

FARNHAM CASTLE

England & Wales · Charity number 313648

Details

Other names	FARNHAM CASTLE, THE CENTRE FOR INTERNATIONAL BRIEFING
Status	Registered
Legal form	Charitable company
Company number	00596938
Registered	1962-09-28
Register	View on the Charity Commission register

Contact

Address	42 Waverley Lane Farnham Surrey GU9 8BJ
Phone	01252728444
Email	edward.guyver@gmail.com
Website	www.farnhamcastle.com

Activities

Objects: A) TO EDUCATE PEOPLE IN ORDER TO ENABLE THEM TO RELATE TO PEOPLE FROM OTHER CULTURES;B) THE PROTECTION AND PRESERVATION OF THE ENVIRONMENT, IN PARTICULAR THE BUILT ENVIRONMENT, FOR THE BENEFIT OF THE PUBLIC BY THE MAINTENANCE, REPAIR OR RESTORATION OF FARNHAM CASTLE WHICH IS OF HISTORIC AND ARCHITECTURAL INTEREST

Activities: Farnham Castle's primary activity is the education of the public in the conservation, protection and improvement of the physical and natural environment by the maintenance, repair or restoration of 12th century Farnham Castle, a nationally important historic site.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£32,774	£26,580	-	-
2023-09-30	£30,713	£14,628	-	-
2022-09-30	£28,453	£9,559	-	-
2021-09-30	£26,676	£6,867	-	-
2020-09-30	£27,090	£11,811	-	-

Trustees

Name	Role	Appointed
DEREK FRANK CARPENTER	Chair	2019-06-14
Damian Joseph Holland Malins		2022-09-28
Dr Kirsty Wright		2024-02-15
GILLIAN DOREEN WARD		2023-02-08
Gillian David		2025-01-23
Guy Sawbridge Mills Olden		2020-05-29
Julie Anne Bradley		2022-09-28

FARNHAM CASTLE

England & Wales - Charity number 313648

Accounts

Charity Commission Direct
PO Box 1227
Liverpool
L69 3UG

26 June 2025

Dear Sirs

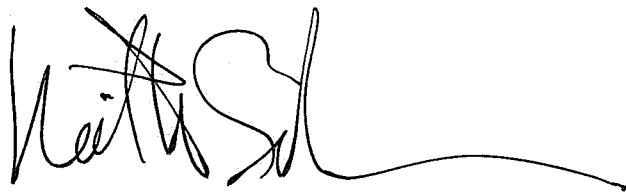
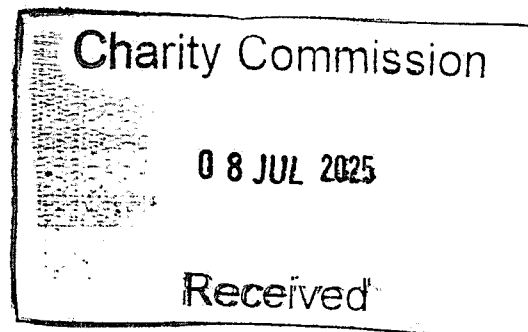
Re: Farnham Castle
Charity Commission Reference No: 313648

Please find enclosed the Financial Statements for the year-ended 30 September 2024 in respect of our above named client.

Please could you sign the enclosed acknowledgement and return it to us in the envelope provided.

Many thanks

Yours faithfully

A handwritten signature in black ink, appearing to read 'Keith Graham', followed by a long horizontal flourish.

Keith Graham Chartered Accountants

FARNHAM CASTLE

UNAUDITED REPORT & FINANCIAL STATEMENTS

**For the year ended
30 September 2024**

Company No. 00596938

Charity No. 313648

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REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number:	00596938
Charity registration number:	313648
Registered office:	42 Waverley Lane Farnham Surrey GU9 8BJ
Patron:	The Right Reverend Dr Christopher Herbert
Trustees:	Derek Carpenter - Chair Julie Bradley Damian Malins Guy Olden Gillian Ward Dr Kirsty Wright
Secretary:	Edward Guyver
Bankers:	NatWest Bank PLC 31-37 Victoria Road Farnborough Hampshire GU14 7NR
Solicitors:	Russell-Cooke LLP 2 Putney Hill Putney London SW15 6AB
Independent Examiner:	Simon Pusey BA FCA Keith Graham Chartered Accountants Suite 2, Wesley Chambers Queens Road Aldershot Hampshire GU11 3JD

The trustees of Farnham Castle (the Charity) present their annual report and financial statements for the year ended 30 September 2024. These comply with the governing documents of the Charity, the relevant Statement of Recommended Practice (the Charities SORP 2015), Financial Reporting Standard 102 and the Charities Act 2011.

The Charity is registered with the Charity Commission in England and Wales as Charity No. 313648 and at Companies House as Company No. 00596938.

1. OBJECTS OF THE CHARITY

The objects of the Charity are:

To preserve and maintain the buildings and fabric of Farnham Castle and its environment by ensuring all required groundworks, repairs or restoration are effectively conducted, safeguarding the scheduled ancient monument, listed buildings, and entire site for future generations. In addition, the charity works to safeguard public access, and to increase awareness, interest, and historical knowledge of a site of major historic and architectural interest.

2. CHARITABLE ACTIVITIES AND PUBLIC BENEFIT

The Charity leases the Bishops' Palace from the Church Commissioners and is also responsible for the management of the Keep (previously the responsibility of English Heritage).

In August 2013, the trustees entered an underlease with Farnham Castle Operations Ltd ("FCO") under which the revenue from weddings and business events provides the funding for castle maintenance and repair.

Entry to the Keep and nearby Exhibition Room is free of charge for all visitors. On Wednesday afternoons, guided tours of the Bishop's Palace are generally available, and are conducted by a small team of volunteer guides.

The Charity's principal activities in pursuit of its charitable objects were as follows:

- Making the Keep and Bishop's Palace available to the general public at zero or low cost for the purpose of viewing the buildings and their setting and gaining an understanding of Farnham Castle's historical importance
- Working with FCO and the Church Commissioners to ensure that developments at the castle are undertaken in sympathy with the historic nature of the site
- Ensuring that FCO meet their obligations under the underlease to maintain the fabric of Farnham Castle.

In preparing their statements on public benefit, contained within this trustees' annual report, the trustees have, in accordance with s.4 of the Charities Act 2011, considered the Charity Commission's general guidance on public benefit, as well as the specific guidance on public benefit and fee charging.

3. OPERATIONAL AND FINANCIAL REVIEW

As stated above, the main source of income for the Charity, the £25,000 p.a. rent received from FCO, has been secured through to the end of September 2024.

Additional income has been generated by the sale of postcards, the book "Farnham Castle - Stories behind the stones," and Guidebook. In agreement with FCO, the trustees took responsibility for both the Keep guides and those that take visitors for conducted tours of the Bishop's Palace on Wednesday afternoons. This has provided the Charity with a small but not inconsequential revenue stream. The Charity's policy regarding tour fees remains unchanged. Tours are free to those under the age of 18, school groups and groups helping under-privileged adults or those with disabilities. All others pay a limited £5 entrance fee per adult. Entrance to the Keep is free, but some visitors make small voluntary donations, which come to the Charity.

In August 2024, the Charity became members of the Historic Houses Association (HHA). Whilst HHA members can be included in Bishop's Palace tours without charge, the charity can reclaim 50% of the normal tour cost fee in March each year. Records and membership numbers of HHA visitors are kept and the first of these additional fees will be reclaimed in March 2025.

In September, the entire Castle site is usually opened to the public as part of the town's Heritage Open Day festival, this usually attracts 700-800 local visitors. Unfortunately, FCO did not allow the site to be used for this purpose in 2024, but early discussions are planned to ensure a return to the castle's inclusion in September 2025. Some additional events have been held, primarily to attract more young visitors. As well as hosting visits by schools, supported by volunteer guides and 'storytellers,' the Charity has also sponsored some new events at the Keep and in the Exhibition area at Halloween. Once again, discussions with FCO aim to increase the Charity's ability to do this in 2025.

Palace tours have been increasingly widely promoted in 2024 to meet our commitment to increased public access and knowledge, as well as to boost Charity revenues. Nearly 250 Palace tours were undertaken in the year up to September 2024.

Regarding maintenance and repairs to the Castle's buildings in 2024, the Charity met all its obligations, objectives, and stated responsibilities. In 2018, a detailed survey of all the Palace buildings was undertaken and priorities for maintenance and repair agreed with the tenant. During 2023/24 all the priority areas were addressed, leaving only the very lowest priority maintenance items to be scheduled. This has now been done in order to ensure annual, biennial or 5-yearly inspections to maintain the high standards that have now been achieved.

4. OBJECTIVES AND ACHIEVEMENTS

2024/2025 Objectives

The trustees set the following objectives:

- continue to agree a suitable maintenance plan with FCO and to track progress.
- continue with a range of projects, newspaper articles, publications, and education outreach to improve public knowledge.

2023/2024 Achievements

The Charity achieved the following:

- Monitored the agreed FCO maintenance and repair plan for 2023/24.
- In July the Charity developed a totally new website (www.farnham-castle.com) as it is a primary source of historical information and a valuable and increasingly accessed communication channel with the public. The new site has been designed to be better formatted when accessed on a mobile phone, which became the main device used in 2022/23. Improvements are still required to boost SEO but site traffic on the new site is gradually improving over 2023 levels.
- Visits from local schools continued during the Spring/Summer terms, but closure of the Keep for safety concerns in early September has meant that two school visits have had to be postponed.
- A series of ghost stories featuring the castle and linked to self-guided, audio town tours.
- New seating has been installed in the Exhibition Room to improve the visitor experience.
- An updated 5-year plan has been agreed and is now in place.
- A 'Volunteers' handbook' has been compiled, agreed by the Board, and circulated to all volunteers.
- An additional Board member has been appointed with specific responsibility to act as historical lead and to improve the Charity's social media presence.

The trustees have set the following objectives for 2024/2025:

- Work with FCO and English Heritage to make safe the castle Keep and reopen it to the public in early 2025.
- Continue to embed a robust maintenance plan with FCO and track progress.
- Continue to offer and promote tours and visits, as well as maintaining an adequate and well-trained team of volunteer guides for both the Keep and Bishop's Palace. We aim to conduct at least 300 Palace tours in 2024/25.
- Establish a new and extended programme of family and story-telling events at the Keep. This programme has received English Heritage agreement.
- Continue with a range of projects, newspaper articles, local school support and involvement, and outreach to improve public knowledge and education.
- Re-issue A5 visitor flyers and restock local hotels and public buildings pre Spring/Summer 2025 visitor season
- After a decade of absence, return the Christmas Carol Concert to the castle in December 2024 for volunteers in Farnham who work for a range of charities serving the community.
- Monitor progress against the five-year management plan agreed in June 2024

Governing Document

Farnham Castle is a company limited by guarantee without a share capital and is governed by its memorandum and articles of association. The company was incorporated on 10 January 1958 and the current memorandum and articles of association were adopted by special resolution on 22 September 2015. The members of the company are the trustees.

Volunteers

The trustees are grateful to all the volunteer guides who lead Wednesday afternoon tours of the Bishops' Palace and support visitors to the Keep at weekends.

The recruitment, training and management of volunteers will be maintained.

Trustees

For the purposes of company law, the trustees listed in the reference and administrative details on page 1 are the directors of the company. Trustees retire automatically upon completion of their term of office but may be eligible for reappointment.

No director has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of winding up. At 30 September 2024 there were six trustees with one possible vacancy:

Derek Carpenter - Chair
Julie Bradbury
Damian Malins
Guy Olden
Gillian Ward
Dr. Kirsty Wright (appointed 15 February 2024)

New trustees are identified following a review of the skills and experience needed to oversee and develop the Charity. In addition to considering the relevant skills that each potential trustee may bring to the Charity, the recruitment process also considers potential conflicts of interest. Following appointment, new trustees receive an induction programme and are given details of their responsibilities under the guidance of Charity law, using materials supplied by the Charity Commission.

trustees serve for a three-year period after which they may be re-elected for a second term, normally for no more than three years. After a second term a trustee may be asked to continue on an annual basis. The trustees meet three or four times a year and sub-committees are established to meet as often as necessary to examine specific issues and to make recommendations to the main body of trustees.

The Charity's governing documents and policies are reviewed regularly to ensure that they keep pace with developments in best practice.

Patron of the Charity

At their meeting in May 2024 the trustees were delighted to appoint The Right Reverend Dr Christopher Herbert as Patron of the Charity.

Dr. Herbert currently lives in Farnham and was a vicar at St. Thomas on the Bourne church in the town before being appointed Bishop of St. Albans. Since his retirement from the bishopric in 2009, he has been appointed honorary assistant bishop to the dioceses of Guildford, Salisbury and Winchester. He is Visiting Professor of Christian Ethics at the University of Surrey, as well as being an integral member of the Farnham community. He lectures for the Arts Society, the U3A and for numerous other organisations. He has also recently written biographies of Bishop Charles Sumner, Bishop of Winchester (1827-1869) and, more recently, "Jane Austen's favourite brother Henry". Henry Austen was the Perpetual Curate of St. Andrew's church in the centre of Farnham.

Trustees' & directors' responsibilities in the preparation of financial statements

The trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 on that basis.

The trustees and directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The major risks to which the Charity is exposed, as identified by the trustees, are discussed at trustee meetings and are reviewed on a regular basis. The trustees have revised the risk register and the risk management processes as part of their

Reserves

The trustees' policy regarding reserves is to make suitable investment in the ongoing development of the Charity, whilst maintaining adequate funds to deal with current and medium-term needs and having the necessary provision to deal with unforeseen circumstances. The trustees believe that free reserves of around £100,000 are commensurate with the likely financial commitments of the Charity under the arrangements with Farnham Castle Operations Ltd.

At 30 September 2024, the Charity's free reserves, excluding fixed assets (other than investments) and restricted funds, were £180,272 (2023: £174,078). The trustees consider that this amount is adequate to meet the financial obligations of the Charity over the medium term.

Investment powers and policy

The trustees have the investment powers set out in the memorandum and articles of association to invest in any investments, securities or properties, monies that the company does not immediately need.

Trustees' indemnity insurance

The company has made qualifying third-party indemnity provisions for the benefit of its directors and volunteers during the year. These provisions remain in force at the reporting date.

