



## Report to Audit & Governance Committee

<b>Date:</b>	27 <sup>th</sup> September 2023
<b>Reference number:</b>	N/A
<b>Title:</b>	Farnham Park Sports Fields Charity Annual Report and Financial Statements 2022/23
<b>Relevant councillor(s):</b>	Cllr Clive Harriss
<b>Authors:</b>	Mark Preston (Deputy S151)
<b>Contact Officers:</b>	Fiorella Mugari, Mark Young
<b>Ward(s) affected:</b>	Stoke Poges/ Farnham Royal

### **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 2023 attached at Appendix 1 and raise any issues which may provide assurance needed to approve the Annual Report and Financial Statement.
- (ii) Consider and note the audit progress and findings report from Azets (Appendix 2).
- (iii) Approve the Letter of Representation (Appendix 3) in the capacity of those charged with Governance.
- (iv) Subject to above, approve the Annual Report and Financial Statement for 2022/23.

### **Content of report**

**1.1 The draft Annual Report and the Financial Statements for the year ended 31 March 2023 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 Azets Audit Services.

1.3 The Council as sole trustee has introduced enhanced governance arrangements which include oversight on Trust activities by the Leisure Board and reports to the Corporate Management Team board meetings covering financial management of the Trust.

1.4 The net worth of Farnham Park Sports Fields Charity has decreased by £188k from £480k in 2022 to £292k in 2023. The net operating loss for the year was £188k (after allowing for depreciation of £74k) compared to a net operating surplus of £3k in 2021/22 (£124k depreciation). The main reason for the movement was an increase in operating costs due to the impacts of high inflation (particularly prevalent in the hospitality and leisure sectors), employee costs and the application of VAT on payroll. As can be seen in the Trustees' report, income was also affected by extreme weather, requiring 50 days of full or partial closure for the golf course. The increased operating costs were mitigated via additional income achieved across the wider Culture, Sport and Leisure service.

**Other Options Considered**

1.5 N/A

**Legal and financial implications**

1.6 Financial Implications: All the financial implications are included in the main body of the report and Appendices.

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 None

**Background papers**

Appendix 1: Annual Report and Financial Statement

Appendix 2: Audit Findings

## Appendix 3: Letter of Representation

