; |
| f) the advancement of the arts, culture, heritage or science; |
| g) the advancement of amateur sport; |
| h) the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity; |
| i) the advancement of environmental protection or improvement; |
| j) the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage; |
| k) the advancement of animal welfare; |
| l) the promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services; |
| m) other purposes currently recognised as charitable and any new charitable purposes which are similar to another charitable purpose. |

You can find out more about charitable purposes in our *Commentary on the Descriptions of Charitable Purposes in the Charities Act* on our website.

Appendix A Public Benefit

There are two key principles of public benefit and, within each principle there are some important factors that must be considered in all cases. These are:

Principle 1: There must be an identifiable benefit or benefits

- Principle 1a It must be clear what the benefits are
- Principle 1b The benefits must be related to the aims
- Principle 1c Benefits must be balanced against any detriment or harm

Principle 2: Benefit must be to the public, or section of the public

- Principle 2a The beneficiaries must be appropriate to the aims
- Principle 2b Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted:
 - by geographical or other restrictions; or
 - by ability to pay any fees charged
- Principle 2c People in poverty must not be excluded from the opportunity to benefit
- Principle 2d Any private benefits must be incidental

The principles of public benefit apply to all charities, whatever their aims. Each charity must be able to demonstrate that its aims are for the public benefit. Public benefit decisions are about whether an individual organisation is a charity and not about whether particular types of charity or groups of charities, as a whole, are for the public benefit.

Principles of Public Benefit

Principle 1: There must be an identifiable benefit or benefits

Principle 1a: It must be clear what the benefits are

It must be clear what benefits to the public arise from carrying out a charity's aims. Examples of different sorts of benefit include providing housing for the homeless or giving medical care to the sick. It should be possible to identify and describe the benefits provided but that doesn't mean they must be able to be quantified or measured; non-quantifiable benefits will be taken in account as long as it is clear what they are.

Most benefits are self evident but sometimes we may need evidence depending on the type of benefit provided. Sometimes benefit can be shown by a consensus of objective and informed opinion. In some cases we may ask for evidence of independent, expert opinion from someone suitably qualified. It will usually be for the organisation's trustees to provide evidence that their organisation's aims are for the public benefit but we may sometimes need to check evidence from other sources.

Principle 1b: The benefits must be related to the aims

Benefits must be related to the charity's aims, so benefits which arise from the charity's work that are not related to its aims will not be taken into account. Where a charity has more than one aim, each of those aims has to meet the public benefit requirement; it will not be enough if only some do.

Principle 1c: Benefits must be balanced against any detriment or harm

Finally, benefits must be balanced against any detriment or harm which arises. Examples of detriment or harm could include something that is damaging to the environment or mental or physical health or encourages hatred towards others. In judging whether this detriment occurs, we would need to see real evidence; we will not just assume it. Where there is more detriment than benefit, or where the organisation has aims that are illegal or is a sham, it would not be charitable.

Principle 2: Benefit must be to the public, or section of the public

Principle 2a: The beneficiaries must be appropriate to the aims

While this sounds like a statement of the obvious, who constitutes the 'public' or 'a section of the public' varies according to the charitable aims. Sometimes a charity's aims are intended to benefit the public generally, sometimes a specific section of it. Who benefits, and how, will depend on the organisation's aims. Considering who the charity's aims are mainly intended to benefit is important when deciding whether the public benefit requirement is met.

It is not a simple matter of numbers, but the number of people who can potentially benefit must not be insignificant. The 'class' of people who can benefit must be sufficiently large or open given the charitable aim being carried out. The actual number of people who can benefit at any one time can be quite small as long as anyone who could qualify for the benefit is eligible. So, for example, it is fine to offer only a small number of rooms in a care home as long as anyone who is eligible to apply can be considered for those limited places.

It is important that the opportunity to benefit is not unreasonably restricted given the nature of the charity's aims and the resources it has. If the benefit is to a 'section of the public', rather than the public generally, then the restrictions must be reasonable and relevant to the charity's aims. If they are not, this will affect public benefit.

