



# Falmouth Town Council

HA/MW

5<sup>th</sup> June 2026

**TO: All Members of the Finance and General Purposes Committee**

Dear Councillor

**RE: Finance and General Purposes 2026**

Further to the dispatch of the agenda please see below a supporting document for part I of the agenda:

**Item 7      YEAR END FINANCIAL STATEMENTS AND RECOMMENDED  
EARMARKED RESERVES**

To note the year end Financial Statements for 2025-26 (attached).

Yours sincerely

Mark Williams  
Town Clerk

Enc



Falmouth  
Cultural  
Services



Town Clerk  
A.M. Williams FCIS  
The Old Post Office, The Moor  
Falmouth, Cornwall, TR11 3QA

Email: [admin@falmouthtowncouncil.com](mailto:admin@falmouthtowncouncil.com) Telephone: 01326 315559



# Falmouth Town Council

Financial Statements in support of  
Annual Return  
2025-2026

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Further information on the Accounts can be obtained from:

Falmouth Town Council  
The Old Post Office  
The Moor  
FALMOUTH  
Cornwall  
TR11 3QA

## **EXPLANATORY FOREWORD**

In accordance with Section 6 of the Local Audit and Accountability Act 2014, an authority is a 'smaller authority' if the higher of the authority's gross income for the year and its gross expenditure for the year does not exceed £6.5m. This Council is therefore a 'smaller authority'.

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the systems of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts, and it should;

- Complete the Annual Return after 31<sup>st</sup> March 2026 as set out in 'Governance and Accountability for Smaller Authorities in England (the Practitioners' Guide)' published by the Joint Practitioners Advisory Group (JPAG) (2025) in the form requested by proper practices. This Comprises the:
  - Annual Governance Statement (Section 1 of the Annual Return);
  - Accounting Statement (Section 2 of the Annual Return);
  - External Auditors Report and Certificate (Section 3) and
  - Annual Internal Audit Report for the year ended 31<sup>st</sup> March 2026.
- Certify the Accounting Statements (certified by the Responsible Financial Officer);
- Consider at a meeting of the full authority the internal audit work during the year, the Annual Governance Statement, and the Accounting Statements;
- Approve the Annual Governance Statement at the meeting of the full authority in advance of approving the Accounting Statements (minuted, signed and dated by the Chair and Clerk on the day of approval);
- Approve the Accounting Statements at the meeting of the full authority (minuted, signed and dated by the Chair on the day of approval); the Annual Governance Statement and the Accounting Statements can be considered and approved at the same meeting so long as it is clear from the minute references that they were approved in the right order.
- Publish on a public website the approved, signed, and dated statements, to allow for the date of commencement for the exercise of public rights to cover the first 10 working days of July. It must publish the:
  - Annual Governance Statement
  - Accounting Statements
  - Declaration that the statement of accounts is un-audited.
  - Notice of commencement of the period for the exercise of public rights.
- Send the Annual Return and requested supplemental papers to the external auditor for Limited Assurance review as soon as approved.

Following completion of the Limited Assurance review the Council shall;

- publish the certified Annual Return (including any continuation pages of the External Auditor Certificate and Report) by 30<sup>th</sup> September 2026 alongside a Notice of Completion of the Limited Assurance review.

The Council is required to provide additional information to enable the external audit of the Annual Return and this document forms part of that. It includes -

- A copy of the Notice of the Date of Commencement of Public Rights
- Explanations for negative response to assertions in Section 1 of the Annual Return
- A completed Annual Internal Audit Report (AIAR)
- Explanation of significant variations between 2024/25 and 2025/26 – quantified explanations for all variances in excess 15% or £100,000 which must include narrative and numerical.
- Details of earmarked reserves held on 31<sup>st</sup> March 2026
- Bank Reconciliation on 31<sup>st</sup> March 2026
- Income and Expenditure Account
- Balance Sheet
- Supporting notes to the above.

For the current year additional information has been requested from the external auditor and this is listed here but not included in these statements –

- Copy of bank statement for all bank accounts held clearly showing the balance as at 31<sup>st</sup> March 2026 to support the figures used in the year-end bank reconciliations
- Copy of the Internal Auditors reports
- Evidence that the independence of the internal auditor was considered
- Evidence that a programme of works was considered and agreed for internal audit
- Evidence that the Council were satisfied with the competence of the internal auditor as well as a copy of the letter of engagement.
- Copy of the minute confirming that there are no conflicts of interest
- Contact details for the chair
- Copy of prior year notice of completion – not supplied as external audit has not yet completed

**The principal activities of the Council in the year were:**

- Supporting, advocating, communicating, and continuing to engage with the community
- Providing democratic representation and delivering services, both face to face and virtual, with the continuation of digital means of communication.
- Providing and supporting heritage and culture in both a face-to-face and digital environment including the delivery of town events, including those of national significance.

