



Report to Audit and Governance Committee

Date: 18th November 2020

Reference number:

Title: Farnham Park Sports Fields Charity Annual Report and Financial Statements 2019/20

Relevant councillor(s): N/A

Author and/or contact officer: Richard Ambrose (S151) & Paul Earley

Ward(s) affected: N/A

Recommendations: Members are requested to

- (i) Review the Farnham Park Sports Fields Charity audited Annual Report and Financial Statement for the year ended 31 March 2020 attached at Appendix 1 and raise any issues which may provide assurance needed to approve the Annual Report and Financial Statement.
- (ii) Subject to above, approve the Annual Report and Financial Statement for 2019/20.
- (iii) Authorise the Service Director – Corporate Finance & S151 Officer, following consultation with the Chair, to make any final amendments to the Accounts arising from outstanding audit work prior to the approval of the accounts by the auditor.

Content of report

- 1.1 The draft Annual Report and the Financial Statements for the year ended 31 March 2020 have been prepared in accordance with the requirements of the Charities Act 2011 and has adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice and Financial Reporting Standards.
- 1.2 The Farnham Park Sports Fields Charity accounts have been audited by Wilkins Kennedy. The auditors' report included within Appendix 1 is draft and may change once the outstanding audit work is completed and finalised.

- 1.3 The net worth of Farnham Park Sports Fields Charity has decreased by £342k from £1.006m in 2019 to £0.664m in 2020. The net operating expenditure for the year was £342k compared to £152k in 2018/19. The main reason for the significant movement is a 21% decrease in usage of the golf course, due to bad weather during Autumn and Winter, together with a drop in demand due to a number of courses competing for the same shrinking market. Subsequently, there is also a drop in catering income due to lower footfall.
- 1.4 The introduction of restrictions due to COVID-19 has had a negative financial impact upon the operation of the Charity, with loss of income forecasted to be £355k to date. Measures are in place to recover some of these losses through the Governments' Support Scheme

Other options considered

- 1.5 N/A

Legal and financial implications

- 1.6 All the financial implications are included in the main body of the report and in Appendix 1.
- 1.7 Legal Implications: The report addresses the statutory obligations placed on the Council as Trustee of the Farnham Park Sports Fields Charity, pursuant to section 132 of the Charities Act 2011.

Corporate implications

- 1.8 None.

Consultation and Communication

- 1.9 None.

Next steps and review

- 1.10 The outstanding work on audit will be finalised over the coming week along with the audit report and any amendments resulting from this work will be actioned before the accounts are signed by the Chair of the Committee and S151 Officer.

Background papers

Appendix 1 : Annual Report and Financial Statement



**FARNHAM PARK SPORTS FIELDS
CHARITY NO 308164**

**Annual Report and Accounts
For the year ended 31 March 2020**

FARNHAM PARK SPORTS FIELDS

CHARITY NO 308164

Annual Report and Accounts

For the year ended 31 March 2020

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Trustee's Annual Report

Charity Details

Official charity name	Farnham Park Sports Fields	
Registered charity number	308164	
Charity's principal address	<p>The Gateway Gatehouse Road Aylesbury Bucks, HP19 8FF</p>	
Charity trustee	<p>South Bucks District Council until 31 March 2020 was the sole Corporate Trustee Buckinghamshire Council on 1 April 2020 is the sole Corporate Trustee</p>	
	<p>Following a reorganisation of local government in Buckinghamshire Trusteeship transferred to Buckinghamshire. All references to South Bucks District Council (SBDC) within the accounts should be construed as also meaning Buckinghamshire Council with effect from 1 April 2020.</p>	
Principal Officers	Chief Executive	Bob Smith (until September 2019) Steve Bambrick (from September 2019 to March 2020) Chief Executive of South Bucks District Council Sophie Payne (from April 2020) Service Director Communities of Buckinghamshire Council
	Treasurer	Jim Burness (until March 2020) Director of Resources of South Bucks District Council Richard Ambrose (from April 2020) Service Director Corporate Finance of Buckinghamshire Council
Principal advisors	External audit	Azets 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 support 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. From April 2020, Buckinghamshire Council became the sole Corporate Trustee. There are no other charity trustees

Trustee's Annual Report

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 SBDC Cabinet annually approves the Trust budget. 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;
- The key management personnel are members and officers of SBDC, and receive no remuneration from the Charitable Trust.