Principle 2b: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted:

- by geographical or other restrictions; or
- by ability to pay any fees charged

Ways in which restrictions might apply to the 'class' of people who can benefit include geographical restrictions, those involving charitable need, such as poverty, age or ill-health, and those involving personal characteristics, such as gender, race or religion for example. We will consider the circumstances in each case when deciding whether that restriction is reasonable. At the extreme, charities must not be seen as 'exclusive clubs' that only a few can join. So, where the aims of a charity are more closed, inward-looking and exclusive, greater justification for the restriction may need to be provided.

Many different sorts of charities can, and do, charge for their services or facilities. Charities can charge fees that more than cover the cost of those services or facilities, provided that the charges are reasonable and necessary to carry out the charity's aims, for example, in maintaining or developing the service provided. However, where, in practice, the charging restricts the benefits only to people who can afford to pay the fees charged, this may result in the benefits not being available to a sufficient section of the public.

Principle 2c: People in poverty must not be excluded from the opportunity to benefit

The fact that the services will be charged for and therefore provided **mainly** to people who can afford to pay does not necessarily mean the organisation's aims are not for the public benefit. However, if an organisation excluded people from the **opportunity** to benefit because they could not pay the fees, then its aims would not be for the public benefit. In particular, people in poverty must not be excluded from the opportunity to benefit. So it would not, for example, be enough to reduce very high fees slightly to enable more 'middle income' people to benefit, if people in poverty were still excluded from the opportunity to benefit.

In general, the lower the fees that are charged, the greater the opportunity there is likely to be for most people to have the opportunity to benefit. But where the fees charged are, of necessity perhaps, very high, then trustees of those charities will have to think about other ways in which people who cannot afford those fees can benefit in some material way related to their charity's aims. This does not mean charities have to offer services for free, or offer concessions on fees, although clearly that would help. There could be other ways of benefiting people who cannot afford the fees in a way that is related to the aims. For example, one way of doing this might be an independent school working in partnership with a local state school, or an arts charity might broadcast concerts or operatic performances via TV or radio to a wider audience. What matters is that people unable to pay are not excluded from the opportunity to benefit, whether or not they actually choose to take up the opportunity.

Principle 2d: Any private benefits must be incidental

Where people or organisations benefit from a charity, other than as a beneficiary, then those sorts of 'private' benefits must be incidental, which means they are a necessary result, or by-product, of carrying out the charity's aims. Where private benefits are more than incidental this might mean the organisation is set up for private, rather than public, benefit and so might not be charitable.

Reporting on your charity's public benefit

Charity trustees have a new duty to report in their Trustees' Annual Report on their charity's public benefit. The level of detail you will need to provide in your public benefit report will depend on whether your charity is above or below the audit threshold. An audit is required when a charity's gross income in the year exceeds £500,000, or where income exceeds £100,000 and the aggregate value of its assets exceeds £2.8 million. Most charities already explain their activities in their Trustees' Annual Report and so this information now needs to be set in the context of the charity's aims to show how in practice the aims have been carried out for the public benefit.

Trustees will also need to confirm that they have had regard to our public benefit guidance where relevant.

For smaller charities, below the audit threshold, trustees are required to include a brief summary in their Trustees' Annual Report of the main activities undertaken in order to carry out the charity's aims for the public benefit. Trustees can, of course, provide fuller public benefit statements if they wish.

For larger charities, above the audit threshold, trustees are required to provide a fuller explanation in their Trustees' Annual Report of the significant activities undertaken in order to carry out the charity's aims for the public benefit, as well as their aims and strategies. They are required to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the trustees. It is up to the charity's trustees to decide how much detail they want to provide to clearly illustrate what their charity has done in the reporting year to meet the requirement; the Commission will not be prescriptive about the number of words or pages needed. But a charity that said nothing on public benefit in its Trustees' Annual Report, or produced only the briefest statement with no detail, would be in breach of the public benefit reporting requirement.