Independent examiner

The scale of the Charity's activities and net assets is at a level that does not necessitate an independent audit of the financial statements. However, by virtue of the Charity's income, an independent examination of the financial statements is required. Keith Graham Chartered Accountants have expressed their willingness to conduct an independent examination of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board
Derek Carpenter
Chair



Date: 26 June 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FARNHAM CASTLE

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2024, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act").

Having satisfied myself that the accounts of the company are not required to be audited under part 19 of the 2006 Companies Act and are eligible for independent examination, I report in respect of my examination of the trust's accounts carried out under section 145 of the Charities Act. In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)b of the Charities Act.

Independent examiner's statement

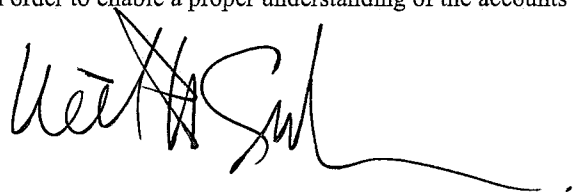
I have completed my examination. I confirm that no material matters have come to my attention in connection with the inspection giving me cause to believe that, in any material respect:

- the accounting records were not kept in respect of the company as required by section 386 of the Charities Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the Charities Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Pusey BA FCA

Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD



Date:  6 June 2025

		Unrestricted Funds	
	Notes	2024	2023
		£	£
INCOME:			
Donations and legacies	1	2,735	2,877
Income from charitable activities:			
Protection & preservation of Farnham Castle	2	25,000	25,000
Investment income	3	5,039	2,836
Total income		<u>32,774</u>	<u>30,713</u>
EXPENDITURE:			
Expenditure on charitable activities			
Protection & preservation of Farnham Castle	4	<u>26,580</u>	<u>14,628</u>
Total expenditure		<u>26,580</u>	<u>14,628</u>
NET INCOMING RESOURCES			
& MOVEMENT OF FUNDS FOR THE YEAR	7	6,194	16,085
FUND BALANCES BROUGHT FORWARD		<u>174,078</u>	<u>157,993</u>
FUND BALANCES CARRIED FORWARD	12	<u><u>180,272</u></u>	<u><u>174,078</u></u>

The above results are derived from the charity's continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

	Notes	2024 £	2023 £
FIXED ASSETS			
Investments	8	<u>75,000</u>	<u>54,092</u>
CURRENT ASSETS			
Stocks	9	669	669
Debtors	10	4,789	2,165
Cash at bank and in hand		110,538	127,808
		<u>115,996</u>	<u>130,642</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	11	(10,725)	(10,656)
NET CURRENT ASSETS		<u>105,272</u>	<u>119,986</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>180,272</u>	<u>174,078</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General Fund	12	180,272	174,078
TOTAL CHARITY FUNDS	12	<u>180,272</u>	<u>174,078</u>

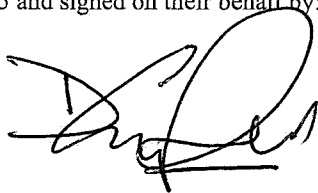
For the year ended 30 September 2024 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 8 to 16 were approved and authorised for issue by the board of trustees on 26 June 2025 and signed on their behalf by:



Derek Carpenter

Trustee

	2024	2023
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	<u>(1,401)</u>	<u>12,356</u>
Cash flows from investing activities:		
Interest income	5,039	2,836
Proceeds from the sale of investments	-	-
Purchase of investments	<u>(20,908)</u>	<u>(535)</u>
Net cash (used in)/provided by investing activities	<u>(15,869)</u>	<u>2,301</u>
 Change in cash and cash equivalents during the year	 (17,270)	 14,657
Cash and cash equivalents at the beginning of the year	<u>127,808</u>	<u>113,151</u>
Cash and cash equivalents at the end of the year	<u><u>110,538</u></u>	<u><u>127,808</u></u>
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income per the statement of financial activities	6,194	16,085
Adjustments for:		
Dividends, interest and rents from investments	(5,039)	(2,836)
Decrease/(increase) in stocks	-	27
Decrease/(increase) in debtors	(2,625)	(1,311)
(Decrease)/increase in creditors	<u>69</u>	<u>391</u>
Net cash provided by operating activities	<u><u>(1,401)</u></u>	<u><u>12,356</u></u>
	£	£
Analysis of cash and cash equivalents		
Cash in hand	110,538	127,808
Notice deposits (less than 3 months)	-	-
Overdraft facilities repayable on demand	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u><u>110,538</u></u>	<u><u>127,808</u></u>

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They have been prepared under the historical cost convention. The principal accounting policies of the charity have remained unchanged from the previous year and are set out below.

Farnham Castle 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).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

No material uncertainties that may cast significant doubt about the ability of the Charity to continue as a going concern have been identified by the trustees. Therefore, the financial statements have been prepared on a going concern basis.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the company can be found on page 1.

Incoming resources

Income for services is recognised by reference to the stage of completion of the transaction at the balance sheet date. From 25 May 2014, all income is recognised exclusive of VAT.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Lessor policy

Property lease income is recognised over the term of the lease.

Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the furtherance of the charity's objectives;
- expenditure incurred in supporting the charitable activities;
- expenditure incurred on governance costs.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

The full value of a charitable grant is recognised in the year in which the grant commitment is made, and the grantee has been informed and is shown as a long or short-term creditor as appropriate.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are credited or debited to the fund to which the related investment has been allocated.

Taxation

No provision for taxation, deferred or otherwise, has been made in the financial statements of the charity, as Farnham Castle is a charity in accordance with the Charities Act 2011 and is exempt from taxation except for value added tax, if income and gains are applied for charitable purposes under S505 of the Income and Corporation Taxes Act 1988 and S145 of the Capital Gains Tax Act 1979.

Significant judgements and estimations

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

	Total 2024 £	Total 2023 £
1 INCOME FROM DONATIONS AND LEGACIES		
Donations and legacies	1,098	1,169
Sundry income	1,637	1,708
	<u>2,735</u>	<u>2,877</u>

The income from donations and legacies of £1,098 (2023: £1,169) was all unrestricted.
Sundry income includes the fees for guided tours of the Bishop's Palace as well as the sale proceeds of the castle guide book and the illustrated history of Farnham Castle that was reprinted in 2021.

	Total 2024 £	Total 2023 £
2 INCOME FROM CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle		
Property lease income	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

The income from charitable activities of £25,000 (2023: £25,000) was all unrestricted.

	Total 2024 £	Total 2023 £
3 INVESTMENT INCOME		
Interest receivable	5,039	2,836
	<u>5,039</u>	<u>2,836</u>

The interest income of £5,039 (2023: £2,836) was all unrestricted.

	Total 2024 £	Total 2023 £
4 EXPENDITURE ON CHARITABLE ACTIVITIES		
Protection, preservation and promotion of Farnham Castle:		
Grants	6,545	3,985
Governance costs (see note 5)	7,012	6,068
Support costs (see note 6)	13,022	4,575
	26,580	14,628

The expenditure on charitable activities of £26,580 (2023: £14,628) was all unrestricted.

	Total 2024 £	Total 2023 £
5 GOVERNANCE COSTS		
Accounts examination fees	1,050	1,000
Accountancy services	3,300	2,500
Legal and other professional fees	334	813
Trustees' professional indemnity insurance	270	204
Miscellaneous expenses	2,059	1,551
	7,012	6,068

The trustees neither received nor waived any emoluments for their services to the charity.

One of the trustees was reimbursed a total of £426 in respect of outlays on behalf of the charity during the year (2023: £449).

The charity has taken out an insurance policy that includes professional indemnity insurance cover for the trustees. The total cost of the insurance covers for the year was £270 (2023: £204).

	Total 2024 £	Total 2023 £
6 SUPPORT COSTS		
Rent payable	1,511	1,511
Other support costs	11,511	3,064
	13,022	4,575

The analysis of resources expended by activity has, wherever possible, been on the basis of direct costs attributable to each activity. The balance of support costs has been allocated in the proportion of revenue generated or, in certain circumstances, on the basis of a reasoned estimate of the split between activities.

		2024 £	2023 £
7	NET MOVEMENT IN FUNDS		
	Net movement in funds is stated after charging:		
	Operating lease rentals:		
	Land and buildings	1,511	1,511
	The charity's gross income for the year was	32,774	30,713
	The charity's surplus for the year was	6,193	16,084
8	INVESTMENTS	2024 £	2023 £
	1-year bank deposit bond (2023: 1-year bank deposit bond)	75,000	54,092
	The deposit bond matures on 4 January 2025.		
9	STOCKS	2024 £	2023 £
	Book stocks for resale	669	669
	In 2022, the trustees commissioned a reprint of Roy Waight's book entitled 'Farnham Castle - Stories behind the Stones', which contains a history of the castle's development since the early part of the twelfth century.		
10	DEBTORS	2024 £	2023 £
	Amounts falling due within one year:		
	Trade debtors	-	-
	Sundry debtors & prepayments	4,789	2,165
	Total amount falling due within one year	4,789	2,165
11	CREDITORS	2024 £	2023 £
	Amounts falling due within one year:		
	Trade creditors	1,235	896
	Other taxation and social security costs	2,110	2,430
	Accruals	7,380	7,330
	Total amount falling due within one year	10,725	10,656

12 **THE FUNDS OF THE CHARITY**

	Balance at 1 October 2023 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2024 £
Unrestricted income funds:				
General Fund	174,078	32,774	(26,580)	180,272
	<u>174,078</u>	<u>32,774</u>	<u>(26,580)</u>	<u>180,272</u>
	Balance at 1 October 2022 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2023 £
Unrestricted income funds:				
General Fund	157,993	30,713	(14,628)	174,078
	<u>157,993</u>	<u>30,713</u>	<u>(14,628)</u>	<u>174,078</u>

13 **COMMITMENTS UNDER OPERATING LEASES**

The charity as a lessee:

At the balance sheet date, the charity had future commitments under non-cancellable operating leases as follows:

Land and buildings:

not later than one year	1,511	1,511
later than one year and not later than five years	6,046	6,046
later than five years	11,305	12,817
	<u>18,862</u>	<u>20,374</u>

The charity as a lessor:

At the balance sheet date, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

Amounts receivable:

not later than one year	25,000	25,000
later than one year and not later than five years	100,000	100,000
later than five years	186,750	211,750
	<u>311,750</u>	<u>336,750</u>

14 **RELATED PARTY TRANSACTIONS**

Transactions with trustees are disclosed in note 5. There have been no other related party transactions.

FARNHAM CASTLE

England & Wales - Charity number 313648

Accounts

FARNHAM CASTLE

UNAUDITED REPORT & FINANCIAL STATEMENTS

**For the year ended
30 September 2023**

Company No. 00596938

Charity No. 313648

FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2023

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FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 00596938

Charity registration number: 313648

Registered office: 42 Waverley Lane
Farnham
Surrey
GU9 8BJ

Trustees: Derek Carpenter - Chair
Deborah Barrington (resigned 20/09/2023)
Julie Bradley
Damian Malins
Guy Olden
Christopher Shepherd (resigned 08/02/2023)
Gillian Ward (appointed 08/02/2023)

Secretary: Edward Guyver

Bankers: NatWest Bank PLC
31-37 Victoria Road
Farnborough
Hampshire GU14 7NR

Solicitors: Russell-Cooke LLP
2 Putney Hill
Putney
London SW15 6AB

Independent Examiner: Simon Pusey BA FCA
Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire GU11 3JD

FARNHAM CASTLE

REPORT OF THE TRUSTEES

The trustees of Farnham Castle (the Charity) present their annual report and financial statements for the year ended 30 September 2023. These comply with the governing documents of the Charity, the relevant Statement of Recommended Practice (the Charities SORP 2015), Financial Reporting Standard 102 and the Charities Act 2011.

The Charity is registered with the Charity Commission in England and Wales as Charity No. 313648 and at Companies House as Company No. 00596938.

1. OBJECTS OF THE CHARITY

The objects of the Charity are:

To preserve and maintain the buildings and fabric of Farnham Castle and its environment by ensuring all required groundworks, repairs or restoration are effectively conducted, safeguarding the scheduled ancient monument, listed buildings, and entire site for future generations. In addition, the charity works to guarantee public access, and to increase awareness, interest and historical knowledge of a site of major historic and architectural interest.

2. CHARITABLE ACTIVITIES AND PUBLIC BENEFIT

The Charity leases the Bishop's Palace from the Church Commissioners and is also responsible for the management of the Keep (previously the responsibility of English Heritage).

In August 2013, the trustees entered an underlease with Farnham Castle Operations Ltd ("FCO") under which the revenue from weddings and business events provides the funding for castle maintenance and repair.

Entry to the Keep and nearby Exhibition Room is free for all visitors. On Wednesday afternoons, guided tours of the Bishops' Palace are generally available, and are conducted by a small team of volunteer guides.

During the period of the Covid epidemic the Charity agreed a delayed rental payment plan to mitigate the potentially negative impact of a greatly constricted economic environment on the tenant's business cashflow. The most recent financial year has now seen a return to the previous quarterly rental payment scheme, and the agreed delayed payments have also now all been made.

The Charity's principal activities in pursuit of its charitable objects were as follows:

- Making the Keep and Bishop's Palace available to the general public at zero or low cost for the purpose of viewing the buildings and their setting and gaining an understanding of Farnham Castle's historical importance
- Working with FCO and the Church Commissioners to ensure that developments at the castle are undertaken in sympathy with the historic nature of the site
- Ensuring that FCO meet their obligations under the underlease to maintain the fabric of Farnham Castle.

In preparing their statements on public benefit, contained within this trustees' annual report, the trustees have, in accordance with s.4 of the Charities Act 2011, considered the Charity Commission's general guidance on public benefit, as well as the specific guidance on public benefit and fee charging.

3. OPERATIONAL AND FINANCIAL REVIEW

As stated above, the main source of income for the Charity, the £25,000 p.a. rent received from FCO, has been secured through to the end of September 2023.

Additional income has been generated by the sale of the book "Farnham Castle - Stories behind the stones", and Guidebook. In agreement with FCO, the trustees took responsibility for both the Keep guides and those that take visitors for conducted tours of the Bishop's Palace on Wednesday afternoons. This has provided the Charity with a small but not inconsequential revenue stream. The Charity's policy regarding tour fees remains unchanged. Tours are free to those under the age of 18, school groups and groups helping under-privileged adults or those with disabilities. All others pay a

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

limited £5 entrance fee per adult. Entrance to the Keep is free, but some visitors make small voluntary donations, which come to the Charity.