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 around open access. Furthermore, expenditure on leisure activities is very dependent on external economic conditions and as it is providing outside leisure facilities it is affected by the weather. Thus the Charitable Trust needs to be able to cope with and appropriately respond to changes in demand due to these external factors.

The nature of the Charitable Trust's facilities also means that there will periodically need to be 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 and access to finance, to ensure that it is able to continue to operate within the Charitable Trust's available resources over the long term. In this respect it is very dependant on the Council as Corporate Trustee.

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 or hire these facilities, and
- operates the South Buckinghamshire Golf Course on a public pay and play basis.

Trustee's Annual Report

Objectives for Year

The key objectives for 2019/20 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, including having proper regard to the safety of users of the facilities.
 - 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 and baseball pitches, and a children's playground. During 2019/20 the following organisations were the main users of these facilities:

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

In addition to these organisations there were a number of organisations hiring pitches on a casual basis.

The number of rounds played at the South Buckinghamshire in 2019/20 was 25,912 against a figure of 32,732 the previous year. Usage was significantly affected by the weather in the Autumn and Winter period. 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 over the last decade. 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 continued reduction in income from bar food and drink. Furthermore, bookings for the hire of the facilities remain static as the economic climate remains uncertain, depressing spending by local companies. The capacity of the golf club limits the scale of hires it can offer (i.e. it is too small to be a wedding venue).

Trustee's Annual Report

Financial Review

Review of Year

During 2019/20 the Charitable Trust generated income totalling £834,000 and spent £1,176,000 giving a net deficit for the year of £342,000. The table below compares the budget for the year with the actual expenditure.

	Budget Figures £'000	Actual £'000	Variance (Act-Budget) £'000
Farnham Park Sports Fields			
Income	68	52	-16
Expenditure	-190	-226	-36
Depreciation	-10	-10	-
	-132	-184	-52
South Buckinghamshire Golf Course			
Income	646	568	-78
Expenditure	-582	-575	7
Depreciation	-64	-64	-
	-	-71	-71
South Buckinghamshire Catering			
Income	288	214	-74
Expenditure	-310	-301	9
	-22	-87	-65
	-154	-342	-188

As can be seen from the table above, the Golf Course did not achieve the level of income anticipated due to weather conditions, but expenditure was also lower than budgeted. The Catering operation incurred a significant loss, continuing the trend of recent years. The Sports Fields, in common with the majority of playing field facilities, continues to operate at a loss.

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.

The following table provides a summary of the Charitable Trust's key assets and liabilities:

	At 31 March 2020 £'000	At 31 March 2019 £'000
Fixed Assets	4,049	4,124
Current Assets	136	266
Clubhouse Loan from South Bucks District Council	-1,481	-1,574
Other Liabilities	-2,040	-1,810
	664	1,006

Trustee's Annual Report

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 £1,001,000. This means that 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. 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.

Trustee's Annual Report

Statement of Trustee's Responsibilities

The trustee is responsible for preparing a Trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, The Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008 requires the trustee 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 that year. In preparing those financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- 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 in business.

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. The Trustee is 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.

Plans for Future Periods

From 1st April 2020 the Corporate Trustee changes to become the Buckinghamshire Council following the reorganisation of local government in Buckinghamshire. The new Council will need to review its relationship with the Trust and how it will support the Trust's aims, and how they fit with the new Council's aims and objectives. However, in the immediate future, there are no plans to make any changes in the support levels currently provided.

