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**Farnham Town Council**

**Report and Financial Statements**

**Year ending 31<sup>st</sup> March 2024**

# Farnham Town Council

## Financial Statements for the year ended 31 March 2024

### Explanatory Foreword

Farnham Town Council's Financial Statements for the year ended 31 March 2024 are set out on the pages attached and consist of the following:

- **The Income & Expenditure Account**, showing income and expenditure on all services.
- **The Balance Sheet**, setting out the Council's financial position at the year end.
- **Notes to the Accounts**, providing information on amounts included in the statements.

This foreword provides a brief summary of the more important aspects of Farnham Town Council's activities and its financial position.

### Basis of preparing the Financial Statements

As the Council's income is less than £6,500,000, the Council's accounts follow the CIPFA Accounting Guidance for medium-sized councils. The balance sheet does not therefore need to include the value of fixed assets such as premises, equipment and infrastructure, although they are included for completeness. The cost of services excludes depreciation and the accounts also exclude adjustments that would be necessary to meet accounting standards relating to the accounting treatment for retirement benefits, as compliance is not required.

### External Auditor's Opinion

The External Auditor's Opinion is provided on an Annual Governance & Accountability Return provided to the Council's Auditors:

PKF Littlejohn LLP  
Ref: SBA  
2<sup>nd</sup> Floor  
1 Westferry Circus  
Canary Wharf  
LONDON  
E14 4HD

The figures provided in these statements are consistent with those provided in the Annual Governance & Accountability Return.

The Annual Governance & Accountability Return can be seen with the April 2024 Council Agenda and is also available online at [www.farnham.gov.uk](http://www.farnham.gov.uk) or on request from Farnham Town Council.

## Farnham Town Council Outturn for the Year ended 31<sup>st</sup> March 2024

The outturn for the year is set out in the Income & Expenditure Account on page 4 and may be summarised as follows:

	£
Cost of services	1,667,867
Income received	<u>503,171</u>
Net spending	1,174,695
Precept on Waverley Borough Council	1,315,900

Amount transferred to balances for the year\*

141,205

\*Includes Community Infrastructure Levy (CIL) contributions

### Capital expenditure

The funding for capital expenditure in the 2023/24 year was all from revenue (including grants) and balances. There was no borrowing in the year.

### Statement of responsibilities for the Statements of Accounts

The Council is required to:

- Make arrangements for the administration of its financial affairs.
- Ensure that one of its officers (referred to as the Responsible Financial Officer) is responsible for the administration of those affairs. At Farnham Town Council, that officer is the Town Clerk.
- Manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.

The Responsible Financial Officer is responsible for preparation of the Council's statements of accounts in accordance with the CIPFA Accounting Guidance so far as applicable to this Council, to present fairly the financial position of the Council at 31 March 2024 and its income and expenditure for the year then ended. In preparing the statements of accounts, the Responsible Officer has:

- Selected suitable accounting policies and applied them consistently;
- Made judgements that were reasonable and prudent; and
- Complied with the Guidance.

The Responsible Officer has also:

- Kept proper accounting records that were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Councillor .....  
Town Mayor (2023-24)  
Farnham Town Hall  
South Street  
Farnham  
Surrey GU9 7RN

## Farnham Town Council

### Income & Expenditure for the year ended 31 March 2024

Expenditure by Working Groups	Year ended 31 March 2024			2022/23
	Expense £	Income £	Net £	Net £
1 Strategy & Resources (excluding precept)	736,122	210,205	525,917	409,483
2 Environment (including Cemeteries)	584,760	150,174	434,586	527,401
3 Community	331,530	112,903	218,627	185,951
4 Farnham Support Fund	15,455	19,890	(4,435)	10,722
<b>Net cost of services</b>	1,667,867	503,171	1,174,695	1,133,557
			£	£
Precept on the Borough Council			1,315,900	1,231,570
<b>Total Surplus/(Deficit) for the year</b>			141,205	98,013
Transfers to Earmarked reserves (grants received not yet spent, commitments and other provisions agreed by Council)			(106,157)	(98,473)
<b>General Fund Surplus/(Deficit) for the year</b>			34,254	(459)
(transfers to earmarked reserves from previous surpluses were made (Legal reserve (+£20k, elections +£4k, release of £2k enterprise 19, and minor roundings £38) the total			21,962	
<b>Movement on General Fund (Net surplus)</b>			£12,292	
<b>Movement on General Fund balance and Earmarked reserves:</b>				
Balance brought forward			2,014,359	1,916,346
Surplus/Deficit for the year (prior to transfer of CIL, Section 106 funding, Support Fund and agreed earmarked reserves)			141,205	98,013
Balance carried forward			2,155,564	2,014,359