In September the entire Castle site is opened to the public as part of the town's Heritage Open Day festival. Together with many allied events on the castle grounds, often including Civil War re-enactments, this usually attracts 700-800 local visitors. Some additional events have been held, primarily to attract more young visitors. As well as hosting visits by schools, supported by volunteer guides and 'storytellers', the Charity has also sponsored new events at the Keep and in the Exhibition area at Halloween and Christmas.

Palace tours have been increasingly widely promoted in 2023 to meet our commitment to increased public access and knowledge, as well as to boost Charity revenues.

Regarding maintenance and repairs to the Castle's buildings in 2023, the Charity met all its obligations, objectives, and stated responsibilities. An agreed schedule of necessary maintenance and repair was completed. This comprised the re-leading of roof gullies and roof tile replacements, the general preservation of window frames and improvements to heating systems, including the replacement of old boilers with new, more efficient eco-friendly units. A comprehensive and continuous programme of external painting for all woodwork, windows, gutters and downpipes is underway.

4. OBJECTIVES AND ACHIEVEMENTS

2023/2024 Objectives

The trustees set the following objectives:

- continue to embed a robust maintenance plan with FCO and track progress.
- continue with a range of projects, newspaper articles, publications and school/further education outreach to improve public knowledge and education

2022/2023 Achievements

The Charity achieved the following:

- Monitored the agreed FCO maintenance and repair plan for 2023.
- In 2022, a trustee sub-committee, together with those responsible in FCO for organising repairs and maintenance, undertook a comprehensive on-site review of all areas of the Castle buildings originally placed in the structural survey's lowest category of maintenance importance. Having prioritised these low priority areas, a schedule of work has been agreed and started.
- Maintained and developed the Charity's website (www.farnham-castle.com) as a primary source of historical information and as a valuable and increasingly accessed communication channel with the public. Improvements have been made to boost search engine optimisation (SEO) which has resulted in a 163% increase in site traffic (January to September 2023 versus the same period in 2022) and nearly 4,000 site sessions by over 3,000 site visitors, 98% of whom were new to the site.
- 20 further copies of the Charity's school support package "Kids at the Castle" were issued to local primary schools and five school visits.
- Further efforts have been made to interest families with younger children to come to the Castle. As well as a continuation of special events at the Keep we have added storytelling sessions to school visits and to Heritage Open Day activities.
- Trustees commissioned a series of ghost stories featuring the castle and linked to self-guided audio tours to be added to existing town tour programmes.
- A new, wall-mounted TV monitor together with an updated five-minute video explaining the development and history of the castle have been installed in the Exhibition Room with a generally very positive public response.
- Appointed the Right Reverend Christopher Herbert as Patron for the Trust.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

2023/2024 Objectives

The trustees have set the following objectives for 2023/2024:

- Continue to embed a robust maintenance plan with FCO and track progress.
- Continue to offer and promote tours and visits, as well as maintaining an adequate and well-trained team of volunteer guides for both the Keep and Bishop's Palace.
- Establish a new and extended programme of family and story-telling events at the Keep. This programme has already received English Heritage agreement.
- Continue with a range of projects, newspaper articles, local school support and involvement, and outreach to improve public knowledge and education.
- Re-print A5 visitor flyers and restock local hotels and public buildings pre-Spring/Summer 2024 visitor season
- Organise a return to a Christmas carol concert to be held and promoted at the castle in December 2024
- Develop a five-year management plan in 2024 in order to clarify and meet all trust objectives to the end of the decade

5. GOVERNANCE & MANAGEMENT

Governing Document

Farnham Castle is a company limited by guarantee without a share capital and is governed by its memorandum and articles of association. The company was incorporated on 10 January 1958 and the current memorandum and articles of association were adopted by special resolution on 22 September 2015. The members of the company are the trustees.

Volunteers

The trustees are grateful to all the volunteer guides who lead Wednesday afternoon tours of the Bishop's Palace and support visitors to the Keep at weekends.

The recruitment, training and management of volunteers will be maintained.

Trustees

For the purposes of company law, the trustees listed in the reference and administrative details on page 1 are the directors of the company. Trustees retire automatically upon completion of their term of office but may be eligible for reappointment.

No director has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of winding up. At 30 September 2023 there were five trustees with two possible vacancies:

Derek Carpenter - Chair
Julie Bradbury
Gillian Ward
Guy Olden
Damian Malins

New trustees are identified following a review of the skills and experience needed to oversee and develop the Charity. In addition to considering the relevant skills that each potential trustee may bring to the Charity, the recruitment process also considers potential conflicts of interest. Following appointment, new trustees receive an induction programme and are given details of their responsibilities under the guidance of Charity law, using materials supplied by the Charity Commission.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

Trustees serve for a three-year period after which they may be re-elected for a second term, normally for no more than three years. After a second term a trustee may be asked to continue on an annual basis. The trustees meet three or four times a year and sub-committees are established to meet as often as necessary to examine specific issues and to make recommendations to the main body of trustees.

The Charity's governing documents and policies are reviewed regularly to ensure that they keep pace with developments in best practice.

Trustees' & directors' responsibilities in the preparation of financial statements

The trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 on that basis.

The trustees and directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The major risks to which the Charity is exposed, as identified by the trustees, are discussed at trustee meetings and are reviewed on a regular basis. The trustees have revised the risk register and the risk management processes as part of their review of governance and management arrangements. The Trust's policies and procedures have also been reviewed and revised.

Reserves

The trustees' policy with regard to reserves is to make suitable investment in the ongoing development of the Charity, whilst maintaining adequate funds to deal with current and medium-term needs and having the necessary provision to deal with unforeseen circumstances. The trustees believe that free reserves of around £75,000 are commensurate with the likely financial commitments of the Charity under the arrangements with Farnham Castle Operations Ltd.

At 30 September 2023, the Charity's free reserves, excluding fixed assets (other than investments) and restricted funds, were £174,078 (2022: £157,993). The trustees consider that this amount is adequate to meet the financial obligations of the Charity over the medium term.

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

Investment powers and policy

The trustees have the investment powers set out in the memorandum and articles of association to invest in any investments, securities or properties, monies that the company does not immediately need.

Trustees' indemnity insurance

The company has made qualifying third-party indemnity provisions for the benefit of its directors and volunteers during the year. These provisions remain in force at the reporting date.

Independent examiner

The scale of the Charity's activities and net assets is at a level that does not necessitate an independent audit of the financial statements. However, by virtue of the Charity's income, an independent examination of the financial statements is required. Keith Graham Chartered Accountants have expressed their willingness to conduct an independent examination of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board
Derek Carpenter
Chair



Date: 24 June 2024

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FARNHAM CASTLE

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2023, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act").

Having satisfied myself that the accounts of the company are not required to be audited under part 19 of the 2006 Companies Act and are eligible for independent examination, I report in respect of my examination of the trust's accounts carried out under section 145 of the Charities Act. In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)b of the Charities Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the inspection giving me cause to believe that, in any material respect:

- the accounting records were not kept in respect of the company as required by section 386 of the Charities Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the Charities Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Pusey BA FCA

Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD

Date: 25 June 2024

FARHAM CASTLE
UNAUDITED STATEMENT OF FINANCIAL ACTIVITIES
(including Income & Expenditure Account)
For the year ended 30 September 2023

	Notes	Unrestricted Funds	
		2023	2022
		£	£
INCOME:			
Donations and legacies	1	2,877	2,874
Income from charitable activities:			
Protection & preservation of Farnham Castle	2	25,000	25,000
Investment income	3	2,836	579
Total income		30,713	28,453
EXPENDITURE:			
Expenditure on charitable activities			
Protection & preservation of Farnham Castle	4	14,628	9,559
Total expenditure		14,628	9,559
NET INCOMING RESOURCES			
& MOVEMENT OF FUNDS FOR THE YEAR		16,085	18,894
FUND BALANCES BROUGHT FORWARD		157,993	139,099
FUND BALANCES CARRIED FORWARD	12	174,078	157,993

The above results are derived from the charity's continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
UNAUDITED BALANCE SHEET
As at 30 September 2023

Registered Company number: 00596938

	Notes	2023 £	2022 £
FIXED ASSETS			
Investments	8	<u>54,092</u>	<u>53,557</u>
CURRENT ASSETS			
Stocks	9	669	696
Debtors	10	2,165	854
Cash at bank and in hand		127,808	113,151
		<u>130,642</u>	<u>114,701</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	11	(10,656)	(10,265)
NET CURRENT ASSETS		<u>119,986</u>	<u>104,436</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>174,078</u>	<u>157,993</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General Fund	12	174,078	157,993
TOTAL CHARITY FUNDS	12	<u>174,078</u>	<u>157,993</u>

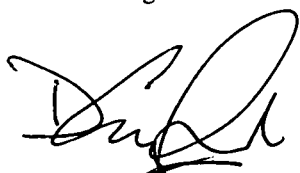
For the year ended 30 September 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 8 to 16 were approved and authorised for issue by the board of trustees on **24** June 2024 and signed on their behalf by:



Derek Carpenter

Trustee

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARHAM CASTLE
UNAUDITED STATEMENT OF CASH FLOWS
for the year ended 30 September 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net cash provided by operating activities	12,356	24,101
Cash flows from investing activities:		
Interest income	2,836	579
Proceeds from the sale of investments	-	-
Purchase of investments	(535)	(531)
Net cash (used in)/provided by investing activities	2,301	48
Change in cash and cash equivalents during the year	14,657	24,149
Cash and cash equivalents at the beginning of the year	113,151	89,002
Cash and cash equivalents at the end of the year	127,808	113,151
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income per the statement of financial activities	16,085	18,894
Adjustments for:		
Dividends, interest and rents from investments	(2,836)	(579)
Decrease/(increase) in stocks	27	(696)
Decrease/(increase) in debtors	(1,311)	7,832
(Decrease)/increase in creditors	391	(1,350)
Net cash provided by operating activities	12,356	24,101
	£	£
Analysis of cash and cash equivalents		
Cash in hand	127,808	113,151
Notice deposits (less than 3 months)	-	-
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	127,808	113,151

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2023

UNAUDITED ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They have been prepared under the historical cost convention. The principal accounting policies of the charity have remained unchanged from the previous year and are set out below.

Farnham Castle 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).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

No material uncertainties that may cast significant doubt about the ability of the Charity to continue as a going concern have been identified by the trustees. Therefore, the financial statements have been prepared on a going concern basis.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the company can be found on page 1.

Incoming resources

Income for services is recognised by reference to the stage of completion of the transaction at the balance sheet date. From 25 May 2014, all income is recognised exclusive of VAT.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2023

UNAUDITED ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Lessor policy

Property lease income is recognised over the term of the lease.

Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the furtherance of the charity's objectives;
- expenditure incurred in supporting the charitable activities;
- expenditure incurred on governance costs.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

The full value of a charitable grant is recognised in the year in which the grant commitment is made, and the grantee has been informed and is shown as a long or short-term creditor as appropriate.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are credited or debited to the fund to which the related investment has been allocated.

Taxation

No provision for taxation, deferred or otherwise, has been made in the financial statements of the charity, as Farnham Castle is a charity in accordance with the Charities Act 2011 and is exempt from taxation except for value added tax, if income and gains are applied for charitable purposes under S505 of the Income and Corporation Taxes Act 1988 and S145 of the Capital Gains Tax Act 1979.

Significant judgements and estimations

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2023

	Total 2023 £	Total 2022 £
1 INCOME FROM DONATIONS AND LEGACIES		
Donations and legacies	1,169	1,190
Sundry income	1,708	1,684
	<u>2,877</u>	<u>2,874</u>

The income from donations and legacies of £1,169 (2022: £1,190) was all unrestricted.
Sundry income includes the fees for guided tours of the Bishop's Palace as well as the sale proceeds of the castle guide book and the illustrated history of Farnham Castle that was originally printed in 2020.

	Total 2023 £	Total 2022 £
2 INCOME FROM CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle		
Property lease income	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

The income from charitable activities of £25,000 (2022: £25,000) was all unrestricted.

	Total 2023 £	Total 2022 £
3 INVESTMENT INCOME		
Interest receivable	2,836	579
	<u>2,836</u>	<u>579</u>

The interest income of £2,836 (2022: £579) was all unrestricted.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2023

	Total 2023 £	Total 2022 £
4 EXPENDITURE ON CHARITABLE ACTIVITIES		
Protection, preservation and promotion of Farnham Castle:		
Grants	3,985	3,000
Governance costs (see note 5)	6,068	3,941
Support costs (see note 6)	4,575	2,618
	<u>14,628</u>	<u>9,559</u>

The expenditure on charitable activities of £14,628 (2022: £9,559) was all unrestricted.

	Total 2023 £	Total 2022 £
5 GOVERNANCE COSTS		
Examination fees	1,000	1,000
Accountancy services	2,500	1,750
Legal and other professional fees	813	813
Trustees' professional indemnity insurance	204	203
Miscellaneous expenses	1,551	175
	<u>6,068</u>	<u>3,941</u>

The trustees neither received nor waived any emoluments for their services to the charity.

Two of the trustees were reimbursed a total of £449 in respect of outlays on behalf of the charity during the year (2022: £274).

The charity has taken out an insurance policy that includes professional indemnity insurance cover for the trustees. The total cost of the insurance covers for the year was £204 (2022: £203).