The Trust and the Council will need to review the plans developed to date to improve the utilisation of the playing fields and make them more financially sustainable. In addition, it will need to look at how to make the golf operation more resilient to the effects of weather, the general economy and competition from other courses.

In the coming year the Trust will have to deal with the effects of the Covid-19 which will materially affect its income. At this time, it is forecast that the Trust will suffer a loss of income in excess of £355k. The Council intends to utilise the Governments Support Scheme to attempt to recover some of these losses.

Declaration

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

It is therefore declared that the Buckinghamshire Council's Audit & Governance Committee, on behalf of the Charity, approved this Annual Report and the accompanying Accounts for the financial year ending 31st March 2020 at their meeting on 18 November 2020.

Signature:

Position: Chair of Audit & Governance Committee

Date:

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.

Statement of Financial Activities (SoFA)		2019/20	2019/20	2019/20	2019/20	2018/19	2018/19	2018/19	2018/19
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
Notes		Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Income from charitable activities								
	- Farnham Park Sports Fields	52	-	-	52	50	-	-	50
	- South Buckinghamshire Golf Course	514	-	-	514	570	-	-	570
	- South Buckinghamshire Catering	214	-	-	214	243	-	-	243
*a	Income from non-charitable activities	54	-	-	54	58	-	-	58
	Total income and endowments	834	-	-	834	921	-	-	921
	Expenditure - Charitable activities								
1-7	- Farnham Park Sports Fields	-226	-	-	-226	-158	-	-	-158
	- South Buckinghamshire Golf Course	-575	-	-	-575	-523	-	-	-523
	- South Buckinghamshire Golf Course Catering	-301	-	-	-301	-316	-	-	-316
	- Depreciation – Tangible Assets	-64	-	-10	-74	-35	-31	-10	-76
	Total expenditure on Charitable activities	-1,166	-	-10	-1,176	-1,032	-31	-10	-1,073
	Net movement in funds	-332	-	-10	-342	-111	-31	-10	-152
	before other recognised gains / (losses)								
	Total funds brought forward	-669	247	1,428	1,006	-558	278	1,438	1,158
	Total funds carried forward	-1,001	247	1,418	664	-669	247	1,428	1,006

*a – This is income from work carries out at South Buck Country Park owned by SBDC.

Balance Sheet

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

Signed on behalf of the charity trustee

Signature:

Position: Chair of Audit & Governance Committee

Date:

Statement of Cash Flow

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

	2019/20 £'000	2018/19 £'000
Cash flows from operating activities		
Loss for the financial year	-342	-152
Adjustments for:		
Depreciation of tangible assets	74	76
Amortisation of intangible assets	1	-
Interest Paid	27	36
(Increase)/decrease in stocks	8	8
(Increase)/decrease in debtors	-33	1
Increase/(decrease) in creditors	-109	73
Net cash provided by (used in) operating activities	-374	42
Cash flows from financing activities:		
Repayments of loan from SBDC	-93	-88
Interest Paid	-27	-36
Net Cash provided by (used in) financing activities	-120	-124
Change in cash and cash equivalents in the year	-494	-82
Cash and cash equivalents at the beginning of the year	-1,432	-1,350
Cash and cash equivalents at the end of the year	-1,926	-1,432
Split by:		
Cash at Bank	58	213
Amount due to SBDC	-1,984	-1,645
	-1,926	-1,432

Notes to the Accounts

1. General Information

Farnham Park Sports Fields is a Charitable Trust governed by the Eton Rural District Council (ERDC) Act 1971 and is registered charity number 308164. The principal address is The Gateway, Gatehouse Road, Aylesbury, Bucks, HP19 8FF.

2. Statement of Accounting Policies

Basis of Accounting

These Accounts have been prepared in accordance with:

- Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2019.
- Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102), and
- The Charities Act 2011.