Assessing public benefit

The Charity Commission will assess whether the aims of all organisations applying to register as charities are for the public benefit. Charities that are already registered have to continue to meet the public benefit requirement. We will do this by carrying out research studies on the extent to which different types of charity are meeting the requirement and by working with representative professional and umbrella bodies and with users of those charities.

In some cases we may need to carry out detailed assessment of individual charities. Where that needs to happen we will advise the trustees on what needs to change in order to meet the public benefit requirement, and give clear reasons and advice on what happens next where it is not possible for the organisation to meet the requirement. No charity will be expected to make changes overnight and we will take reasonable account of how much time and resources might be needed by a charity that needs to make changes in order to meet the requirement. A charity or anyone affected by one of our public benefit decisions, that disagrees with it, can seek a review of that decision using our internal decision review procedures and, if they consider it necessary, can make a further appeal to the new Charity Tribunal and, ultimately, to the courts. However, by working constructively with charity trustees and undertaking extensive public consultation on our public benefit guidance, we would hope such circumstances would be rare.

For more information go to www.charitycommission.gov.uk/publicbenefit/default.asp



**FARNHAM PARK SPORTS FIELDS
CHARITY NO 308164**

Annual Report and Accounts
For the year ended 31 March 2013

FARNHAM PARK SPORTS FIELDS CHARITY NO 308164

Annual Report and Accounts For the year ended 31 March 2013

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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	Alan Goodrum Chief Executive of South Bucks District Council
Treasurer	Jim Burness Director of Resources of South Bucks District Council
Operations Director	Bob Smith Director of Services of South Bucks District Council

Principal advisors External audit Mazars LLP, Poole Office

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 (FPGC) 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 trustees. There are no other charity trustees.

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

Organisational Structure of the Charitable Trust

The Members of SBDC (acting as corporate trustee) make the strategic decisions relating to the operation of the facilities.

The day-to-day management is undertaken by council officers in line with approved guidelines.

Relationship between the Charitable Trust and Related Parties

All financial, legal and operational support is provided by SBDC and this affects the Charitable Trust in the following ways:

- All staff who are involved in the Charitable Trust are employed by SBDC;
- All financial records are maintained within the SBDC financial system;
- The Charitable Trust does not have its own bank account; instead its funds are a part of the SBDC accounts.

Risks

The Charitable Trust complies with the SBDC risk management strategy and the SBDC risk management policy. In particular risks relating to the Charitable Trust's activities are identified, evaluated and monitored in an appropriate risk register.

The main risk that the Charitable Trust faces is that its income is solely dependant on attracting people to use its facilities. It has to compete in a competitive market for leisure facilities and therefore has to ensure its facilities and prices are comparable to its competitors whilst still promoting its charitable objectives. Furthermore expenditure on leisure activities can be affected by external economic conditions and thus the Charitable Trust needs to be able to cope with and appropriately respond to changes in demand.

The nature of the Charitable Trust's facilities also means that there will periodically need to be significant investment to maintain / modernise the facilities in line with changing customer expectations. The Charitable Trust therefore needs to ensure that there is a long term robust business plan to ensure that it is able to continue to operate within the Charitable Trust's available resources over the long term.

Objectives and Activities

Objects of Charitable Trust

The objects of the Charitable Trust are set out in the ERDC Act and are as follows:

'The maintenance and improvement of the physical well-being of persons resident in the rural district of Eton and adjoining areas by the provision of facilities for physical training and recreation and for promoting and encouraging all forms of recreational activities calculated to contribute to the health and physical well-being of such persons.'

Charitable Trust Aims

The Charitable Trust aims to maintain and improve the physical well-being of local residents by providing high quality, public sporting facilities at reasonable prices.

Specifically it:

- maintains the Farnham Park Sports Fields to enable clubs to let these facilities, and
- operates the South Buckinghamshire Golf Course on a pay and play basis.

Objectives for Year

The key objectives for 2012/13 were:

1. To ensure that the facilities continue to provide value for money for users,
2. To ensure that the facilities operated within the Charitable Trust's available resources, and
3. To progress with the redevelopment of the golf clubhouse.