## Farnham Town Council Balance Sheet at 31 March 2024

	Notes	31 March 2024		31 March 2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	1, 3		-		-
<b>Current assets</b>					
Money Market deposits and other savings		2,114,439		2,047,620	
Debtors (including VAT recoverable)	4	67,703		89,293	
Bank/Petty cash		96,558		70,560	
Mayor's charity funds held by council* (Actual sum ££520 after monies paid by FTC to charities are transferred).		3,471		2,418	
<b>Total current assets</b>			<b>2,282,171</b>		<b>2,209,891</b>
<b>Current liabilities</b>					
Creditors and accrued expenses including commercial card and Mayor's charity funds	5		126,607		195,532
<b>Total assets less current liabilities</b>			<b>2,155,564</b>		<b>2,014,359</b>
<b>Capital and reserves</b>					
Earmarked Reserves	6		1,649,799		1,520,886
General Reserves			505,765		493,473
<b>Total reserves</b>			<b>2,155,564</b>		<b>2,014,359</b>

The Council had an outstanding Public Works Loans Board (No 478388) repayable on an annuity basis until 29/10/22. This was repaid in full during 2019/20.

The amount outstanding is: £NIL £NIL

The Notes on pages 6 to 10 also form part of the Financial Statements.

The Council falls within the Audit Commission's 'lighter touch' audit regime and so the external audit opinion is provided on the Annual Return, which includes a summary of the Income and Expenditure Statement and Balance Sheet.

The above statement presents fairly the financial position of the Council as at 31 March 2024 and reflects its income and expenditure for the year. These Financial Statements reflect statements that were approved at a meeting of the Council held in April 2024.

.....  
**Town Mayor 2023-24**

.....  
**Responsible Financial Officer**

# Farnham Town Council

## Notes to the Financial Statements for the year ended 31 March 2024

### I. Principal accounting policies

#### Accounting convention

The Financial Statements have been prepared in accordance with the CIPFA Accounting Guidance for Local Councils, which is recognised by statute as representing proper accounting practices, as applied to the accounts of local councils.

#### Fixed assets

The Council's Financial Statements are not required to include the value of fixed assets on the balance sheet or depreciation in the Income & Expenditure Account. The acquisition, creation or enhancement of fixed assets is charged to revenue each year, and disposal proceeds are credited to a capital receipts reserve if not immediately used to fund capital expenditure.

Fixed assets are valued in the Notes to the Financial Statements on the bases recommended by CIPFA and in accordance with the statements of asset valuation principles set out in 'Governance and Accountability – A Practitioners' Guide' and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS). The closing balances are stated on the following basis:

- Land, operational properties and equipment, infrastructure and community assets are valued at the original purchase price, or the value at first recording of the asset. These values remain unchanged until disposal.
- Certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Assets considered to have no appreciable realisable value are recorded at their historic cost value or given a £1 nominal value.

At the end of the 2013-14 financial year, the assets were reviewed and restated in line with the latest guidance issued by the external auditor with assets previously listed to include proxy values, being revalued to zero (for gifts) or £1 for assets transferred from another authority.

#### Debtors and creditors

The Council's Financial Statements are maintained on an accruals basis. Amounts due to or from the Council during the year are included whether or not the cash has actually been received or paid in the year.

#### Stocks and work in progress

Stocks of office supplies and for grounds maintenance have been treated as consumed because their value was not material.