Farnham Park Sports Fields meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Income

Recognition of income	These are included in the Statement of Financial Activities (SoFA) when: - the Charitable Trust becomes entitled to the income; - the Trustee is virtually certain they will receive the income; and - the monetary value can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure (as with fundraising or contract income) the income 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.
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.
	Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the Charitable Trust.
	Gifts in kind for use by the Charitable Trust are included in the SoFA as incoming resources when receivable.
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.

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

Assets - continued

Tangible 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.

The Trust does not adopt an accounting policy of revaluing any classes of assets.

Stocks These are valued at the lower of cost or market value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Debtors Debtors are recognised at the settlement amount due.

Cash at bank Cash at bank represents short term highly liquid investments with a short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account

Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that had the most significant effect on amounts recognised in the financial statements.

Useful economic lives of fixed assets The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are considered annually.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

VAT

The Charitable Trust is registered for VAT. It is however 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 not generally recoverable from Her Majesty's Revenue and Customs, and is included as an expense when appropriate.

Going Concern

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

Presentational Currency

These accounts have been presented in sterling (£) which is also the functional currency of the Charitable Trust. Monetary amounts in the financial statements are rounded to the nearest £'000.

Notes to the Accounts

3. Charitable Expenditure

	Sports Field £'000	Golf Course £'000	Catering £'000	Golf Management £'000	Grounds Maintenance £'000	2019/20 Total £'000	2018/19 Total £'000
Employees	4	-	153	170	248	575	548
Premises	54	77	-	-	5	136	79
Transport	2	-	-	3	25	30	37
Supplies & Services	14	52	113	44	84	307	252
Depreciation	10	42	-	-	22	74	76
Interest	-	27	-	-	-	27	36
Support Costs:							
Human Resources	2	4	-	-	-	6	6
Finance	3	6	-	-	-	9	6
ICT	1	1	-	-	-	2	6
Property & Facilities	-	1	-	-	-	1	14
Governance	3	6	-	-	-	9	13
	93	216	266	217	384	1,176	1,073

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 comprise 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.

	2019/20 £'000	2018/19 £'000
Auditors' fees for reporting on the accounts	6	7
	6	7

Notes to the Accounts

6. Paid Employees

There was an average of 20 (2018/19 22) staff who worked at the Farnham Park Sports Fields and the South Buckinghamshire Golf Course during 2019/20. This includes full-time, part-time and casual staff.

	2019/20 £'000	2018/19 £'000
Basic pay	448	428
National insurance	41	39
Pension costs	60	55
Overtime	21	20
Other employee costs	5	6
	575	548

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.

7. 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 Career Average Revalued Earnings (CARE).

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 £60,000. There were no outstanding contributions payable to the fund as at 31 March 2020.

Contributions of £63,000 are estimated to be payable in the year ending 31 March 2021.

Notes to the Accounts

8. Intangible Fixed Assets - Software

	2019/20 £'000	2018/19 £'000
Valuation		
Balance brought forward	15	15
Balance carried forward	15	15
Accumulated Depreciation and Impairment Provisions		
Balance brought forward	14	14
Depreciation charge for year	1	-
Balance carried forward	15	14
Net Book Value		
Brought forward	1	1
Carried forward	-	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 PE	Freehold Land Golf Course £'000 PE	Freehold Buildings Golf Course £'000 PE	Vehicles Equip't and IT Systems £'000	Total £'000
Valuation							
Balance b/f	327	293	420	858	2,397	336	4,631
Balance c/f	327	293	420	858	2,397	336	4,631
Accumulated Depreciation and Impairment Provisions							
Balance b/f	-	51	35	-	159	263	508
Depreciation charge	-	10	7	-	40	17	74
Balance c/f	-	61	42	-	199	280	582
Net Book Value							
Brought forward	327	242	385	858	2,238	73	4,123
Carried forward	327	232	378	858	2,198	56	4,049

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

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

There are no monies due in relation to capital contracts as at 31 March 2020.

Investment in Fixed Endowment Assets

During 2019/20 the Trust incurred no expenditure on the Land and Buildings that are held as a Permanent Endowment (PE).