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, older people 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.
3. To progress with the redevelopment of the golf clubhouse facilities, the Charitable Trust aimed to finish evaluating the various options and start any agreed redevelopment.

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, cricket squares, softball pitches, a baseball pitch and a children's playground. During 2012/13 the following organisations let some of these facilities:

- Beaconsfield SYCOB Youth FC
- Farnham Royal Rugby Club
- Phoenix Old Boys FC
- Farnham Royal Parish Council
- Taplow Boys FC
- Unity Martial Arts
- Baseballsoftball UK Limited

During the year a new baseball/softball facility was built. This comprises of a full sized baseball pitch and two softball pitches. These facilities were funded by Sport England and associated work finally completed in April 2013. The day to day operation of the facilities will be overseen by the national governing body Baseball Softball UK.

It was decided at the Community Policy Advisory Group on 14th February 2012 that the Farnham Park Golf Course would be rebranded and known as the South Buckinghamshire with effect from 1st April 2012.

The South Buckinghamshire Golf Course continues to be one of the finest pay and play public municipal 18 hole golf courses in the south of England. During 2012/13 29,980 rounds were played on the course (2011/12 27,714). In the prevailing economic climate this was viewed as a very creditable performance.

With regard to the objective to progress with the redevelopment of the golf clubhouse facilities, the Charitable Trust agreed the final redevelopment proposal and works started on site at the beginning of December 2012. These works have progressed on time and within the agreed budget. The first stage of the project was the construction of a new purpose built greenkeepers compound which offers excellent energy efficiency and high levels of security.

Financial Review

Review of Year

During 2012/13 the Charitable Trust generated income totalling £451,000 and spent £958,000 giving a net deficit for the year of £507,000. The table below compares the budget for the year with the actual expenditure, together with variances between the two.

	Budget	Yr End Actual	Variance (Act-LB)
	£'000	£'000	£'000
Farnham Park Sports Fields			
Income	53	59	6
Expenditure	-65	-75	-10
Depreciation - Endowment Assets	-13	-13	-
Governance costs	-18	-18	-
Net Cost	-43	-47	-4
South Buckinghamshire Golf Course			
Income	487	392	-95
Expenditure	-489	-493	-4
Depreciation - Intangible Assets	-	-3	-3
Depreciation - Equipment	-19	-19	-
Depreciation - Endowment Assets *	-59	-295	-236
Governance costs	-42	-42	-
Net Cost	-122	-460	-338
Net Movement on Funds (before fixed asset revaluations)	-165	-507	-342

* The additional in year depreciation is due to the trust redeveloping the clubhouse.

All Charitable Trust income comes from fees and charges paid by users of the facilities, and all charitable expenditure relates to providing sporting facilities to help maintain and improve the physical well-being of local residents

During 2012/13 the Charitable Trust invested £578,000 in improving its facilities. This expenditure is accounted for as an addition to the Charitable Trust's fixed assets and is shown in note 9 to the Accounts.

Reserve Policy - Unrestricted Fund

Nature of Reserve: The Unrestricted Fund represents the accumulated year on year surplus of (unrestricted) 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. In particular there is a need to hold a working balance to meet unexpected demands equivalent to at least 2 months budgeted running costs, which is equivalent to approximately £113,000. In addition it may be appropriate to build up a balance on the unrestricted funds to fund future projects.

Usage: The unrestricted funds can be applied for any lawful purpose of the charitable trust.

Reserve Policy - Endowment Fund

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

Minimum Value of Fund: The value of the Endowment Fund will fluctuate with the value 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 Trustee's Responsibilities

The trustee is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income and expenditure of the charity for the year. In preparing those financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue to operate.

The trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee has taken all steps that it ought to have taken in order to make itself aware of any information relevant to the audit, establish that auditors are aware of that information and that there is no information relevant to the audit of which the trust's auditors are unaware.

Plans for Future Periods

Looking ahead the Charitable Trust aims to continue to provide value for money facilities whilst operating within its available funds.

