

**FARNHAM CASTLE**

**UNAUDITED REPORT & FINANCIAL STATEMENTS**

**For the year ended  
30 September 2022**

**Company No. 00596938**

**Charity No. 313648**

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**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

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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

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**

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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 12<sup>th</sup> 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)**

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#### **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](http://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)**

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- 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)**

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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)**

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**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)**

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**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.

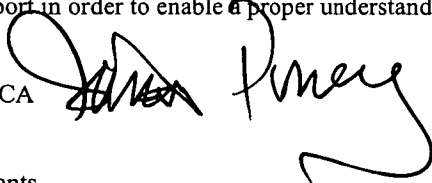
**Independent examiner's statement**

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 £
<b>INCOME:</b>			
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
<b>Total income</b>		<b>28,453</b>	<b>26,676</b>
<b>EXPENDITURE:</b>			
<b>Expenditure on charitable activities</b>			
Protection & preservation of Farnham Castle	4	9,559	6,867
<b>Total expenditure</b>		<b>9,559</b>	<b>6,867</b>
<b>NET INCOMING RESOURCES</b>			
<b>&amp; MOVEMENT OF FUNDS FOR THE YEAR</b>		18,894	19,809
<b>FUND BALANCES BROUGHT FORWARD</b>		139,099	119,290
<b>FUND BALANCES CARRIED FORWARD</b>	12	<b>157,993</b>	<b>139,099</b>

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 £
<b>FIXED ASSETS</b>			
Investments	8	<u>53,557</u>	<u>53,026</u>
<b>CURRENT ASSETS</b>			
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>
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	11	(10,265)	(11,614)
<b>NET CURRENT ASSETS</b>		<u>104,436</u>	<u>86,073</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>157,993</u>	<u>139,099</u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Unrestricted income funds</b>			
General Fund	12	157,993	139,099
<b>TOTAL CHARITY FUNDS</b>	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
	£	£
<b>Cash flows from operating activities:</b>		
Net cash provided by operating activities	<u>24,101</u>	<u>30,200</u>
<b>Cash flows from investing activities:</b>		
Interest income	579	617
Proceeds from the sale of investments	-	52,186
Purchase of investments	<u>(531)</u>	<u>(53,026)</u>
Net cash (used in)/provided by investing activities	<u>48</u>	<u>(223)</u>
Change in cash and cash equivalents during the year	24,149	29,977
Cash and cash equivalents at the beginning of the year	<u>89,002</u>	<u>59,025</u>
Cash and cash equivalents at the end of the year	<u><u>113,151</u></u>	<u><u>89,002</u></u>
	£	£
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net income per the statement of financial activities	18,894	19,809
<b>Adjustments for:</b>		
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	<u>(1,350)</u>	<u>(4,210)</u>
Net cash provided by operating activities	<u><u>24,101</u></u>	<u><u>30,200</u></u>
	£	£
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	113,151	89,002
Notice deposits (less than 3 months)	-	-
Overdraft facilities repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<u><u>113,151</u></u>	<u><u>89,002</u></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 2022**

### **UNAUDITED ACCOUNTING POLICIES**

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#### **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.

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## **FARNHAM CASTLE**

**Financial statements for the year ended 30 September 2022**

### **UNAUDITED ACCOUNTING POLICIES (continued)**

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#### **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

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>1 INCOME FROM DONATIONS AND LEGACIES</b>		
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.

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>2 INCOME FROM CHARITABLE ACTIVITIES</b>		
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.

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>3 INVESTMENT INCOME</b>		
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

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>4 EXPENDITURE ON CHARITABLE ACTIVITIES</b>		
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.

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>5 GOVERNANCE COSTS</b>		
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).

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>6 SUPPORT COSTS</b>		
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**  
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	2022	2021
	£	£
<b>7 NET MOVEMENT IN FUNDS</b>		
Net movement in funds is stated after charging:		
Operating lease rentals:		
Land and buildings	1,511	1,511
	<u>28,453</u>	<u>26,676</u>
The charity's gross income for the year was		
	<u>18,894</u>	<u>19,809</u>
<b>8 INVESTMENTS</b>	<b>2022</b>	<b>2021</b>
	£	£
2-year bank deposit bond	53,557	53,026
	<u>53,557</u>	<u>53,026</u>
The deposit bond matures on 4 January 2023.		
<b>9 STOCKS</b>	<b>2022</b>	<b>2021</b>
	£	£
Book stocks for resale	696	-
	<u>696</u>	<u>-</u>
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.		
<b>10 DEBTORS</b>	<b>2022</b>	<b>2021</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	60	7,880
Sundry debtors & prepayments	794	805
	<u>854</u>	<u>8,685</u>
Total amount falling due within one year		
	<u>854</u>	<u>8,685</u>
<b>11 CREDITORS</b>	<b>2022</b>	<b>2021</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade creditors	700	1,918
Other taxation and social security costs	2,232	2,163
Accruals	7,333	7,533
	<u>10,265</u>	<u>11,614</u>
Total amount falling due within one year		
	<u>10,265</u>	<u>11,614</u>

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**FARNHAM CASTLE**  
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**12 THE FUNDS OF THE CHARITY**

	Balance at 1 October 2021 £	Incoming resources £	Outgoing resources £	Balance at 30 September 2022 £
<b>Unrestricted income funds:</b>				
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 £
<b>Unrestricted income funds:</b>				
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:**

	2022 £	2021 £
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	14,328	15,839
	<u>21,885</u>	<u>23,396</u>

**The charity as a lessor:**

	2022 £	2021 £
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	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.

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