Leases

The Trust leases one building along with several pitches to BSUK (Baseball Softball UK) on a 25 year lease which started in June 2016. A further two buildings are leased on a rolling annual basis. The other buildings are currently vacant or not usable due to their age and condition. The drop in minimum lease payments reflects the decrease in the remaining time on the long term lease.

The future minimum lease payments due under the leases are:

	At 31 March 2020 £'000	At 31 March 2019 £'000
Not later than one year	26	28
Later than one year not later than five years	79	79
Later than five years	24	43
	129	150

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

	2019/20 £'000	2018/19 £'000
Minimum lease payments	31	31
	31	31

10. Stock

All stock held by the Charitable Trust are classified as finished goods. Stock recognised as an expense during the year was £104,000 (2018/19 £112,000).

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

	At 31 March 2020 £'000	At 31 March 2019 £'000
Amounts due for rent of facilities	21	31
Other amounts due	-	5
Prepayments	53	14
Bad Debts Provision	-8	-17
	66	33

Notes to the Accounts

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

	At 31 March 2020 £'000	At 31 March 2019 £'000
Creditors	50	80
Audit fee	6	7
Deferred season tickets	-	78
	56	165

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 2020 £'000	At 31 March 2019 £'000
Not later than one year	95	90
Later than one year not later than five years	395	379
Later than five years	991	1,105
Total Liability	1,481	1,574
Interest repayment on the loan was	27	36

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 leasing of course/grounds maintenance equipment. There are two separate agreements for the leasing of grounds maintenance equipment. One is for equipment in use during 2019/20 and the other for equipment that will be used 2020/21 onwards.

	At 31 March 2020 £'000	At 31 March 2019 £'000
Not later than one year	78	40
Later than one year not later than five years	253	142
	331	182

Lease payments recognised as an expense during the year was £40,000 (2018/19 £8,000). Additional Grounds Maintenance equipment has been leased rather than purchased outright.

Notes to the Accounts

16. 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.

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.

Transaction terms and conditions

The loan payable to SBDC is repayable by 31/03/2024. Interest is charged at a variable rate based on the Public Works Loan Board rates.

Transactions with South Bucks District Council as sole Corporate Trustee

	2019/20 £'000	2018/19 £'000
As at 31 March included in creditors:-		
Funding payable to SBDC	1,984	1,645
Loans payable to SBDC	1,481	1,574
For the year ended 31 March included within the Statement of Financial Activities:-		
Interest payable on loans to SBDC	27	36

17. Analysis of changes in net debt

	Balance at beginning of year £'000	Cash Flow £'000	Other changes £'000	Balance at end of year £'000
Cash at Bank	213	-155	-	58
Amounts due to related party (SBDC)	-1,645	-339	-	-1,984
Total cash and cash equivalents	-1,432	-494	-	-1,926
Loan from South Bucks due within one year	-90	-5	-	-95
Loan from South Bucks due more than one year	-1484	98	-	-1,386
Total net debts	-3,006	-401	-	-3,407

Notes to the Accounts

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 2019/20 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).

Local Government Reorganisation. On 1st April 2020 all the functions and services along with its assets and liabilities and responsibilities of South Bucks District Council transferred to the newly created Buckinghamshire Council, under Local Government re-organisation. Therefore the Buckinghamshire Council will become the Corporate Trustee.

COVID 19 : As the UK was put into lockdown on 23rd March 2020, just days before the financial year end, the impact on 2019/20 accounts has been marginal in respect of loss of income and additional costs. These losses and costs are already reflected in the 2019/20 accounts.

The majority of the impact will be in financial year 2020/21 and will primarily affect the Trust's income as a result of closure of facilities for a number of months. The Corporate Trustee will need to consider how to respond to this situation and what actions are necessary for the Trust to continue to operate as a going concern.

Independent Auditor's report to the Trustee of Farnham Park Sports Fields