The Charitable Trust has now started on the major redevelopment of the clubhouse facilities and these are due to open in early 2014, so that maximum benefit can be made from the peak summer trading next year. These should enable the Trust to secure and expand this area of its activities. In respect of the Trust other assets it will continue to encourage community use and investment from the various organisations leasing facilities.

Declaration

The Council acting as Corporate Trustee has given the SBDC Audit Committee the authority to review and approve the Charitable Trust's Accounts.

It is therefore declared that the SBDC Audit Committee, on behalf of the Charity, approved this Annual Report and the accompanying Accounts at their meeting on 5 December 2013.

Signature:

Position: Chair of Audit Committee

Date: December 2013

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	2012/13 Unrestricted Funds £'000	2012/13 Endowment Funds £'000	2012/13 Total Funds £'000	2011/12 Total Funds £'000
Incoming resources				
Voluntary income	-	-	-	-
Activities for generating funds	-	-	-	-
Investment income	-	-	-	-
Incoming resources from charitable activities				
- Farnham Park Sports Fields	59	-	59	39
- South Buckinghamshire Golf Course	392	-	392	504
Other incoming resources	-	-	-	-
Total incoming resources	451	-	451	543
2-7 Resources expended				
Charitable activities				
- Farnham Park Sports Fields	-75	-	-75	-74
- South Buckinghamshire Golf Course	-493	-	-493	-457
- Depreciation - Intangible Assets	-3	-	-3	-
- Depreciation - Tangible Assets *	-19	-308	-327	-327
Governance costs	-60	-	-60	-59
Other resources expended	-	-	-	-
Total resources expended	-650	-308	-958	-917
Net (outgoing) resources before transfers	-199	-308	-507	-374
9 Gross transfers between funds				
Investment in fixed endowment assets	-16	16	-	-
Net (outgoing) resources before other recognised gains / (losses)	-215	-292	-507	-374
Other recognised gains / (losses)				
Gains and losses on revaluation of fixed assets for the Charitable Trust's own use	-	451	451	-
Gains and losses on investment assets	-	-	-	-
Net movement on funds	-215	159	-56	-374
Total funds brought forward	334	1,519	1,853	2,227
Total funds carried forward	119	1,678	1,797	1,853

* The 2012/13 historical cost depreciation on the endowment funds would have been £272,000 if the tangible fixed assets had been carried at historical cost less depreciation.

Balance Sheet

Appendix B

This statement shows the assets and liabilities of the Charitable Trust and the balances and reserves at the Charitable Trust's disposal.

Notes	At 31 March 2013 Unrestricted Funds £'000	At 31 March 2013 Endowment Funds £'000	At 31 March 2013 Total Funds £'000	At 31 March 2012 Total Funds £'000	
Fixed Assets					
8	Intangible Assets - software	10	-	10	13
9	Tangible Assets	800	1,678	2,478	1,776
10	Investments	-	-	-	-
		810	1,678	2,488	1,789
Current Assets					
	Stock and work in progress	49	-	49	47
11	Debtors	12	-	12	15
	Amount due from related party (SBDC)	-	-	-	73
		61	-	61	135
Current Liabilities					
12	Creditors: Amounts due within 1 year	-181	-	-181	-71
	Amount due to related party (SBDC)	-571	-	-571	-
		-752	-	-752	-71
	Net Current Assets or Liabilities	-691	-	-691	64
	Total Assets less Current Liabilities	119	1,678	1,797	1,853
	Creditors: Amounts due after 1 year	-	-	-	-
	Provisions for liabilities and charges	-	-	-	-
	Net Assets	119	1,678	1,797	1,853
	Unrestricted Fund	119	-	119	334
13	Endowment Fund	-	1,678	1,678	1,519
	Total Funds	119	1,678	1,797	1,853

Signed on behalf of the charity trustee

Signature:

Position: Chair of Audit Committee

Date: December 2013

1. Statement of Accounting Policies

Basis of Accounting

These Accounts have been prepared on the basis of historic cost modified by the revaluation of certain categories of tangible fixed assets in accordance with:

- Accounting and Reporting by Charities - Statement of Recommended Practice (SORP 2005), and
- with Accounting Standards, and
- with the Charities Act 2011.

