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Farnham Town Council

Report and Financial Statements

Year ending 31st March 2025

Farnham Town Council

Financial Statements for the year ended 31 March 2025

Explanatory Foreword

Farnham Town Council's Financial Statements for the year ended 31 March 2025 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
2nd 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 Agenda for full Council held on 1st May 2025 and is also available online at www.farnham.gov.uk or on request from Farnham Town Council.

Farnham Town Council

Outturn for the Year ended 31st March 2025

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	1,825,681
Income received	971,590
Net spending	854,091
Precept on Waverley Borough Council	1,424,818

Amount transferred to balances for the year including CIL

570,727

Capital expenditure

The funding for capital expenditure in the 2024/25 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 2025 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 Brodie Mauluka
Town Mayor (2024-25)
Farnham Town Hall
South Street
Farnham
Surrey GU9 7RN

Farnham Town Council

Income & Expenditure for the year ended 31 March 2025

Expenditure by Working Groups	Year ended 31 March 2025			2023/24
	Expense	Income	Net	Net
	£	£	£	£
1 Strategy & Resources (excluding precept)	900,694	681,952	218,742	525,917
2 Environment (including Cemeteries)	586,128	141,985	444,143	434,586
3 Community	324,217	135,495	188,722	218,627
4 Farnham Support Fund	14,642	12,158	2,484	(4,435)
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Net cost of services	1,825,681	971,590	854,092	1,174,695
			£	£
Precept on the Borough Council			1,424,818	1,315,900
Total Surplus/(Deficit) for the year			570,727	141,205
Transfers to Earmarked reserves (grants received not yet spent, commitments and other provisions agreed by Council)			(473,896)	(128,516)
General Fund Surplus/(Deficit) for the year			96,831	12,293
 Movement on General Fund balance and Earmarked reserves:				
Balance brought forward			2,155,565	2,014,359
Surplus/Deficit for the year (including CIL and Section 106 funding, Support Fund surpluses and agreed increases to earmarked reserves)			570,727	141,205
Balance carried forward			2,726,292	2,155,565

Farnham Town Council Balance Sheet at 31 March 2025

	Notes	31 March 2025 £	31 March 2024 £
Fixed assets			
Tangible fixed assets	1, 3	-	-
Current assets			
Money Market deposits and other savings		2,690,186	2,114,439
Debtors (including VAT recoverable)	4	108,295	67,703
Bank/Petty cash		65,946	96,559
Mayor's charity funds held by council* (Actual sum £2,398 (2024: £520) after monies paid by FTC to charities are transferred).		3,419	3,471
Total current assets		2,867,846	2,282,172
Current liabilities			
Creditors and accrued expenses including commercial card and Mayor's charity funds	5	141,554	126,607
Total assets less current liabilities		2,726,292	2,155,565
Capital and reserves			
Earmarked Reserves	6	2,123,695	1,649,799
General Reserves		602,597	505,766
Total reserves		2,726,292	2,155,565

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.

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Town Mayor 2024-25

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Responsible Financial Officer

Farnham Town Council

Notes to the Financial Statements for the year ended 31 March 2025

1. 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.

Assets are 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 2025
(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.

3. Fixed assets (following revaluation 31st March 2014 in line with external auditor's latest guidance)	31st March 2025	31st March 2024
Operational land and buildings (on historic cost basis)	£	£
Council Offices	270,568	270,568
Other Public Buildings	422,719	422,719
Wrecclesham Community Centre	206,110	206,110
Depot	146,830	146,830
 Vehicles and equipment		
Vehicles	134,883	127,383
Audio and Visual Systems	42,541	42,541
Christmas Decorations	113,285	113,285
Civic Insignia	14,814	14,814
Grounds Equipment	152,720	145,891
Computers, telephones and office equipment	96,400	95,821
Other	47,142	47,142
 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)	23,795	21,879
 Community assets		
Cemeteries	679,634	679,634
Allotments and Gardens	83,769	83,769
Long-term investments		
CCLA Local Authorities Property Fund	250,000	250,000
Total value	2,875,930	2,859,106

Farnham Town Council
Notes to the Financial Statements for the year ended 31 March 2025
(continued)

4. Debtors and prepayments	2025	2024
	£	£
4 Debtors	60,942	23,146
Value added tax	42,230	43,630
Prepayments	5,123	927
	108,295	89,293