	Total 2023 £	Total 2022 £
6 SUPPORT COSTS		
Rent payable	1,511	1,511
Other support costs	3,064	1,107
	<u>4,575</u>	<u>2,618</u>

The analysis of resources expended by activity has, wherever possible, been on the basis of direct costs attributable to each activity. The balance of support costs has been allocated in the proportion of revenue generated or, in certain circumstances, on the basis of a reasoned estimate of the split between activities.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2023

	2023 £	2022 £
7 NET MOVEMENT IN FUNDS		
Net movement in funds is stated after charging:		
Operating lease rentals:		
Land and buildings	1,511	1,511
The charity's gross income for the year was	30,713	28,453
The charity's surplus for the year was	16,084	18,894
8 INVESTMENTS	2023 £	2022 £
1-year bank deposit bond (2022: 2-year deposit bond)	54,092	53,557
The deposit bond matures on 4 January 2023.		
9 STOCKS	2023 £	2022 £
Book stocks for resale	669	696
In 2022, the trustees commissioned a reprint of Roy Waight's book entitled 'Farnham Castle - Stories behind the Stones', which contains a history of the castle's development since the early part of the twelfth century.		
10 DEBTORS	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	-	60
Sundry debtors & prepayments	2,165	794
Total amount falling due within one year	2,165	854
11 CREDITORS	2023 £	2022 £
Amounts falling due within one year:		
Trade creditors	896	700
Other taxation and social security costs	2,430	2,232
Accruals	7,330	7,333
Total amount falling due within one year	10,656	10,265

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2023

12 THE FUNDS OF THE CHARITY

	Balance at 1 October 2022 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2023 £
Unrestricted income funds:				
General Fund	157,993	30,713	(14,628)	174,078
	<u>157,993</u>	<u>30,713</u>	<u>(14,628)</u>	<u>174,078</u>
	Balance at 1 October 2021 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2022 £
Unrestricted income funds:				
General Fund	139,099	28,453	(9,559)	157,993
	<u>139,099</u>	<u>28,453</u>	<u>(9,559)</u>	<u>157,993</u>

13 COMMITMENTS UNDER OPERATING LEASES

The charity as a lessee:

At the balance sheet date, the charity had future commitments under non-cancellable operating leases as follows:

	2023 £	2022 £
Land and buildings:		
not later than one year	1,511	1,511
later than one year and not later than five years	6,046	6,046
later than five years	12,817	14,328
	<u>20,374</u>	<u>21,885</u>

The charity as a lessor:

At the balance sheet date, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

	2023 £	2022 £
Amounts receivable:		
not later than one year	25,000	25,000
later than one year and not later than five years	100,000	100,000
later than five years	211,750	236,750
	<u>336,750</u>	<u>361,750</u>

14 RELATED PARTY TRANSACTIONS

Transactions with trustees are disclosed in note 5. There have been no other related party transactions.

These unaudited financial statements have been subjected to independent examination. See report on page 7.



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A

Independent Examiner's Report

Report to the trustees

Hemdean House School Ltd

On accounts for the year
ended

31st August 2023

Charity no
(if any)

309146

Set out on pages

1-2

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/08/2023.

Responsibilities and
basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act"). I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent
examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below *) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report to enable a proper understanding of the accounts to be reached.

CHARITY COMMISSION
FIRST CONTACT

01 JUL 2024

ACCOUNTS
RECEIVED

Signed:

Mitali Kells

Date:

25/06/2024

Name:

MITALI KELLS

Relevant professional
qualification(s) or body
(if any):

ICAEW

Address:

16 EAST PARK FARM DRIVE

CHAMUK

RG10 945

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

HEMDEAN HOUSE SCHOOL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR END

31 August 2023

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 August 2023

The Governors, being also directors of the Charitable Company, present their report together with the Financial Statements of the Charitable Company for the year ended 31 August 2023. The Report of the Governors is also the Directors' Report by s234 of the Companies Act 1985 and the Trustees' Reports as required by part VI of the Charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice – 'Accounting and Reporting by Charities' (SORP 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The governing body has sought to strengthen itself by seeking individuals with a business or private education background. The school has an accountant, and experienced headteacher, provided it with a balanced and varied set of skills. In addition, they have a lawyer and a marketing director to further improve the balance of the team. The governing body remains small, but we remain committed to expanding the skills of the team.

Organisational Structure

The Board of Governors meets six times a year (once per half term) to determine the general policy of the school. Discussions take place on school finance, school policy documents and the school development plan.

Risk Management is constantly reviewed, and the Head Teacher, Finance Officer, Data Manager and Site Manager are responsible for identifying risks and bringing them to the attention of the Board of Governors so that discussions take place regarding managing the school's policy towards mitigating those risks. The day-to-day management of the school is delegated to the headteacher, the senior leadership team and finance officer, who are each appointed by the Board and who are supported by the rest of the staff.

Risk Management

The Governors are responsible for the management of the risks faced by the school. Risks are identified, assessed and controls established throughout the year. Through the risk management process established for the school, the Governors have taken all reasonable steps to satisfy themselves that the major risks identified have been adequately managed where necessary. The Governors conduct frequent reviews of major risks to the school and its activities. The school completes a Risk Management audit on an annual basis.

Key Risks Faced By The Charity

The low pupil numbers threaten the ongoing viability of the school. The Board is continuing to invest in the school facilities and has implemented a marketing plan to bolster numbers across the school. Several of our international families had returned home and have made the decision not to return to the UK. The admissions officer has streamlined the admissions process and the head completes the parental tours. The school has accepted a number of pupils from the maintained sector where parents were concerned about the progress of their children. The new governing board are continuing with a plan to put the school on a stronger financial footing and formulate a strategic plan for development. The on-site nursery is growing and pupils will continue to filter through to the reception class in the main school.

PUBLIC BENEFIT

The school promotes public benefit locally and to the wider community in several ways. In particular the school:

- Educates pupils at minimal cost to the state, thereby creating a saving for the exchequer in the current year;
- Make its premises available to the local community for sporting and cultural activities;
- Organises and hosts sporting fixtures in which local schools participate;
- Offers after school care and holiday care to our pupils and pupils from local schools;
- Is actively engaged in charitable work in the local community, which benefits not only the community but those pupils engaged in the work, by developing a sense of social responsibility;
- Provides bursary funding for deserving cases;
- Pays for training of its staff (including administrative employees) as part of their professional development.

OBJECTIVES, AIMS AND PRINCIPAL ACTIVITIES

The main objective of the Charitable Company continues to be to ensure that Hemdean House School functions as an Independent Day School and that it continues to thrive in a competitive environment, providing a high standard of education for children between the ages of 4 and 11 and high quality out-of-hours care, before and after school and during school holidays.

Strategic Aim and Intended Impact

Hemdean House's strategic aim is the attainment of the highest academic levels and it strives to encourage self-confidence, independence, power of expression, an enthusiasm for learning and an appreciation of what can be achieved through work, creativity and self-discipline. Above all, it is important that our children enjoy their at Hemdean, feel safe and supported, develop a sense of responsibility and show consideration towards others. We want parents to feel confident that their children are happy and safe in school and that they are being supported and challenged as appropriate, in order to achieve their potential.

Volunteers

The Hemdean House PTA is an organisation which is established to support the school and achieve this by providing a full programme of charitable events ongoing throughout the academic year. The funds raised assist the school in a variety of ways, such as purchase of one-off items of equipment that would otherwise be unaffordable. Additionally, the school is well supported by a small group of parental volunteer helpers who support the school in a variety of practical ways. None of the governors are remunerated.

The Governors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and to ensure that the Financial Statements comply with the Companies Act. The Governors are also responsible for safeguarding the assets of the Charitable Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Board of Governors on 27th June 2024 and signed on its behalf by:



J Buxton - Governor

HEMDEAN HOUSE SCHOOL LIMITED**STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 31 August 2023

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £
Incoming resources			
Income and endowments from:			
Charitable activities	2	770,652	770,652
Total		770,652	770,652
Resources expended			
Expenditure on:			
Raising funds	3	124,509	124,509
Charitable activities	4	671,277	671,277
Other	6	29,149	29,149
Total		824,935	824,935
Net income/(expenditure) before investment gains/(losses)		(54,283)	(54,283)
Net income/(expenditure)		(54,283)	(54,283)
Net movement in funds		(54,283)	(54,283)
Reconciliation of funds:			
Total funds brought forward		130,494	130,494
Total funds carried forward		76,211	76,211

HEMDEAN HOUSE SCHOOL LIMITED**BALANCE SHEET**

FOR THE YEAR ENDED 31 August 2023

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £
Fixed assets			
Tangible assets	7	11,131	11,131
Total fixed assets		11,131	11,131
Current assets			
Debtors	8	163,229	163,229
Cash at bank and in hand	9	159,509	159,509
Total current assets		322,738	322,738
Creditors: amounts falling due within one year	10	210,832	210,832
Net current assets/(liabilities)		111,906	111,906
Total assets less current liabilities		123,037	123,037
Total net assets or liabilities		123,037	123,037
Funds of the Charity			
Unrestricted funds	11	76,211	76,211
Restricted income funds	11	-	-
Endowment funds	11	-	-
Total funds		76,211	76,211

The financial statements were approved by the Board on 27th June 2024 and signed on its behalf by:



J Buxton - Governor

1 Accounting Policies

1.1 Accounting Policies

The principal accounting policies adopted by the Charity, which is a public benefit entity, in the preparation of the accounts are as follows.

1.2 Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the inclusion of charitable properties and fixed asset investments and investment properties at valuation.

The accounts have been prepared in accordance with “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (effective 1 January 2019) – (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are presented in pounds sterling and rounded to the nearest pound.

1.3 Going concern

The Trustees have made the difficult, after the year end, to close the school at the end of the 2023/24 academic year and are in the process of engaging advisers to assist in the correct closure of the Charitable Company.

2 Income from Charitable Activities

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds 2023
Analysis	£	£	£	£
Sale of service	770,652	-	-	770,652
	770,652	-	-	770,652

3 Expenditure on Raising Funds

	Total funds 2023
Analysis	£
Advertising, marketing, direct mail and publicity	660
Rent collection, property repairs and maintenance charges	119,875
Support Costs	3,974
	124,509

4 Expenditure on Charitable Activities

	Total funds 2023
Analysis	£
Legal/professional fees	1,200
Wages and salaries	535,130
Staff costs	25,183
Cost of services	98,590
Support Costs	11,174
	671,277

5 Support Costs

	Total funds 2023	
Analysis	£	£
Printing and stationery	7,948	
Governance Costs		
Accountants fees	7,200	
	15,148	

6 Other Expenditure

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds 2023
Analysis	£	£	£	£
Other Expenditure	23,110	-	-	23,110
Depreciation Charge for the Year - Fixtures & Fittings	6,039	-	-	6,039
	29,149	-	-	29,149

7 Tangible Fixed Assets

7.1 Cost or valuation

	Fixtures & Fittings	Computer Equipment
	£	£
At 01 September 2022	54,410	5,586
Additions	1,114	-
Disposals	-	-
Revaluations	-	-
Transfers	-	-
At 31 August 2023	55,524	5,586

7.2 Amortisation and impairments

	Fixtures & Fittings	Computer Equipment
	£	£
At 01 September 2022	38,941	4,999
Additions	5,452	587
Disposals	-	-
Revaluations	-	-
Transfers	-	-
At 31 August 2023	44,393	5,586

7.3 Net book value

	Fixtures & Fittings	Computer Equipment
	£	£
At 01 September 2022	15,469	587
At 31 August 2023	11,131	-

8 Debtors: Amounts falling due within one year

	Total funds 2023
	£
Trade debtors	155,384
Other debtors	5,091
Prepayments & accrued income	2,754
	163,229

9 Cash at bank and in hand

	Total funds 2023
	£
Cash at bank and on hand	159,509
	159,509

10 Creditors: Amounts falling due within one year

	Total funds 2023
	£
Accruals and deferred income	210,832
	210,832

11 Charity funds

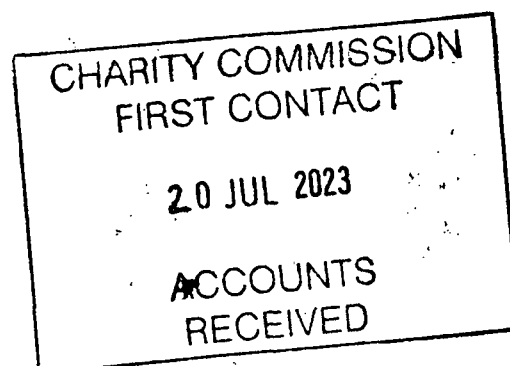
11.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds	130,494	770,652	(824,934)	-	-	76,212
Total	130,494	770,652	(824,934)	-	-	76,212

FARNHAM CASTLE

England & Wales - Charity number 313648

Accounts



FARNHAM CASTLE

UNAUDITED REPORT & FINANCIAL STATEMENTS

**For the year ended
30 September 2022**

Company No. 00596938

Charity No. 313648

FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2022

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FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 00596938

Charity registration number: 313648

Registered office: 42 Waverley Lane
Farnham
Surrey
GU9 8BJ

Trustees: Derek Carpenter - Chair
Deborah Barrington
Julie Bradley (appointed 28/09/2022)
George Crawford (resigned 16/05/2022)
Iain Lynch (resigned 16/05/2022)
Damian Malins (appointed 28/09/2022)
Guy Olden
Yasmin Osborne (resigned 31/12/2022)
Christopher Shephard (resigned 08/02/2023)
Gillian Ward (appointed 08/02/2023)

Secretary: Edward Guyver

Bankers: NatWest Bank PLC
31-37 Victoria Road
Farnborough
Hampshire GU14 7NR

Solicitors: Russell-Cooke LLP
2 Putney Hill
Putney
London SW15 6AB.

Independent Examiner: Simon Pusey BA FCA
Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire GU11 3JD

FARNHAM CASTLE REPORT OF THE TRUSTEES

The trustees of Farnham Castle (the charity) present their annual report and financial statements for the year ended 30 September 2022. These comply with the governing documents of the charity, the relevant Statement of Recommended Practice (the Charities SORP 2015), Financial Reporting Standard 102 and the Charities Act 2011.

The charity is registered with the Charity Commission in England and Wales as Charity No. 313648 and at Companies House as Company No. 00596938.

1. OBJECTS OF THE CHARITY

The objects of the charity are:

“To advance the education of the public in the conservation, protection and improvement of the physical and natural environment by the maintenance, repair or restoration of Farnham Castle which is of historic and architectural interest.”

The charity seeks to preserve and maintain the historic 12th century castle that is a scheduled ancient monument (the Keep and the curtain wall) and grade 1 listed (the Bishops’ Palace). By preserving the castle for the future, the charity will enable future generations of visitors to increase their knowledge and awareness of this historic site.

2. CHARITABLE ACTIVITIES AND PUBLIC BENEFIT

The charity leases the Castle and the Keep from the Church Commissioners. Upkeep and the management of the Keep are the responsibility of the under-tenant and English Heritage.

Entry to the Keep is free for all visitors. However, following government restrictions and policy in response to the coronavirus outbreak, the castle Keep, visitor centre, Bishops’ Palace and castle grounds were all closed to visitors from March 2020 and not fully and regularly opened until August 2021, just prior to the start of this financial year.

In August 2013, the trustees entered an underlease with Farnham Castle Operations Ltd (“FCO”) under which the revenue from weddings and business events provides the funding for castle maintenance. Again, as a result of the Covid-19 pandemic, no weddings or events took place at the castle until the third quarter of 2021. The emphasis during this, reported financial year was largely to accommodate most of the postponed weddings in addition to generating new business for 2022/23.