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

No changes have been made to accounts for previous years.

Incoming Resources

Recognition of incoming resources	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> - the Charitable Trust becomes entitled to the resources; - the Trustees are virtually certain they will receive the resources; and - the monetary value can be measured with sufficient reliability.
Incoming resources with related expenditure	Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.
Grants and donations	Grants and donations are only included in the SoFA when the Charitable Trust has unconditional entitlement to the resources.
Tax reclaims on donations and gifts	Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.
Contractual income and performance related grant	This is only included in the SoFA once the related goods or services have been delivered.
Gifts in kind	Gifts in kind are accounted for at a reasonable estimate of their value to the Charitable Trust or the amount actually realised. <p>Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the Charitable Trust.</p> <p>Gifts in kind for use by the Charitable Trust are included in the SoFA as incoming resources when receivable.</p>
Donated services and facilities	These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the Charitable Trust is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the Charitable Trust of the service or facility received.
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.
Investment income	This is included in the accounts when receivable.
Investment gains and losses	This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure and Liabilities

Liability recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charitable Trust to pay out resources.
Governance costs	Includes costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.
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. Therefore, as required by FRS17 'Retirement benefits', 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.
Support Costs	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.

Assets

Intangible fixed assets for use by the Charitable Trust	<p>These are capitalised if they can be used for more than one year, and cost at least £500.</p> <p>Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use.</p>
Tangible fixed assets for use by the Charitable Trust	<p>These are capitalised if they can be used for more than one year, and cost at least £500.</p> <p>Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use.</p> <p>Land and Building assets are then carried in the balance sheet at open market value in existing use.</p> <p>Assets included in the balance sheet at current value are revalued where there have been material changes in the value, but as a minimum every five years.</p>
Investments	Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at Trustees' best estimate of market value.
Stocks and work in progress	These are valued at the lower of cost or market value.

VAT

The Charitable Trust is able to exempt from VAT any charges it makes to individuals of services closely linked with and essential to sport, per the VAT Act 1994, Schedule 9, Group 10, Item 3. This includes green fees.

As a consequence VAT payable is it is not generally recoverable from Her Majesty's Revenue and Customs, and is included as an expense when appropriate.

Going Concern

As Corporate Trustee, SBDC has a duty to ensure that the Trust operates within its available resources. If the Trust were ever to run out of unrestricted funds, then SBDC as corporate Trustee would need to put in place a recovery plan which could include supporting the Trust financially.

2. Analysis of Costs

Charitable Expenditure	Sports	Golf	2012/13	2011/12
	Field £'000	Course £'000	Total £'000	Total £'000
Employees	-	208	208	204
Premises	41	55	96	92
Transport	-	30	30	25
Supplies & Services	3	90	93	91
Third Party Payments	-	14	14	9
Support Costs				
Personnel & Training	-	12	12	8
Finance	2	16	18	16
ICT	-	26	26	18
Legal	6	2	8	12
Property & Contract Services	16	23	39	34
Cultural & Youth Services	7	17	24	22
	75	493	568	531

Governance Costs	2012/13	2011/12
	Total £'000	Total £'000
Internal and External Audit Fees	10	10
Finance	18	16
Legal	8	11
Cultural & Youth Services	24	22
	60	59

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.

3. Trustee Expenses

Any expenses claimed by Members are paid by SBDC rather than the Charitable Trust.

4. Audit Costs

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

	2012/13 £'000	2011/12 £'000
Auditors' fees for reporting on the accounts	7	7
Other fees paid to the independent auditor	-	-
	<u>7</u>	<u>7</u>

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

5. Paid Employees

There are 15 staff who work at the Farnham Park Sports Fields and the South Buckinghamshire Golf Course. These staff also work at the Lanes Golf Course - which is owned by South Bucks District Council (SBDC) and the cost of these staff is therefore apportioned between the Trust and SBDC.

	2012/13 £'000	2011/12 £'000
Basic pay	160	156
National insurance	13	14
Pension costs	16	15
Other employee costs	19	19
	<u>208</u>	<u>204</u>

No employee earns more than £60,000 a year.