#### Reserves

The Council maintains certain operational reserves to meet general and specific future expenditure. The purpose of the Council's reserves is explained in Note 6.

#### General administration and support service costs

Central administrative support costs are reallocated direct to the services concerned, so far as they can reasonably be ascertained. The remaining administrative costs, including those relating to the democratic process, are shown as a separate service cost in the Income & Expenditure Account.

**Farnham Town Council**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
**(continued)**

**2. Pension costs**

The Council's staff members are eligible to become members of the Surrey Superannuation Fund, which is administered by Surrey County Council and are auto-enrolled into the scheme as required.

The pension costs that are charged to the Council's accounts in respect of its employees are equal to the contributions paid to the funded pension scheme for these employees. These contributions are determined by the Fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the Fund, in accordance with relevant government regulations. The latest triennial review was in 2022.

<b>3. Fixed assets (following revaluation 31<sup>st</sup> March 2014 in line with external auditor's latest guidance)</b>	<b>31<sup>st</sup> March 2024</b>	<b>31<sup>st</sup> March 2023</b>
Operational land and buildings (on historic cost basis)	£	£
Council Offices	270,568	270,568
Other Public Buildings	422,719	422,719
Wreclesham Community Centre	206,110	206,110
Depot	146,830	143,058
 Vehicles and equipment		
Vehicles	127,383	127,383
Audio and Visual Systems	42,541	35,453
Christmas Decorations	113,285	113,285
Civic Insignia	14,814	14,814
Grounds Equipment	145,891	137,113
Computers, telephones and office equipment	95,821	91,671
Other	47,142	27,017
 Infrastructure assets		
Bus shelters	70,598	70,598
Town Centre CCTV	104,845	104,845
Boards and Signs	15,277	15,277
Street furniture (Litter bins, lampposts, Seats)	21,879	21,879
 <b>Community assets</b>		
<b>Cemeteries</b>	679,634	676,121
Allotments and Gardens	83,769	83,769
<b>Long-term investments</b>		
CCLA Local Authorities Property Fund	250,000	250,000
Total value	<b>2,859,106</b>	<b>2,811,680</b>

**Farnham Town Council**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(continued)

4. Debtors and prepayments	2024	2023
	£	£
Debtors	23,146	26,556
Value added tax	43,630	62,737
Pension debtor	0	0
Prepayments	927	-
	67,703	89,293

5. Creditors and accrued expenses	2024	2023
	£	£
Creditors	48,660	51,631
Pensions/PAYE/NIC creditor	15,080	10,099
Income in advance	16,356	23,170
Accruals	38,237	102,101
HSBC Commercial Card	7,754	5,640
Mayor's charity funds held by Council	520	2,892
	126,607	195,532

**6. Earmarked Reserves and General Reserves**

Category	Balance at 31.3.24	Comments
Election/By-election Fund	£55,000	Election/By-election costs. WBC invoices after an election.
Legal Expense fund	£50,000	To cover unforeseen legal costs above revenue provision.
New Equipment	£50,000	Planned equipment upgrades including vehicles.
Wrecclesham Community Centre	£50,000	Provision for unforeseen expenditure of FTC asset.
Street Furniture	£20,000	Infrastructure to be developed.
SCC Bus Shelter Refurbishment	£8,000	Committed sum from SCC for bus shelter refurbishment
Gostrey Meadow/public space enhancements	£65,000	Includes upgrades and bandstand.
CCTV and Crime Prevention	£52,450	To fund programmed investment.
Environment	£75,000	Provision for environmental initiatives
Cemetery Chapels and Enhancements	£76,750	Major repairs required for the FTC owned Chapels.
Hale Cemetery Lychgates	£20,000	To fund the repair of the cemetery lychgates
IT investment	£25,000	To fund required investment/ upgrades.
Tourism Development	£20,000	To fund improved services.
Public Conveniences	£210,000	Upgrade to improve public conveniences including Gostrey Meadow & the Hart
Town Hall	£100,000	Unforeseen/emergency repairs provision
<b>Sub-total</b>	<b>£877,200</b>	