In 2020, the charity agreed a rental payment plan that reduced the potentially negative impact of a greatly constricted economic environment on the tenant’s business cashflow. It also ensured that a major part of the charity’s base revenues was secured. All deferred rental payments were paid in accordance with the agreed schedule together with the regular quarterly 2021/2022 payments.

Despite the economic situation that needed to be faced, the charity’s principal activities in pursuit of its charitable objects were as follows:

- Making the Keep and Bishops’ Palace available to the general public at zero or low cost for the purpose of viewing the buildings and their setting and gaining an understanding of Farnham Castle’s historical importance
- Working with FCO and the Church Commissioners to ensure that developments at the castle are undertaken in sympathy with the historic nature of the site
- Ensuring that FCO meet their obligations in the underlease to maintain the fabric of Farnham Castle.

In preparing their statements on public benefit, contained within this trustees’ annual report, the trustees have, in accordance with s.4 of the Charities Act 2011, considered the Charity Commission’s general guidance on public benefit, as well as the specific guidance on public benefit and fee charging.

The trustees believe that the maintenance and repair schedule agreed annually with FCO safeguards the castle’s future and guarantees public access and interest in buildings of great historical importance.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

3. OPERATIONAL AND FINANCIAL REVIEW

As stated above, the main source of income for the charity, the £25,000 p.a. rent received from FCO, has been secured through to the end of December 2022.

Additional income has been generated by the sale of postcards, the guide book and the book "Farnham Castle - Stories behind the stones".

In agreement with FCO, the trustees took over total responsibility for both the Keep guides and those that take visitors for tours around the Bishops' Palace on Wednesday afternoons. The timing of this change has provided the charity with a small but not inconsequential new revenue stream. During this reported financial year revenues totalling £1,396 were generated from visitors to the Bishops' Palace. However, the charity's policy regarding the payment of tour fees remains unchanged. Tours are free to those under the age of 18, Ukrainian guests temporarily living in the Farnham area, school groups and groups helping under-privileged adults or those with disabilities. All others pay a limited £5 entrance fee. Entrance to the Keep is free, but some visitors make small voluntary donations, which come to the charity. Palace tours have been increasingly widely promoted in 2022 to meet our commitment to increased public access and knowledge, as well as to boost the charity's income.

Regarding maintenance and repairs to the Castle's buildings in 2022, the charity met all its obligations and objectives, and stated responsibilities. As well as further investment necessary to support the weddings and events business at the castle the agreed schedule of necessary maintenance and repair was completed. This comprised the re-leading of roof gullies, the replacement of lead drainage down-pipes and hoppers, sealing flat-roofs above the great hall and medieval kitchen and general preservation of window frames and doorways. The situation is now that all the improvements and repairs detailed in the top two or three importance categories in the 2018 structural survey have now been addressed and completed. In addition, the wooden floor of the great hall has been sanded and sealed, and routine electrical testing identified an area, mainly in the Morley Chapel, where deteriorated insulation on old, underfloor cables suggested their replacement, for fire safety reasons.

4. OBJECTIVES AND ACHIEVEMENTS

2021/2022 Objectives

The trustees set the following objectives for 2021/2022:

- continue to embed a robust maintenance plan with FCO and track progress.
- continue with a range of projects, newspaper articles, publications and school/further education outreach to improve public knowledge and education.

2021/2022 Achievements

The charity achieved the following in 2021/2022:

- Monitored the agreed FCO maintenance and repair plan for 2022.
- Trustee sub-committee, together with those responsible in FCO for organising repairs and maintenance, undertook an on-site review of all areas of the castle buildings originally placed in the structural survey's lowest category of maintenance importance. These low priority areas have now been split into three groups and a new schedule of work agreed for 2023 ensures these are each addressed in a timely and logical way over the next few years.
- Maintained the castle's Facebook page, providing updates on castle activities.
- Maintained and developed the charity's website (www.farnham-castle.com) as a primary source of historical information and as a valuable and increasingly accessed communication channel with the general public (supported by Google statistics). This is used to notify dates or times when the Keep and/or the Bishops' Palace have to be closed.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

- A 200-copy reprint of "Farnham Castle – Stories behind the Stones" and 400-copy reprint of the Castle Guide Book.
- A number of A5 flyers aimed at encouraging visitors to the area to come to the castle and directing them to the castle website for more details, were distributed to a large number of local hotels and public buildings (Town Hall, museum, library, Watts Gallery etc).
- The charity's school support package "Kids at the Castle" was issued to nearly 70 local primary schools and, post-Covid, school visits have re-started.
- A start has been made to interest families with younger children to come to the castle. Events at the Keep were conducted at Halloween and just prior to Christmas.

Trustees commissioned a short orchestral composition by local composer, Matthew Taylor, to celebrate Queen Elizabeth II's Platinum Jubilee. The world premiere of the piece was played by the Farnham Sinfonia (a local, professional orchestra) at their October Autumn Concert at St Andrew's Church in Farnham. A recording of that part of the concert has been made available for free access on both the Farnham Castle and Farnham Sinfonia websites.

2022/2023 Objectives

The trustees have set the following objectives for 2022/2023:

- Continue to embed a robust maintenance plan with FCO and track progress.
- Continue to offer and promote tours and visits, as well as maintaining an adequate and well-trained team of volunteer guides for both the Keep and Bishops' Palace.
- Establish a programme of family and story-telling events at the Keep. This programme has already received English Heritage agreement and up to six are planned for 2023.
- Continue with a range of projects, newspaper articles, local school support and involvement, and outreach to improve public knowledge and education.
- Re-print A5 visitor flyers to restock hotels and public buildings that distributed them in 2022.

5. GOVERNANCE & MANAGEMENT

Governing Document

Farnham Castle is a company limited by guarantee without a share capital and is governed by its memorandum and articles of association. The company was incorporated on 10 January 1958 and the current memorandum and articles of association were adopted by special resolution on 22 September 2015. The members of the company are the trustees.

Volunteers

The trustees are grateful to all the volunteer guides who lead Wednesday afternoon tours of the Bishops' Palace and support visitors to the Keep at weekends.

The recruitment, training and management of volunteers will be maintained. Any necessary public safety measures, and possible ways of increasing public access to the Keep, exhibition centre and Bishops' Palace, will be found.

Trustees

For the purposes of company law, the trustees listed in the reference and administrative details on page 1 are the directors of the company. Trustees retire automatically upon completion of their term of office but may be eligible for reappointment.

No director has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of winding up. At 30 September 2022 there were 7 trustees:

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

Derek Carpenter - Chair
Deborah Barrington
Julie Bradley
Damian Malins
Guy Olden
Yasmin Osborne
Christopher Shephard

New trustees are identified following a review of the skills and experience needed to oversee and develop the charity. In addition to considering the relevant skills that each potential trustee may bring to the charity, the recruitment process also considers potential conflicts of interest. Following appointment, new trustees receive an induction programme and are given details of their responsibilities under the guidance of charity law, using materials supplied by the Charity Commission.

Trustees serve for a three-year period after which they may be re-elected for a second term, normally for no more than three years. After a second term a trustee may be asked to continue on an annual basis. The trustees meet two or three times a year and sub-committees are established to meet as often as necessary to examine specific issues and to make recommendations to the main body of trustees.

The charity's governing documents and policies are reviewed regularly to ensure that they keep pace with developments in best practice.

Trustees' & directors' responsibilities in the preparation of financial statements

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 on that basis.

The trustees and directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 trustees are responsible for the maintenance and integrity of the corporate and financial information on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, are discussed at trustee meetings and are reviewed on a regular basis. The trustees have revised the risk register and the risk management processes as part of their review of governance and management arrangements.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

Reserves

The trustees' policy with regard to reserves is to make suitable investment in the ongoing development of the charity, whilst maintaining adequate funds to deal with current and medium-term needs and having the necessary provision to deal with unforeseen circumstances. The current reserves policy of holding free reserves of at least £75,000 is commensurate with the likely financial commitments of the Charity under the arrangements with Farnham Castle Operations Ltd. The reserves policy will be reviewed in 2023.

At 30 September 2022, the charity's free reserves, excluding fixed assets (other than investments) and restricted funds, were £157,993 (2021: £139,099). The trustees consider that this amount is adequate to meet the financial obligations of the Charity over the medium term.

Investment powers and policy

The trustees have the investment powers set out in the memorandum and articles of association to invest in any investments, securities or properties, monies that the company does not immediately need.

Trustees' indemnity insurance

The company has made qualifying third-party indemnity provisions for the benefit of its directors and volunteers during the year. These provisions remain in force at the reporting date.

Independent examiner

The scale of the charity's activities and net assets is at a level that does not necessitate an independent audit of the financial statements. However, by virtue of the charity's income, an independent examination of the financial statements is required. Keith Graham Chartered Accountants have expressed their willingness to conduct an independent examination of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board
Derek Carpenter
Chair



Date: 20 June 2023

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FARNHAM CASTLE

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2022, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act").

Having satisfied myself that the accounts of the company are not required to be audited under part 19 of the 2006 Companies Act and are eligible for independent examination, I report in respect of my examination of the trust's accounts carried out under section 145 of the Charities Act. In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)b of the Charities Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the inspection giving me cause to believe that, in any material respect:

- the accounting records were not kept in respect of the company as required by section 386 of the Charities Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the Charities Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Pusey BA FCA

Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD

Date: June 2023

FARHAM CASTLE
UNAUDITED STATEMENT OF FINANCIAL ACTIVITIES
(including Income & Expenditure Account)
For the year ended 30 September 2022

	Notes	Unrestricted Funds	
		2022 £	2021 £
INCOME:			
Donations and legacies	1	2,874	1,059
Income from charitable activities:			
Protection & preservation of Farnham Castle	2	25,000	25,000
Investment income	3	579	617
Total income		28,453	26,676
EXPENDITURE:			
Expenditure on charitable activities			
Protection & preservation of Farnham Castle	4	9,559	6,867
Total expenditure		9,559	6,867
NET INCOMING RESOURCES			
& MOVEMENT OF FUNDS FOR THE YEAR		18,894	19,809
FUND BALANCES BROUGHT FORWARD		139,099	119,290
FUND BALANCES CARRIED FORWARD	12	157,993	139,099

The above results are derived from the charity's continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
UNAUDITED BALANCE SHEET
As at 30 September 2022

Registered Company number: 00596938

	Notes	2022 £	2021 £
FIXED ASSETS			
Investments	8	<u>53,557</u>	<u>53,026</u>
CURRENT ASSETS			
Stocks	9	696	-
Debtors	10	854	8,685
Cash at bank and in hand		113,151	89,002
		<u>114,701</u>	<u>97,687</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	11	(10,265)	(11,614)
NET CURRENT ASSETS		<u>104,436</u>	<u>86,073</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>157,993</u>	<u>139,099</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General Fund	12	157,993	139,099
TOTAL CHARITY FUNDS	12	<u>157,993</u>	<u>139,099</u>

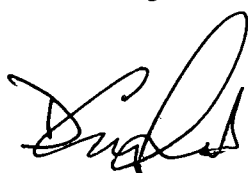
For the year ended 30 September 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 8 to 16 were approved and authorised for issue by the board of trustees on 20 June 2023 and signed on their behalf by:



Derek Carpenter

Trustee

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARHAM CASTLE
UNAUDITED STATEMENT OF CASH FLOWS
for the year ended 30 September 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by operating activities	24,101	30,200
Cash flows from investing activities:		
Interest income	579	617
Proceeds from the sale of investments	-	52,186
Purchase of investments	(531)	(53,026)
Net cash (used in)/provided by investing activities	48	(223)
 Change in cash and cash equivalents during the year	24,149	29,977
Cash and cash equivalents at the beginning of the year	89,002	59,025
Cash and cash equivalents at the end of the year	113,151	89,002
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income per the statement of financial activities	18,894	19,809
Adjustments for:		
Dividends, interest and rents from investments	(579)	(617)
Decrease/(increase) in stocks	(696)	-
Decrease/(increase) in debtors	7,832	15,218
(Decrease)/increase in creditors	(1,350)	(4,210)
Net cash provided by operating activities	24,101	30,200
	£	£
Analysis of cash and cash equivalents		
Cash in hand	113,151	89,002
Notice deposits (less than 3 months)	-	-
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	113,151	89,002

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2022

UNAUDITED ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They have been prepared under the historical cost convention. The principal accounting policies of the charity have remained unchanged from the previous year and are set out below.

Farnham Castle 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).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

No material uncertainties that may cast significant doubt about the ability of the Charity to continue as a going concern have been identified by the trustees. Therefore, the financial statements have been prepared on a going concern basis.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the company can be found on page 1.

Incoming resources

Income for services is recognised by reference to the stage of completion of the transaction at the balance sheet date. From 25 May 2014, all income is recognised exclusive of VAT.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2022

UNAUDITED ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Lessor policy

Property lease income is recognised over the term of the lease.

Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the furtherance of the charity's objectives;
- expenditure incurred in supporting the charitable activities;
- expenditure incurred on governance costs.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

The full value of a charitable grant is recognised in the year in which the grant commitment is made, and the grantee has been informed and is shown as a long or short-term creditor as appropriate.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are credited or debited to the fund to which the related investment has been allocated.

Taxation

No provision for taxation, deferred or otherwise, has been made in the financial statements of the charity, as Farnham Castle is a charity in accordance with the Charities Act 2011 and is exempt from taxation except for value added tax, if income and gains are applied for charitable purposes under S505 of the Income and Corporation Taxes Act 1988 and S145 of the Capital Gains Tax Act 1979.

Significant judgements and estimations

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2022

	Total 2022 £	Total 2021 £
1 INCOME FROM DONATIONS AND LEGACIES		
Donations and legacies	1,190	38
Sundry income	1,684	1,021
	<u>2,874</u>	<u>1,059</u>

The income from donations and legacies of £1,190 (2021: £38) was all unrestricted. Sundry income includes the sale proceeds from the illustrated history of Farnham Castle, that was published at the beginning of the previous financial year. A reprint was commissioned in September 2021. Also included are fees for guided tours of the palace and the keep from August 2021.

	Total 2022 £	Total 2021 £
2 INCOME FROM CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle		
Property lease income	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

The income from charitable activities of £25,000 (2021: £25,000) was all unrestricted.

	Total 2022 £	Total 2021 £
3 INVESTMENT INCOME		
Interest receivable	579	617
	<u>579</u>	<u>617</u>

The interest income of £579 (2021: £617) was all unrestricted.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2022

	Total 2022 £	Total 2021 £
4 EXPENDITURE ON CHARITABLE ACTIVITIES		
Protection, preservation and promotion of Farnham Castle:		
Grants	3,000	-
Governance costs (see note 5)	3,941	3,931
Support costs (see note 6)	2,618	2,936
	<u>9,559</u>	<u>6,867</u>

The expenditure on charitable activities of £9,559 (2021: £6,867) was all unrestricted.