5. Creditors and accrued expenses	2025	2024
	£	£
Creditors	32,098	48,660
Pensions/PAYE/NIC creditor	11,097	15,080
Income in advance	41,983	16,356
Accruals	44,759	38,237
HSBC Commercial Card	9,219	7,754
Mayor's charity funds held by Council	2,398	520
	141,554	126,607

6. Earmarked Reserves and General Reserves

Category	Balance at 31.3.25	Comments
Election/By-election Fund	£65,000	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	£52,502	To fund programmed investment.
Environment	£75,000	Provision for environmental initiatives
Cemetery Chapels and Enhancements	£66,750	Major repairs required for the FTC owned Chapels.
Hale Cemetery Lychgates	£30,000	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
Local Government Reorganisation	£100,000	To fund costs associated with transfers or devolved services
Sub-total	£987,252	

Farnham Town Council
Notes to the Financial Statements for the year ended 31 March 2025
(continued)

Total Earmarked (b fwd from previous page)	£987,252	
Christmas Lights	£60,000	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 – Gostrey Meadow Amenity Block	£599,731	Community Infrastructure Levy receipts received and earmarked for use for new Amenity Block
CIL – Gostrey Meadow Playground	£127,639	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	£27,143	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	£14,325	The unspent balance of the Farnham Support Fund as at 31 st March 2025
Business Support	£15,000	To support emerging business support activities including the Business Improvement District
Farnham Flame	£8,500	To fund the Farnham Flame sculpture
Greenhouse	£45,233	Insurance claim receipts set aside for the development of the greenhouse facilities
Neighbourhood Plan	£30,000	To fund revisions to the Neighbourhood Plan
Total Earmarked Reserves	£2,123,695	
General	£602,597	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 42% of the 2024-25 precept
Total Reserves	£2,726,292	

Farnham Town Council
Notes to the Financial Statements for the year ended 31 March 2025
(continued)

7. Contingent liabilities

There were no contingent liabilities at 31 March 2025 (2024: none).

8. Grants paid in the year

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

<u>Community Grants:</u>	<u>£</u>
Badshot Lea Community Association	1,100
Creative Response	1,500
Disability Challengers	1,320
Farnham Art & Design Education Group	600
Farnham Assist	600
Farnham Brass Band	195
Farnham Carnival	2,000
Farnham Support Fund	2,500
Farnham Youth Choir	1,000
Hale Carnival Committee	1,000
Helen Arkell Dyslexia Centre	1,000
Hive Helpers CIC	750
Homestart	1,500
Kind to mind	500
New Ashgate Gallery	2,000
River Wey Trust	1,500
Rowledge Tennis Club	1,000
Rural Life Centre	1,030
Rural Life Centre	1,000
Space2Grow	4,000
Voices Together	800
Weydon School	1,500
Wrecclesham Village Fete	500
	<u>28,895</u>

In addition, grants for services provided were made to:	<u>£</u>
40 Degreez	5,000
Brightwells Gostrey Centre	5,000
Citizens Advice Bureau	20,000
Farnham Maltings	10,000
Hale Community Centre	5,000
Waverley Hoppa	10,000
	<u>55,000</u>

Farnham Town Council
Notes to the Financial Statements for the year ended 31 March 2025
(continued)

<u>Town Clerk Small Grants</u>	£
Phyllis Tuckwell Hospice – use of Central Carpark	100
Post 19 allotment grant	67
RBL equipment hire	240
Repair Café	250
St Andrew's School allotment grant	67
Weyside Rotary gazebo hire	75
William Cobbett School – litter pickers	187
	<u>986</u>

<u>Grants for Services provided to Younger People</u>	
40 Degreez	30,000
Childrens' Business Fair	2,500
Hale Community Centre	15,000
Jubilee Hub	15,000
Space2Grow	2,000
	<u>65,000</u>

<u>Grants for Young People Holiday Activities</u>	
40 Degreez	2,000
Bethel Baptist Church	500
Chantry's & Byworth Community Association	1,500
Farnham Maltings	3,000
Farnham Youth Choir	1,000
Hale Community Centre	5,500
Rural Life Centre	1,500
Space2Grow	2,500
St Andrew's PCC	500
University for the Creative Arts	2,000
	<u>20,000</u>