**Farnham Town Council**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(continued)

<b>Total Earmarked (b fwd from previous page)</b>	<b>£877,200</b>	
Christmas Lights	£55,000	To fund the purchase of future Christmas Lights
Capital Receipts	£80,000	This comprises capital receipts arising from the disposal of fixed assets less expenditure on new capital items.
World Craft Town	£25,000	To fund expenditure related to World Craft Town activities
CIL - unallocated	£156,041	Community Infrastructure Levy receipts received and not yet spent or earmarked
CIL – Gostrey Meadow	£200,000	Community Infrastructure Levy receipts received and earmarked for use at Gostrey Meadow
CIL – Town Centre Improvements	£50,000	Community Infrastructure Levy receipts received and earmarked for use for Town Centre Improvements
CIL - Farnham Museum	10,000	Pledge to improve visitor experience
Wrecclesham s106	£6,199	The unspent balance of s106 receipts for landscaping at Wrecclesham and for Wrecclesham Gateway project
West St Railings s106	£27,144	The unspent balance of a s106 receipt for work currently underway on the West Street Railings project.
UCA s106	£12,673	The unspent balance of a s106 receipt.
Youth Facilities	£25,000	To fund expenditure on facilities for young people
Farnham Support Fund	£16,809	The unspent balance of the Farnham Support Fund as at 31 <sup>st</sup> March 2024
Business Improvement	£15,000	To support emerging business support activities including the Business Improvement District
Farnham Flame	£8,500	To fund the Farnham Flame sculpture
Greenhouse	£55,233	Insurance claim receipts set aside for the development of the greenhouse facilities
Neighbourhood Plan	£30,000	To fund revisions to the Neighbourhood Plan
<b>Total Earmarked Reserves</b>	<b>£1,649,799</b>	
<b>General</b>	<b>£505,765</b>	FTC Policy is that general reserves be 50% of the total annual precept or operating expenditure. As a large Council with good earmarked reserves this figure can be lower and it represents 36% of the 2024-25 precept
<b>Total Reserves</b>	<b>£2,155,564</b>	

**Farnham Town Council**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
(continued)

**7. Contingent liabilities**

There were no contingent liabilities at 31 March 2024 (2023: none).

**8. Grants paid in the year**

During the year Community grants were paid to the following organisations:

<u>Community Grants:</u>	£
I <sup>st</sup> Rowledge Guides	500
Badshot Lea Tennis Club	1,000
Blackwater Valley Countryside Partnership	2,500
Boom Credit Union	15,000
Disability Challengers	1,000
Farnham Art & Design Education Group	500
Farnham Assist	750
Farnham Carnival	2,000
Farnham Community Farm	450
Farnham Repair Café	500
Farnham Sports Council	450
Farnham Support Fund	5,000
Farnham Youth Choir	5,200
Frensham Pond Sailability	1,000
Friends of Rowledge School	625
Hale Carnival Committee	1,000
Helen Arkell Dyslexia Centre	1,000
Hive Helpers CIC	500
Homestart	1,000
I Chose Freedom	2,000
Kind to mind	500
New Ashgate Gallery	1,000
Rotary Club of Farnham Weyside	1,200
Rowledge Tennis Club	1,000
Sight for Surrey	500
Space2grow	4,000
University for the Creative Arts	500
Weydon School	1,500
	<u>52,175</u>

In addition, grants for services provided were made to:	£
40 Degreerz	8,000
Brightwells Gostrey Centre	5,000
Citizens Advice Bureau	20,000
Farnham Maltings	10,000
Hale Community Centre	7,000
Waverley Hoppa	10,000
	<u>54,000</u>

**Farnham Town Council**  
**Notes to the Financial Statements for the year ended 31 March 2024**  
**(continued)**

<u>Town Clerk Small Grants</u>	£
Folly Hill Infants School	250
Phyllis Tuckwell Hospice	200
Post 19 allotment grant	60
RBL hire of Gostrey Meadow VE/VJ commemoration	250
Scouts – loan of gazebo	40
St Andrew's School allotment grant	60
Wrecclesham Village Fete	250
	<u>1,110</u>