	Total 2022 £	Total 2021 £
5 GOVERNANCE COSTS		
Examination fees	1,000	1,000
Accountancy services	1,750	1,500
Legal and other professional fees	813	813
Trustees' professional indemnity insurance	203	153
Miscellaneous expenses	175	465
	<u>3,941</u>	<u>3,931</u>

The trustees neither received nor waived any emoluments for their services to the charity.

Two of the trustees were reimbursed a total of £279 in respect of outlays on behalf of the charity during the year (2021: £362).

The charity has taken out an insurance policy that provides professional indemnity insurance cover for the trustees. The cost of this insurance for the year was £203 (2021: £153).

	Total 2022 £	Total 2021 £
6 SUPPORT COSTS		
Rent payable	1,511	1,511
Other support costs	1,107	1,425
	<u>2,618</u>	<u>2,936</u>

The analysis of resources expended by activity has, wherever possible, been on the basis of direct costs attributable to each activity. The balance of support costs has been allocated in the proportion of revenue generated or, in certain circumstances, on the basis of a reasoned estimate of the split between activities.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2022

	2022 £	2021 £
7 NET MOVEMENT IN FUNDS		
Net movement in funds is stated after charging:		
Operating lease rentals:		
Land and buildings	1,511	1,511
The charity's gross income for the year was	28,453	26,676
The charity's surplus for the year was	18,894	19,809
8 INVESTMENTS	2022 £	2021 £
2-year bank deposit bond	53,557	53,026
The deposit bond matures on 4 January 2023.		
9 STOCKS	2022 £	2021 £
Book stocks for resale	696	-
The trustees commissioned a reprint of Roy Waight's book entitled "Farnham Castle - Stories behind the Stones", which contains a history of the castle's development since the early part of the twelfth century.		
10 DEBTORS	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	60	7,880
Sundry debtors & prepayments	794	805
Total amount falling due within one year	854	8,685
11 CREDITORS	2022 £	2021 £
Amounts falling due within one year:		
Trade creditors	700	1,918
Other taxation and social security costs	2,232	2,163
Accruals	7,333	7,533
Total amount falling due within one year	10,265	11,614

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2022

12 THE FUNDS OF THE CHARITY

	Balance at 1 October 2021 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2022 £
Unrestricted income funds:				
General Fund	139,099	28,453	(9,559)	157,993
	<u>139,099</u>	<u>28,453</u>	<u>(9,559)</u>	<u>157,993</u>
	Balance at 1 October 2020 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2021 £
Unrestricted income funds:				
General Fund	119,290	26,676	(6,867)	139,099
	<u>119,290</u>	<u>26,676</u>	<u>(6,867)</u>	<u>139,099</u>

13. COMMITMENTS UNDER OPERATING LEASES

The charity as a lessee:

At the balance sheet date, the charity had future commitments under non-cancellable operating leases as follows:	2022 £	2021 £
Land and buildings:		
not later than one year	1,511	1,511
later than one year and not later than five years	6,046	6,046
later than five years	14,328	15,839
	<u>21,885</u>	<u>23,396</u>

The charity as a lessor:

At the balance sheet date, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:	2022 £	2021 £
Amounts receivable:		
not later than one year	25,000	25,000
later than one year and not later than five years	100,000	100,000
later than five years	236,750	261,750
	<u>361,750</u>	<u>386,750</u>

14 RELATED PARTY TRANSACTIONS

Transactions with trustees are disclosed in note 5. There have been no other related party transactions.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

England & Wales - Charity number 313648

Accounts

FARNHAM CASTLE

UNAUDITED REPORT & FINANCIAL STATEMENTS

**For the year ended
30 September 2021**

Company No. 00596938

Charity No. 313648

FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2021

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FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number:	00596938
Charity registration number:	313648
Registered office:	42 Waverley Lane Farnham Surrey GU9 8BJ
Trustees:	Derek Carpenter - Chair Deborah Barrington George Crawford Iain Lynch Guy Olden Yasmin Osborne Christopher Shephard
Secretary:	Edward Guyver
Bankers:	NatWest Bank PLC 39 The Borough Farnham Surrey GU9 7NP
Solicitors:	Russell-Cooke LLP 2 Putney Hill Putney London SW15 6AB
Independent Examiner:	Simon Pusey BA FCA Keith Graham Chartered Accountants Suite 2, Wesley Chambers Queens Road Aldershot Hampshire GU11 3JD

FARNHAM CASTLE

REPORT OF THE TRUSTEES

The trustees of Farnham Castle (the charity) present their annual report and financial statements for the year ended 30 September 2021. These comply with the governing documents of the charity, the relevant Statement of Recommended Practice (the Charities SORP 2015), Financial Reporting Standard 102 and the Charities Act 2011.

The charity is registered with the Charity Commission in England and Wales as Charity No. 313648 and at Companies House as Company No. 00596938.

1. OBJECTS OF THE CHARITY

The objects of the charity are:

“To advance the education of the public in the conservation, protection and improvement of the physical and natural environment by the maintenance, repair or restoration of Farnham Castle which is of historic and architectural interest.”

The charity seeks to preserve and maintain the historic 12th century castle that is a scheduled ancient monument (the keep and the curtain wall) and grade 1 listed (the Bishops’ Palace). By preserving the castle for the future, the charity will enable future generations of visitors to increase their knowledge and awareness of this historic site.

2. CHARITABLE ACTIVITIES AND PUBLIC BENEFIT

The charity leases the Bishops’ Palace from the Church Commissioners and is also responsible for the management of the keep (previously the responsibility of English Heritage).

Entry to the keep is free for all visitors. However, following government restrictions and policy in response to the coronavirus outbreak, the castle keep, visitor centre, Bishop’s Palace and castle grounds were all closed to visitors from March 2020 and not fully and regularly opened until August 2021.

In August 2013, the trustees entered an underlease with Farnham Castle Operations Ltd (“FCO”) under which the revenue from weddings and business events provides the funding for castle maintenance. Again, as a result of the Covid-19 pandemic, no weddings or events took place at the castle until the third quarter of 2021. Even when restrictions were initially lifted, the small number of guests allowed made service provision at that level financially unviable. However, most postponed weddings have been rescheduled for the last quarter of 2021 and into 2022.

By the middle of 2020, the charity had agreed a rental payment plan that reduced the impact of a greatly constricted economic environment on the future of FCO’s 2021 business and cashflow. It also ensured that a major part of the charity’s base revenues was secured. The charity’s offer of deferring all 2020 quarterly rental payments for 12 months, interest free, therefore provided financial security to both parties. By 30 September 2021, only one quarter’s rental, that for the quarter commencing 25 December 2020, was outstanding and by the end of December 2021 the rental account was fully up to date in accordance with the agreed rental payment plan.

Despite the economic situation that needed to be faced, the charity’s principal activities in pursuit of its charitable objects were as follows:

- making the keep and Bishop’s Palace available to the general public at zero or low cost for the purpose of viewing the buildings and their setting and gaining an understanding of Farnham Castle’s historical importance;
- working with FCO and the Church Commissioners to ensure that developments at the castle are undertaken in sympathy with the historic nature of the site;
- ensuring that FCO meet their obligations under the underlease to maintain Farnham Castle.

In preparing their statements on public benefit, contained within this trustees’ annual report, the trustees have, in accordance with s.4 of the Charities Act 2011, considered the Charity Commission’s general guidance on public benefit, as well as the specific guidance on public benefit and fee charging.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

The trustees believe that the maintenance and repair of Farnham Castle provides a range of benefits to the public by facilitating access to the buildings and informing visitors about their historical importance and the ways in which the site has developed over time.

3. OPERATIONAL AND FINANCIAL REVIEW

As stated above, the main source of income for the charity, the £25,000 p.a. rent received from FCO, has been secured throughout the two-year period to the end of December 2021.

In normal times, some additional income is received from keep visitor donations and the sale of guidebooks and postcards. Here too, the year 2020/2021 has significantly limited the charity's income. However, the trustees, in conjunction with Farnham's Waterstones book shop, have maintained sales of the new illustrated history of the castle, "Stories behind the stones". Sales of this have more than fully-funded a reprint which has recently been commissioned.

In agreement with FCO, the trustees have recently taken over total responsibility for both the keep guides and those that take visitors for tours around the Bishop's Palace. Although the timing of this change has had little impact on the 2020/2021 accounts, fees charged for Bishop's Palace tours will provide the Charity with another, albeit small, revenue stream. Palace visitors (18 years or older) pay £5 each for a guided tour, whilst those under 18 are free of charge. Entrance to the keep is free, but some visitors make small voluntary donations, which come to the charity. It is planned to promote palace tours to a wider audience, both to meet our commitment to increased public access and knowledge and to boost tour revenues.

Despite the economic environment in 2020/2021, trustees recognised the importance of FCO continuing the funding of necessary maintenance and repairs to the castle's buildings. This ensured that the charity still met all its obligations and objectives, and its stated responsibilities. Major investment in upgrading heating systems and necessary gas infrastructure was made in the summer of 2021. In addition, the lack of weddings and events at the castle provided full access opportunities to maintenance staff in all parts of the castle. That resulted in a number of non-emergency maintenance projects being brought forward. For example, repainting external and internal surfaces and window frames, and re-leading a main roof gutter. The situation is now that all the improvements and repairs detailed in the top two or three importance categories in the 2018 structural survey have now been addressed and completed. A number of those in the lowest category have also now been completed and these will continue to be addressed in the 2021/2022 maintenance plan.

4. OBJECTIVES AND ACHIEVEMENTS

2020/2021 Objectives

The trustees set the following objectives for 2020/2021:

- continue to embed a robust maintenance plan with FCO and track progress.
- continue with a range of projects, newspaper articles, publications and school/further education outreach to improve public knowledge and education.

2020/2021 Achievements

The Charity achieved the following in 2020/21:

- monitored the agreed FCO maintenance plan for 2020/21.
- maintained the castle's Facebook page, providing updates on castle activities, public knowledge (including the publication of recently discovered photographs and new initiatives), and generating public discussion.
- maintained and developed further the charity's website (www.farnham-castle.com) as a primary source of historical information and as a communication channel with the general public. This is used to notify dates or times when the keep and/or the Bishops' Palace have to be closed to the public.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

- ordered a 200-copy reprint of "Farnham Castle – Stories behind the Stones". 171 out of the first 200 copies have now been sold.
- trustees recognised the importance of castles and local history on the KS1 and KS2 school syllabus. In response, the charity has produced, printed and launched a school support programme. This comprises a folder containing six, beautifully illustrated stories related by fictional children living near the castle in time periods from the 9th to the early 20th century, timelines (to put the castle's history into a broader national history context), a game, a puzzle and colouring sheets. The folder is further supported by a new teacher's area on the charity's website from which additional materials can be downloaded.

2021/2022 Objectives

The trustees have set the following objectives for 2021/2022:

- continue to embed a robust maintenance plan with FCO and track progress.
- continue to offer and promote tours and visits, as well as maintaining an adequate and well-trained team of volunteer guides.
- continue with a range of projects, newspaper articles, the provision of in-school visits, supporting local school pupil visits, publications and outreach to improve public knowledge and education.
- work with Farnham Town Council in the celebration of the Royal Jubilee celebrations and beacon lighting at the castle in June 2022.

5. GOVERNANCE & MANAGEMENT

Governing Document

Farnham Castle is a company limited by guarantee without a share capital and is governed by its memorandum and articles of association. The company was incorporated on 10 January 1958 and the current memorandum and articles of association were adopted by special resolution on 22 September 2015. The members of the company are the trustees.

Volunteers

The trustees are grateful to all the volunteer guides who lead Wednesday afternoon tours of the Bishops' Palace and support visitors to the keep at weekends.

The recruitment, training and management of volunteers will be maintained. Any necessary public safety measures, and possible ways of increasing public access to the keep, exhibition centre and Bishops' Palace, will be found.

Trustees

For the purposes of company law, the trustees listed in the reference and administrative details on page 1 are the directors of the company. Trustees retire automatically upon completion of their term of office but may be eligible for reappointment.

No director has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of winding up. At 30 September 2021 there were 7 trustees:

Derek Carpenter - Chair
Deborah Barrington
George Crawford
Iain Lynch
Guy Olden
Yasmin Osborne
Christopher Shephard

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

New trustees are identified following a review of the skills and experience needed to oversee and develop the charity. In addition to considering the relevant skills that each potential trustee may bring to the charity, the recruitment process also considers potential conflicts of interest. Following appointment, new trustees receive an induction programme and are given details of their responsibilities under the guidance of charity law, using materials supplied by the Charity Commission.

Trustees serve for a three-year period after which they may be re-elected for a second term, normally for no more than three years. After a second term a trustee may be asked to continue on an annual basis. The trustees meet two or three times a year and sub-committees are established to meet as often as necessary to examine specific issues and to make recommendations to the main body of trustees.

The charity's governing documents and policies are reviewed regularly to ensure that they keep pace with developments in best practice.

Trustees' & directors' responsibilities in the preparation of financial statements

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 on that basis.

The trustees and directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, are discussed at trustee meetings and are reviewed on a regular basis. The trustees have revised the risk register and the risk management processes as part of their review of governance and management arrangements.

Reserves

The trustees' policy with regard to reserves is to make suitable investment in the ongoing development of the charity, whilst maintaining adequate funds to deal with current and medium-term needs and having the necessary provision to deal with unforeseen circumstances. The trustees believe that free reserves in a range of £50,000 to £75,000 are commensurate with the likely financial commitments of the charity under the arrangements with Farnham Castle Operations Ltd.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

At 30 September 2021, the charity's free reserves, excluding fixed assets (other than investments) and restricted funds, were £139,099 (2020: £119,290). The trustees consider that this amount is adequate to meet the financial obligations of the charity over the medium term.

Investment powers and policy

The trustees have the investment powers set out in the memorandum and articles of association to invest in any investments, securities or properties, monies that the company does not immediately need.

Trustees' indemnity insurance

The company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Independent examiner

The scale of the charity's activities and net assets is at a level that does not necessitate an independent audit of the financial statements. However, by virtue of the charity's income, an independent examination of the financial statements is required. Keith Graham Chartered Accountants have expressed their willingness to conduct an independent examination of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board
Derek Carpenter
Chair

Date: 16 May 2022

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FARNHAM CASTLE

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2021, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act").