In addition as SBDC provides support services to the Trust, a number of other SBDC employees also provide support to the Trust. None of these support staff spend more than 50% of their time on supporting the Trust and they have therefore been excluded from the analysis above.

6. Pensions

As part of the terms and conditions of employment of its officers, the Charitable Trust makes contributions towards the cost of post employment benefits (ie pensions).

The Charitable Trust participates in the Local Government Pension Scheme which is administered by Bucks County Council. This scheme is a defined benefit scheme based on final pensionable salary.

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 pension cost charge represents contributions payable by the Charitable Trust to the fund and amounted to £16,000 (2011/12 £15,000).

There were no outstanding contributions payable to the fund as at 31 March 2013 (31 March 2012 Nil).

Contribution of £16,000 are estimated to be payable in the year ended 31 March 2014.

7. Grant Making

The Charitable Trust did not make any grants / donations in 2012/13 (2011/12 nil).

8. Intangible Fixed Assets

	Software £'000
Valuation	
Balance brought forward	13
Additions	0
Disposals	0
Balance carried forward	13

Accumulated Depreciation and Impairment Provisions

Balance brought forward	0
Depreciation charge for year	3
Disposals	0
Balance carried forward	3

Net Book Value

Brought forward	13
Carried forward	10

We depreciate intangible assets using the straight-line method over a period of up to 4 years after the year of expenditure

9. Tangible Fixed Assets

	Freehold Land Sports Fields £'000 PE	Freehold Buildings Sports Fields £'000 PE	Freehold Land Golf Course £'000 PE	Freehold Buildings Golf Course £'000 PE	Asset Under Construction £'000	Vehicles Equipment and IT Systems £'000	Total £'000
Valuation							
Balance brought forward	155	225	665	975	211	172	2,403
Additions	-	2	14	-	530	32	578
Revaluations	172	108	171	-	-	-	451
Depreciation written out	-	-62	-	-	-	-	-62
Disposals	-	-	-	-	-	-	-
Balance carried forward	327	273	850	975	741	204	3,370
Accumulated Depreciation and Impairment Provisions							
Balance brought forward	-	49	-	452	-	126	627
Depreciation charge for year	-	13	-	295	-	19	327
Impairment provisions	-	-	-	-	-	-	-
Revaluations	-	-62	-	-	-	-	-62
Disposals	-	-	-	-	-	-	-
Balance carried forward	-	-	-	747	-	145	892
Net Book Value							
Brought forward	155	176	665	523	211	46	1,776
Carried forward	327	273	850	228	741	59	2,478

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

Valuation

The land and buildings at the Farnham Park Sport Field and the land at the Golf Course were independently valued by an external valuer as at 31 March 2013 in accordance with the Appraisal and Valuation Manual issued by The Royal Institute of Chartered Surveyors (RICS). Certificates of valuation were issued by Kempton Carr Croft of Chatworth House, 29 Broadway, Maidenhead, Berkshire, SL6 1LY.

The golf course buildings were not revalued as the clubhouse redevelopment will result in these being demolished within the next accounting period. They are therefore still valued based on the valuations as at 1 April 2008 as issued by Paul Coombe FRICS of Yule Peterson Coombe (East), Little Woodcote, Grange Drive, Wooburn Green, Bucks.

Properties have been valued on the basis of market value for existing use. Plant and machinery that form an integral part of the property is included in the valuation of the building.

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. NB. In 2011/12 the lives of the golf course buildings were reduced in line with the major redevelopment to replace the current clubhouse. If the lives had not been reduced the depreciation charge for the year would be £59,000 for the freehold buildings (Sports field) and £13,000 for Freehold building (Golf Course).
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 4 years after the year of expenditure.

Security over Assets

None of the assets of the Charitable Trust have been used as security for any loan, overdraft or other credit arrangement.

Capital Commitments

The Charitable Trust has now started on the major redevelopment of its clubhouse facilities and these are due to open in early 2014. The total cost of the redevelopment is approximately £1.98m.