Having satisfied myself that the accounts of the company are not required to be audited under part 19 of the 2006 Companies Act and are eligible for independent examination, I report in respect of my examination of the trust's accounts carried out under section 145 of the Charities Act. In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)b of the Charities Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the inspection giving me cause to believe that, in any material respect:

- the accounting records were not kept in respect of the company as required by section 386 of the Charities Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the Charities Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Pusey BA FCA

Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD

Date: 6 June 2022

FARHAM CASTLE
UNAUDITED STATEMENT OF FINANCIAL ACTIVITIES
(including Income & Expenditure Account)
For the year ended 30 September 2021

	Notes	Unrestricted Funds	
		2021	2020
		£	£
INCOME:			
Donations and legacies	1	1,059	1,158
Income from charitable activities:			
Protection & preservation of Farnham Castle	2	25,000	25,000
Investment income	3	617	932
Total income		26,676	27,090
EXPENDITURE:			
Expenditure on charitable activities			
Protection & preservation of Farnham Castle	4	6,867	11,811
Total expenditure		6,867	11,811
NET INCOMING RESOURCES			
& MOVEMENT OF FUNDS FOR THE YEAR		19,809	15,279
FUND BALANCES BROUGHT FORWARD		119,290	104,011
FUND BALANCES CARRIED FORWARD	11	139,099	119,290

The above results are derived from the charity's continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
UNAUDITED BALANCE SHEET
As at 30 September 2021

Registered Company number: 00596938

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	8	<u>53,026</u>	<u>52,187</u>
CURRENT ASSETS			
Debtors	9	8,685	23,903
Cash at bank and in hand		89,002	59,025
		<u>97,687</u>	<u>82,928</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	(11,614)	(15,825)
NET CURRENT ASSETS		<u>86,073</u>	<u>67,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>139,099</u>	<u>119,290</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General Fund	11	139,099	119,290
TOTAL CHARITY FUNDS	11	<u>139,099</u>	<u>119,290</u>

For the year ended 30 September 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 8 to 16 were approved and authorised for issue by the board of trustees on 16 May 2022 and signed on their behalf by:

Derek Carpenter

Trustee

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARHAM CASTLE
UNAUDITED STATEMENT OF CASH FLOWS
for the year ended 30 September 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash provided by operating activities	<u>30,200</u>	<u>(2,954)</u>
Cash flows from investing activities:		
Interest income	617	932
Proceeds from the sale of investments	52,186	51,314
Purchase of investments	<u>(53,026)</u>	<u>(52,186)</u>
Net cash (used in)/provided by investing activities	<u>(223)</u>	<u>59</u>
 Change in cash and cash equivalents during the year	 29,977	 (2,895)
Cash and cash equivalents at the beginning of the year	<u>59,025</u>	<u>61,920</u>
Cash and cash equivalents at the end of the year	<u>89,002</u>	<u>59,025</u>
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income per the statement of financial activities	19,809	15,279
Adjustments for:		
Dividends, interest and rents from investments	(617)	(932)
Decrease/(increase) in debtors	15,218	(23,205)
(Decrease)/increase in creditors	<u>(4,210)</u>	<u>5,904</u>
Net cash provided by operating activities	<u>30,200</u>	<u>(2,954)</u>
	£	£
Analysis of cash and cash equivalents		
Cash in hand	<u>89,002</u>	<u>59,025</u>
Total cash and cash equivalents	<u>89,002</u>	<u>59,025</u>

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
Financial statements for the year ended 30 September 2021
UNAUDITED ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They have been prepared under the historical cost convention. The principal accounting policies of the charity have remained unchanged from the previous year and are set out below.

Farnham Castle 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).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

No material uncertainties that may cast significant doubt about the ability of the Charity to continue as a going concern have been identified by the trustees. Therefore, the financial statements have been prepared on a going concern basis.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the company can be found on page 1.

Incoming resources

Income for services is recognised by reference to the stage of completion of the transaction at the balance sheet date. From 25 May 2014, all income is recognised exclusive of VAT.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2021

UNAUDITED ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Lessor policy

Property lease income is recognised over the term of the lease.

Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the furtherance of the charity's objectives;
- expenditure incurred in supporting the charitable activities;
- expenditure incurred on governance costs.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

The full value of a charitable grant is recognised in the year in which the grant commitment is made, and the grantee has been informed and is shown as a long or short-term creditor as appropriate.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are credited or debited to the fund to which the related investment has been allocated.

Taxation

No provision for taxation, deferred or otherwise, has been made in the financial statements of the charity, as Farnham Castle is a charity in accordance with the Charities Act 2011 and is exempt from taxation except for value added tax, if income and gains are applied for charitable purposes under S505 of the Income and Corporation Taxes Act 1988 and S145 of the Capital Gains Tax Act 1979.

Significant judgements and estimations

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2021

	Total 2021 £	Total 2020 £
1 INCOME FROM DONATIONS AND LEGACIES		
Donations and legacies	38	536
Sundry income	1,021	622
	<u>1,059</u>	<u>1,158</u>

The income from donations and legacies of £38 (2020: £536) was all unrestricted. Sundry income includes the sale proceeds from the illustrated history of Farnham Castle, that was published at the beginning of the previous financial year. A reprint was commissioned in September 2021. Also included are fees for guided tours of the palace and the keep from August 2021.

	Total 2021 £	Total 2020 £
2 INCOME FROM CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle		
Property lease income	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

The income from charitable activities of £25,000 (2020: £25,000) was all unrestricted.

	Total 2021 £	Total 2020 £
3 INVESTMENT INCOME		
Interest receivable	617	932
	<u>617</u>	<u>932</u>

The interest income of £617 (2020: £932) was all unrestricted.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2021

	Total 2021 £	Total 2020 £
4 EXPENDITURE ON CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle:		
Grants	-	5,780
Governance costs (see note 5)	3,931	3,751
Support costs (see note 6)	2,936	2,280
	<u>6,867</u>	<u>11,811</u>

The expenditure on charitable activities of £6,867 (2020: £11,811) was all unrestricted.

	Total 2021 £	Total 2020 £
5 GOVERNANCE COSTS		
Examination fees	1,000	850
Accountancy services	1,500	1,500
Legal and other professional fees	813	963
Trustees' professional indemnity insurance	153	203
Miscellaneous expenses	465	236
	<u>3,931</u>	<u>3,751</u>

The trustees neither received nor waived any emoluments for their services to the charity.

Two of the trustees were reimbursed a total of £362 in respect of outlays on behalf of the charity during the year (2020: £297).

The charity has taken out an insurance policy that provides professional indemnity insurance cover for the trustees. The cost of this insurance for the year was £153 (2020: £203).

	Total 2021 £	Total 2020 £
6 SUPPORT COSTS		
Rent payable	1,511	1,511
Other support costs	1,425	769
	<u>2,936</u>	<u>2,280</u>

The analysis of resources expended by activity has, wherever possible, been on the basis of direct costs attributable to each activity. The balance of support costs has been allocated in the proportion of revenue generated or, in certain circumstances, on the basis of a reasoned estimate of the split between activities.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2021

	2021 £	2020 £
7 NET MOVEMENT IN FUNDS		
Net movement in funds is stated after charging:		
Operating lease rentals:		
Land and buildings	1,511	1,511
The charity's gross income for the year was	26,676	27,090
The charity's surplus for the year was	19,809	15,279
8 INVESTMENTS	2021 £	2020 £
1-year bank deposit bond	53,026	52,187
The deposit bond matures on 4 January 2023.		
9 DEBTORS	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	7,880	22,904
Sundry debtors & prepayments	805	999
Total amount falling due within one year	8,685	23,903
10 CREDITORS	2021 £	2020 £
Amounts falling due within one year:		
Trade creditors	1,918	450
Other taxation and social security costs	2,163	2,349
Accruals	7,533	13,026
Total amount falling due within one year	11,614	15,825

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2021

11 THE FUNDS OF THE CHARITY

	Balance at 1 October 2020 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2021 £
Unrestricted income funds:				
General Fund	119,290	26,676	(6,867)	139,099
	<u>119,290</u>	<u>26,676</u>	<u>(6,867)</u>	<u>139,099</u>
	Balance at 1 October 2019 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2020 £
Unrestricted income funds:				
General Fund	104,011	27,090	(11,811)	119,290
	<u>104,011</u>	<u>27,090</u>	<u>(11,811)</u>	<u>119,290</u>

12 COMMITMENTS UNDER OPERATING LEASES

The charity as a lessee:

At the balance sheet date, the charity had future commitments under non-cancellable operating leases as follows:

Land and buildings:

	2021 £	2020 £
not later than one year	1,511	1,511
later than one year and not later than five years	6,046	6,046
later than five years	14,328	15,839
	<u>21,885</u>	<u>23,396</u>

The charity as a lessor:

At the balance sheet date, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

Amounts receivable:

	2021 £	2020 £
not later than one year	25,000	25,000
later than one year and not later than five years	100,000	100,000
later than five years	236,750	261,750
	<u>361,750</u>	<u>386,750</u>

13 RELATED PARTY TRANSACTIONS

Transactions with trustees are disclosed in note 5. There have been no other related party transactions.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

England & Wales - Charity number 313648

Accounts



FARNHAM CASTLE

UNAUDITED REPORT & FINANCIAL STATEMENTS

**For the year ended
30 September 2020**

Company No. 00596938

Charity No. 313648

FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2020

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FARNHAM CASTLE
FINANCIAL STATEMENTS
For the year ended 30 September 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number:	00596938
Charity registration number:	313648
Registered office:	42, Waverley Lane Farnham Surrey GU9 8BJ
Trustees:	Derek Carpenter - Chairman (appointed 15 November 2019) Deborah Barrington George Crawford Iain Lynch Guy Olden – (appointed 29 May 2020) Yasmin Osborne – (appointed 15 November 2019) Christopher Shephard
Secretary:	Edward Guyver - (appointed 15 November 2019)
Bankers:	Barclays Bank PLC The Borough Farnham Surrey GU9 7NH
Solicitors:	Russell-Cooke LLP 2 Putney Hill Putney London SW15 6AB
Independent Examiner:	Simon Pusey BA FCA Keith Graham Chartered Accountants Suite 2, Wesley Chambers Queens Road Aldershot Hampshire GU11 3JD

FARNHAM CASTLE REPORT OF THE TRUSTEES

The trustees of Farnham Castle (the charity) present their annual report and financial statements for the year ended 30 September 2020. These comply with the governing documents of the charity, the relevant Statement of Recommended Practice (the Charities SORP 2015), Financial Reporting Standard 102 and the Charities Act 2011.

The charity is registered with the Charity Commission in England and Wales as Charity No. 313648 and at Companies House as Company No. 00596938.

1. OBJECTS OF THE CHARITY

The objects of the charity are:

“To advance the education of the public in the conservation, protection and improvement of the physical and natural environment by the maintenance, repair or restoration of Farnham Castle which is of historic and architectural interest.”

The charity seeks to preserve and maintain the historic 12th century castle that is a scheduled ancient monument (the keep and the curtain wall) and grade 1 listed (the Bishops’ Palace). By preserving the castle for the future, the charity will enable future generations of visitors to increase their knowledge and awareness of this historic site.

2. CHARITABLE ACTIVITIES AND PUBLIC BENEFIT

The charity leases the Bishops’ Palace from the Church Commissioners and is also responsible for the management of the keep (previously the responsibility of English Heritage).

Entry to the keep is free for all visitors. However, following government restrictions and policy in response to the coronavirus outbreak, the castle keep, visitor centre, Bishop’s Palace and castle grounds have all been closed to visitors from March 2020 to date. This has resulted in limited monetary donations by visitors during the year.

The preservation of Farnham Castle depends upon generating sufficient revenue to fund its maintenance. In August 2013, the trustees entered an underlease with Farnham Castle Operations Ltd (“FCO”) under which the revenue from weddings and business events provides the funding for castle maintenance.

During the year, the charity’s principal activities in pursuit of its charitable objects were as follows:

- Making the keep and Bishop’s Palace available to the general public at zero or low cost for the purpose of viewing the buildings and their setting and gaining an understanding of Farnham Castle’s historical importance;
- Working with FCO and the Church Commissioners to ensure that developments at the castle are undertaken in sympathy with the historic nature of the site;
- Ensuring that FCO meet their obligations under the underlease to maintain Farnham Castle.

In preparing their statements on public benefit, contained within this trustees’ annual report, the trustees have, in accordance with s.4 of the Charities Act 2011, considered the Charity Commission’s general guidance on public benefit, as well as the specific guidance on public benefit and fee charging.

The trustees believe that the maintenance and repair of Farnham Castle provides a range of benefits to the public by facilitating access to the buildings and informing visitors about their historical importance and the ways in which the site has developed over time.

3. OPERATIONAL AND FINANCIAL REVIEW

In normal circumstances, the main source of income for the charity is the £25,000 p.a. rent received from FCO. FCO’s business activity at the castle in the year ending 30 September 2020 has been severely restricted by government actions due to the coronavirus pandemic. No weddings or events have taken place since March 2020 and no return of FCO’s business is expected until March 2021 at the earliest. However, pre-bookings for weddings from March 2021 seem already near maximum capacity, mainly as a result of 2020 postponements.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

In response to this situation, the trustees recognised the importance of FCO's financial viability in funding necessary maintenance and repairs to the castle's buildings, at the same time ensuring that the charity meets all its obligations and objectives, and its stated responsibilities. The trustees therefore took the decision to defer all rental payments due in 2020 by twelve months, being an addition to each quarterly payment due in 2021. In addition, the repayment of deferred rents has been scheduled to reflect the expected profile of FCO's 2021 revenue stream and cashflow. These goodwill provisions were made dependent upon the completion of agreed maintenance and repair work for 2019/2020 and 2020/2021.

In normal times, some additional income is received from keep visitor donations and the sale of guidebooks and postcards. Here too, the year 2019/2020 has significantly limited the charity's income. However, the trustees continue to apply any available income in accordance with the objectives of the charity as defined by the 2018 management plan.

4. OBJECTIVES AND ACHIEVEMENTS

2019/2020 Objectives

The trustees set the following objectives for 2019/2020:

- Track the progress of the maintenance plan for 2019/2020 agreed with FCO and agree and ensure the implementation of a robust maintenance plan for 2020/2021.
- Meet the charity's obligations, in accordance with the underlease to FCO, to commission priority repair work for which the charity is responsible.
- Continue to work with partners to improve public knowledge and education in accordance with the 10-year plan.