Investment in Fixed Endowment Assets

During 2012/13 the Trust incurred expenditure of £16,000 on the Land and Buildings that are held as a Permanent Endowment (PE). This represents a net investment in these assets and a there is therefore a corresponding transfer of resources from the unrestricted fund to the endowment fund in the Statement of Financial Activities (SOFA).

Historical Cost

The following table shows the carrying amount that would have been included in the financial statements had the tangible fixed assets been carried at historical cost less depreciation.

	Cost	Depreciation	Historical Net Book Value
	£'000	£'000	£'000
Freehold Land Sports Fields	226	-	226
Freehold Buildings Sports Fields	325	98	227
Freehold Land Golf Course	825	-	825
Freehold Buildings Golf Course	968	777	191
	2,344	875	1,469

Note: The historical cost figures originate from 1st April 2006 which is when the Trust Accounts were first formally produced.

Leases

The charitable Trust leases a number of the buildings and sports pitches at the Farnham Park Sports Fields to clubs. Most of these leases are for under 5 years.

However in March 2012 a 21 year lease (with a 10 year break clause) was granted by the Charity to Baseballsoftball UK Limited to enable them to convert a parcel of unused land into a full sized baseball pitch and two softball pitches.

It is not practicable to determine the net book value of the various assets that are leased out.

The future minimum lease payments due under the lease are:

	At 31 March 2013 £'000
Not later than one year	33
Later than one year not later than five years	80
Later than five years	41
	154

The income credited to the Comprehensive Income and Expenditure Statement during to the year in relation to these leases was:

	At 31 March 2013 £'000
Minimum lease payments	35
Contingent rents	-
	35

10. Investment Assets

The Charitable Trust does not hold any investment assets.

11. Debtors and Prepayments - Amounts Falling Due Within 1 Year

	At 31 March 2013 £'000	At 31 March 2012 £'000
Trade Debtors - Amounts due for rent of facilities	12	15
Other debtors	-	-
Prepayments and accrued income	-	-
	12	15

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

	At 31 March 2013 £'000	At 31 March 2012 £'000
Trade creditors	170	55
Audit fee	7	7
Prepayment of season tickets	4	9
	181	71

13. Endowment and Restricted Income 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.

14. Related Party Transactions

The Charitable Trust is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Charitable Trust, or to be controlled or influenced by the Charitable Trust. Disclosure of these transactions allows readers to assess the extent to which the Charitable Trust might have been constrained in its ability to operate independently, or might have secured the ability to limit another party's ability to bargain freely with the Charitable Trust.

The Eton Rural District Council Act 1971 transferred the Charitable Assets to Eton Rural District Council. SBDC is the successor in title to Eton Rural District Council, under provisions contained in the Local Government Act 1972. As such the charitable activities form part of the activities of SBDC.

Members of SBDC have direct control over the Charitable Trust's financial and operational policies and senior officers of the Council have control over the day-to-day management of the Charitable Trust. However any actions taken are required to comply with the Charitable Trust's objectives and procedurally must follow the Council's constitution, financial and contract procedure rules, and codes of conduct.

Assisted organisations. The Charitable Trust did not provide any material assistance to any organisations that comprised more than 50% of their funding, on terms that gave the Charitable Trust effective control over their operations.

Companies and joint ventures. The Charitable Trust does not have any interests in companies outside of its normal contractual arrangements.

14. Contingent Assets and Liabilities

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within Charitable Trust's control.

For the 2012/13 accounts there are no contingent assets to disclose.

Contingent Liabilities

A contingent liability is either:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Charitable Trust's control, or
- a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that a transfer of economic benefits will be required to settle the obligation, or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

For the 2012/13 accounts there are no contingent liabilities to disclose.

15. 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 2012/13 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 2012/13 accounts there are no significant non-adjusting events to disclose.

Mazars LLP, Chartered Accountants and Statutory Auditor
Regency House, 8 New Fields, 2 Stinsford Road, Nuffield Poole, Dorset BH17 0NF
Date
Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006