2019/2020 Achievements

- Funded and worked with FCO maintenance staff, selected external suppliers and building inspectors to replace all damaged and degraded rendering on the courtyard elevation of the Tudor wing and provide protective chemical treatment to its exposed timbers. This repair was always stated as the responsibility of the charity and not FCO.
- Monitored the agreed FCO maintenance plan and ensured all agreed actions for 2019/2020 were successfully completed.
- Maintained the charity's Facebook page, providing updates on castle activities, public knowledge (including the publication of recently discovered photographs), and generating public discussion.
- Designed, developed and published a new, independent, charity website (www.farnham-castle.com) as a primary source of historical and architectural information on the castle and its bishops, visitor directions and information, volunteer recruitment and communication, and as a communication channel with the general public.
- Organised a series of articles related to the castle, which were published over four weeks in the local press, accompanying vouchers for free guided tours of the Bishops' Palace during January and February 2020. This action attracted 96 additional visitors at a relatively dormant time of year.
- Funded the publication of a new illustrated history of the castle, "Farnham Castle – Stories behind the Stones", which was sold on site at the castle, at the Museum of Farnham and at the local Waterstones' Bookshop. Despite closure of the castle since March 2020 due to Covid-19 restrictions, 106 copies of the book have been sold to date.
- Updated the index of known sources of historical information about the castle from information held at the Museum of Farnham.
- Facilitated students at the University for the Creative Arts producing a castle-related module for their master's degree course, the results of which were published on Facebook and the charity's own website.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

Objectives for 2020/2021

The trustees have set the following objectives for 2020/2021:

- Continue to embed a robust maintenance plan with FCO and track progress.
- Continue with a range of projects, newspaper articles, publications and school/further education outreach to improve public knowledge and education.

5. GOVERNANCE & MANAGEMENT

Governing Document

Farnham Castle is a company limited by guarantee without a share capital and is governed by its memorandum and articles of association. The company was incorporated on 10 January 1958 and the current memorandum and articles of association were adopted by special resolution on 22 September 2015. The members of the company are the trustees.

Volunteers

The recruitment, training and management of volunteers will be maintained. With continued visitor restrictions likely and respecting all necessary public safety measures, the trustees have explored additional ways of ensuring some, limited public access to the keep, visitor centre and Bishop's Palace. From October 2021 public access using an advanced booking system will be attempted on Wednesday afternoons each week.

As soon as is possible, free access to the keep and visitor centre as well as Wednesday afternoon tours of the Bishops' Palace will continue to be made available. When feasible, guides will also renew leading tours for school parties and other groups on other days of the week by appointment. Additional volunteers are also available to assist visitors at weekends. The trustees are grateful to all the volunteer guides who lead these tours.

Trustees

For the purposes of company law, the trustees listed in the reference and administrative details on page 1 are the directors of the company. Trustees retire automatically upon completion of their term of office but may be eligible for reappointment.

No director has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of winding up. At 30 September 2020 there were 7 trustees.

Derek Carpenter - Chairman (appointed 15 November 2019)

Deborah Barrington

George Crawford

Iain Lynch

Guy Olden (appointed 29 May 2020)

Yasmin Osborne (appointed 15 November 2019)

Christopher Shephard

New trustees are identified following a review of the skills and experience needed to oversee and develop the charity. In addition to considering the relevant skills that each potential trustee may bring to the charity, the recruitment process also considers potential conflicts of interest. Following appointment, new trustees receive an induction programme and are given details of their responsibilities under the guidance of charity law, using materials supplied by the Charity Commission.

Trustees serve for a three-year period after which they may be re-elected for a second term, normally for no more than three years. After a second term a trustee may be asked to continue on an annual basis. The trustees meet two or three times a year and sub-committees are established to meet as often as necessary to examine specific issues and to make recommendations to the main body of trustees.

FARNHAM CASTLE

REPORT OF THE TRUSTEES (continued)

The charity's governing documents and policies are reviewed regularly to ensure that they keep pace with developments in best practice.

Trustees' & directors' responsibilities in the preparation of financial statements

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 on that basis.

The trustees and directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk management

The major risks to which the charity is exposed, as identified by the trustees, are discussed at trustee meetings and are reviewed on a regular basis. The trustees have revised the risk register and the risk management processes as part of their review of governance and management arrangements.

Reserves

The trustees' policy with regard to reserves is to make suitable investment in the ongoing development of the charity, whilst maintaining adequate funds to deal with current and medium-term needs and having the necessary provision to deal with unforeseen circumstances. The trustees believe that free reserves in a range of £50,000 to £75,000 are commensurate with the likely financial commitments of the charity under the arrangements with Farnham Castle Operations Ltd.

At 30 September 2020, the charity's free reserves, excluding fixed assets (other than investments) and restricted funds, were £119,290 (2019: £104,011). The trustees consider that this amount is adequate to meet the financial obligations of the charity over the medium term.

Investment powers and policy

The trustees have the investment powers set out in the memorandum and articles of association to invest in any investments, securities or properties, monies that the company does not immediately need.

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

Trustees' indemnity insurance

The company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Independent examiner

The scale of the charity's activities and net assets is at a level that does not necessitate an independent audit of the financial statements. However, by virtue of the charity's income an independent examination of the financial statements is required. Keith Graham Chartered Accountants have expressed their willingness to conduct an independent examination of the financial statements.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board
Derek Carpenter
Chairman

Date: 1st March 2021

FARNHAM CASTLE
REPORT OF THE TRUSTEES (continued)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FARNHAM CASTLE

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2020, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act").

Having satisfied myself that the accounts of the company are not required to be audited under part 19 of the 2006 Companies Act and are eligible for independent examination, I report in respect of my examination of the trust's accounts carried out under section 145 of the Charities Act. In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)b of the Charities Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the inspection giving me cause to believe that, in any material respect:

- the accounting records were not kept in respect of the company as required by section 386 of the Charities Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the Charities Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Simon Pusey BA FCA

Keith Graham
Chartered Accountants
Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD

Date:

18 March 2021

FARHAM CASTLE
UNAUDITED STATEMENT OF FINANCIAL ACTIVITIES
(including Income & Expenditure Account)
For the year ended 30 September 2020

	Notes	Unrestricted Funds	
		2020	2019
		£	£
INCOME:			
Donations and legacies	1	1,158	2,008
Income from charitable activities:			
Protection & preservation of Farnham Castle	2	25,000	25,000
Investment income	3	932	919
Total income		27,090	27,927
EXPENDITURE:			
Expenditure on charitable activities			
Protection & preservation of Farnham Castle	4	11,811	20,642
Total expenditure		11,811	20,642
NET INCOMING RESOURCES			
& MOVEMENT OF FUNDS FOR THE YEAR		15,279	7,285
FUND BALANCES BROUGHT FORWARD		104,011	96,726
FUND BALANCES CARRIED FORWARD	11	119,290	104,011

The above results are derived from the charity's continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
UNAUDITED BALANCE SHEET
As at 30 September 2020

Registered Company number: 00596938

	Notes	2020 £	2019 £
FIXED ASSETS			
Investments	8	<u>52,187</u>	<u>51,314</u>
CURRENT ASSETS			
Debtors	9	23,903	698
Cash at bank and in hand		59,025	61,920
		<u>82,928</u>	<u>62,618</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	(15,825)	(9,921)
NET CURRENT ASSETS		<u>67,103</u>	<u>52,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>119,290</u>	<u>104,011</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General Fund	11	119,290	104,011
TOTAL CHARITY FUNDS	11	<u>119,290</u>	<u>104,011</u>

For the year ended 30 September 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 8 to 16 were approved and authorised for issue by the board of trustees on 1st March 2021 and signed on their behalf by:

Derek Carpenter

Trustee

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARHAM CASTLE
UNAUDITED STATEMENT OF CASH FLOWS
for the year ended 30 September 2020

	2020	2019
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	(2,954)	2,500
Cash flows from investing activities:		
Interest income	932	919
Proceeds from the sale of investments	51,314	50,655
Purchase of investments	(52,187)	(51,314)
Net cash (used in)/provided by investing activities	59	260
Change in cash and cash equivalents during the year	(2,895)	2,760
Cash and cash equivalents at the beginning of the year	61,920	59,160
Cash and cash equivalents at the end of the year	59,025	61,920
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income per the statement of financial activities	15,279	7,285
Adjustments for:		
Dividends, interest and rents from investments	(932)	(919)
Decrease/(increase) in debtors	(23,205)	(58)
(Decrease)/increase in creditors	5,904	(3,808)
Net cash provided by operating activities	(2,954)	2,500
	£	£
Analysis of cash and cash equivalents		
Cash in hand	59,025	61,920
Total cash and cash equivalents	59,025	61,920

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2020

UNAUDITED ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They have been prepared under the historical cost convention. The principal accounting policies of the charity have remained unchanged from the previous year and are set out below.

Farnham Castle 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).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

No material uncertainties that may cast significant doubt about the ability of the Charity to continue as a going concern have been identified by the trustees. Therefore, the financial statements have been prepared on a going concern basis.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the company can be found on page 1.

Incoming resources

Income for services is recognised by reference to the stage of completion of the transaction at the balance sheet date. From 25 May 2014, all income is recognised exclusive of VAT.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on the fixed assets purchased with such grants is charged against the restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE

Financial statements for the year ended 30 September 2020

UNAUDITED ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Lessor policy

Property lease income is recognised over the term of the lease.

Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the furtherance of the charity's objectives;
- expenditure incurred in supporting the charitable activities;
- expenditure incurred on governance costs.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

The full value of a charitable grant is recognised in the year in which the grant commitment is made, and the grantee has been informed and is shown as a long or short-term creditor as appropriate.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Leased assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are credited or debited to the fund to which the related investment has been allocated.

Taxation

No provision for taxation, deferred or otherwise, has been made in the financial statements of the charity, as Farnham Castle is a charity in accordance with the Charities Act 2011 and is exempt from taxation except for value added tax, if income and gains are applied for charitable purposes under S505 of the Income and Corporation Taxes Act 1988 and S145 of the Capital Gains Tax Act 1979.

Significant judgements and estimations

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2020

	Total 2020 £	Total 2019 £
1 INCOME FROM DONATIONS AND LEGACIES		
Donations and legacies	536	2,008
Sundry income	622	-
	<u>1,158</u>	<u>2,008</u>

The income from donations and legacies of £536 (2019: £2,008) was all unrestricted.
Sundry income consists of the sale proceeds from the new illustrated history of Farnham Castle, that was published during the early part of the financial year.

	Total 2020 £	Total 2019 £
2 INCOME FROM CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle		
Property lease income	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

The income from charitable activities of £25,000 (2019: £25,000) was all unrestricted.

	Total 2020 £	Total 2019 £
3 INVESTMENT INCOME		
Interest receivable	932	919
	<u>932</u>	<u>919</u>

The interest income of £932 (2019: £919) was all unrestricted.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2020

	Total 2020 £	Total 2019 £
4 EXPENDITURE ON CHARITABLE ACTIVITIES		
Protection and preservation of Farnham Castle:		
Grants	5,780	15,775
Governance costs (see note 5)	3,751	3,180
Support costs (see note 6)	2,280	1,687
	11,811	20,642

The expenditure on charitable activities of £11,811 (2019: £20,642) was all unrestricted.

	Total 2020 £	Total 2019 £
5 GOVERNANCE COSTS		
Examination fees	850	1,000
Accountancy services	1,500	1,500
Legal and other professional fees	963	-
Trustees' professional indemnity insurance	203	309
Miscellaneous expenses	236	371
	3,751	3,180

The trustees neither received nor waived any emoluments for their services to the charity.

Two of the trustees were reimbursed a total of £297 in respect of outlays on behalf of the charity during the year (2019: £NIL).

The charity has taken out an insurance policy that provides professional indemnity insurance cover for the trustees. The cost of this insurance for the year was £203 (2019: £309).

	Total 2020 £	Total 2019 £
6 SUPPORT COSTS		
Rent payable	1,511	1,511
Other support costs	769	176
	2,280	1,687

The analysis of resources expended by activity has, wherever possible, been on the basis of direct costs attributable to each activity. The balance of support costs has been allocated in the proportion of revenue generated or, in certain circumstances, on the basis of a reasoned estimate of the split between activities.

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2020

	2020 £	2019 £
7 NET MOVEMENT IN FUNDS		
Net movement in funds is stated after charging:		
Operating lease rentals:		
Land and buildings	1,511	1,511
The charity's gross income for the year was	27,090	27,927
The charity's surplus for the year was	15,279	7,285
8 INVESTMENTS	2020 £	2019 £
1-year bank deposit bond	52,187	51,314
The deposit bond matures on 4 January 2021.		
9 DEBTORS	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	22,904	-
Sundry debtors & prepayments	999	698
Total amount falling due within one year	23,903	698
10 CREDITORS	2020 £	2019 £
Amounts falling due within one year:		
Trade creditors	450	250
Other taxation and social security costs	2,349	2,341
Accruals	13,026	7,330
Total amount falling due within one year	15,825	9,921

These unaudited financial statements have been subjected to independent examination. See report on page 7.

FARNHAM CASTLE
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the year ended 30 September 2020

11 THE FUNDS OF THE CHARITY

	Balance at 1 October 2019 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2020 £
Unrestricted income funds:				
General Fund	104,011	27,090	(11,811)	119,290
	<u>104,011</u>	<u>27,090</u>	<u>(11,811)</u>	<u>119,290</u>
	Balance at 1 October 2018 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2019 £
Unrestricted income funds:				
General Fund	96,726	27,927	(20,642)	104,011
	<u>96,726</u>	<u>27,927</u>	<u>(20,642)</u>	<u>104,011</u>

12 COMMITMENTS UNDER OPERATING LEASES

The charity as a lessee:

At the balance sheet date, the charity had future commitments under non-cancellable operating leases as follows:	2020 £	2019 £
Land and buildings:		
not later than one year	1,511	1,511
later than one year and not later than five years	6,046	6,046
later than five years	15,839	17,225
	<u>23,396</u>	<u>24,782</u>

The charity as a lessor:

At the balance sheet date, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:	2020 £	2019 £
Amounts receivable:		
not later than one year	25,000	25,000
later than one year and not later than five years	100,000	100,000
later than five years	261,750	286,750
	<u>386,750</u>	<u>411,750</u>

13 RELATED PARTY TRANSACTIONS

Transactions with trustees are disclosed in note 5. There have been no other related party transactions.

These unaudited financial statements have been subjected to independent examination. See report on page 7.