- Acting as the local Burial Authority and maintaining and developing cemetery sites and burial records to support this function (including the historic Dissenters Burial Ground and Jewish Cemeteries), continuing works on the management of those historic sites.
- Providing community performance venue theatre and café facilities at the Princess Pavilion and Gyllyngdune Gardens site.
- Developing solar array and low carbon heating solutions at the Princess Pavilion and other sites.
- Managing public realm and buildings. Providing council offices, depots, office rentals and meeting room hire and developing community event space.
- Providing and supporting face to face information and support services with a centralised co-located service provision for the community with partner agencies and providers.
- Providing a successful Town Management service. Supporting local businesses and commercial activity. Including provision of the public wi-fi, local shuttle bus services, markets, and Shop-Mobility.
- Developing and leading local partnerships including both nationally recognised relationship with the Falmouth Business Improvement District service and with the Dracaena Centre.
- The provision of free to use public conveniences at eight locations throughout the town with the addition of a 'Changing Places' unit adjacent to the facilities provided at Grove Place.
- Providing community environmental, education and enforcement and strategic development of environmental carbon reducing options. Engaging with the Climate Change Emergency agenda, Carbon reduction aspirations, encouraging biodiversity and supporting the work of Plastic Free Falmouth and others.
- Providing and supporting good quality open space and public gardens provision at 'The Bowly' Trelawney Road; Dracaena Playing Fields including Skatepark; Kimberley Park; Gyllyngdune Gardens, Swans Reach and Trescobeas Park and Co-ordinating local Beach Management, including the 'Sand Safe' initiative.
- Supporting and coordinating local volunteering.
- Providing and supporting play provision, including, at 'The Bowly' Trelawney Road, Dracaena Playing Fields and Sports Pitches, Trescobeas Park BMX Pump Track and Dracaena Skate-park.
- Provide community youth services in conjunction with the Dracaena Centre. Engaging with local educational institutions, providing remote educational outreach.
- Assisting and funding local charitable and community organisations to provide support for young and vulnerable members of the community.
- Providing Kimberley Park with a community radio station and recording studios adjacent to the park lodge.
- Providing the Falmouth Art Gallery and Cultural Services for the community. Acting as custodians for the community collection of art works and actively engaging with local education providers to further the learning streams available by providing workshops and other free to access services and in so doing enhance community ownership of the collection.
- Providing Falmouth Library
- Provide community safety, such as public realm CCTV, Street Rangers, and Shop Watch Radios, and engaging with the Safer Falmouth Initiative and Falmouth Community Police Team.
- Custodian for the Pendennis Headland and the Pendennis Leisure Centre in partnership with the Pendennis Leisure CIO – supporting the efforts of the charity providing its Community Centre and as it develops proposals for a redesign of the building to enable

so that the community can once again have Leisure Services with swimming provision within the town.

- Continuing to actively engage with local partners for shared priorities with the public and private sector to pursue devolved and joint delivery of services for the direct benefit of the community.
- Ensuring the policy direction in the communities adopted Neighbourhood Plan are observed.
- Providing local leadership, including the 'Place-shaping, Town Centre Masterplan and Regeneration.
- Being a responsible employer and ensuring continued development and training opportunities for employees and councillors (a Foundation Living Wage Council) The Council has also adopted the Armed Forces Covenant and the Dying to Work Charter as well as a range of employee support measures.
- Protect and improve the maritime and historical heritage and environment of Falmouth whilst promoting sustainable and necessary development e.g., supporting the Cornwall Council Place Shaping Initiative and acting as the responsible body for community grant applications.
- To support the redevelopment of Falmouth Port as a ship building, naval and cruise ship venue.

**The Members of the Council during the year were.**

**To 30<sup>th</sup> April 2025**

<b>Name</b>	<b>Office held in 2024/25</b>	<b>Ward</b>
D Clegg	<b>Chair Grounds and Facilities, Vice-Chair of Finance and General Purposes and of Planning and Licensing</b>	<b>Boslowick</b>
L D Coley	<b>Chair Staffing and Vice-Chair of Cultural Services and Leisure</b>	<b>Trescobeas</b>
S D Eva	<b>Chair Planning and Licensing</b>	<b>Boslowick</b>
D Evans BEM	<b>Vice-Chair Staffing</b>	<b>Boslowick</b>
G F Evans CC MBE		<b>Arwenack</b>
K J Edwards		<b>Penwerris</b>
A J Jewell CC		<b>Boslowick</b>
D Konik		<b>Penwerris</b>
T Pearce	<b>From September 2024 – Vice-Chair Grounds and Facilities</b>	<b>Penwerris</b>
J Robinson	<b>From September 2024</b>	<b>Penwerris</b>
B M A Ross	<b>Chair Finance and General Purposes</b>	<b>Arwenack</b>
A Rowe	<b>Mayor</b>	<b>Trescobeas</b>
E Seiler		<b>Penwerris</b>
D W Saunby CC		<b>Arwenack</b>
J N Spargo		<b>Arwenack</b>
Z Young		<b>Chair Cultural Services and Leisure</b>
		<b>Penwerris</b>
		<b>Arwenack</b>

From 1<sup>st</sup> May 2025

Name	Office held in 2025/26	Ward
G Andrewartha	<b>Vice-Chair Planning</b>	Trescobeas
S Carmichael		Boslowick
D Clegg CC		Boslowick
D Evans BEM CC		Boslowick
K Holbrook		Penwerris
L Howes	<b>Mayor and Chair Planning and Licensing</b>	Penwerris
A Jewell		Boslowick
D Konick		Penwerris
A Munden		Arwenack
T Peace		Penwerris
J Robinson	<b>Chair Finance and General Purposes</b>	Trescobeas
		Trescobeas
	<b>Chair Cultural Services and Leisure and Vice-Chair Finance and General Purposes</b>	Trescobeas
		Trescobeas
A Rowe CC	<b>Chair Staffing</b>	Penwerris
D Saunby CC		Trescobeas
H Stephens	<b>Vice-Chair Cultural Services and Leisure</b>	Arwenack
J Stowell	<b>Vice-Chair Staffing</b>	Arwenack
J Walkden	<b>Vice-Chair Grounds, Facilities and Environment Action</b>	Trescobeas

#### Budget Comparison for 2025/26

	Budget	Actual	Variance
	£000's	£000's	£000's
<b>Income:</b>			
Precept	3,677	3,677	-
Cultural Services	136	132	(4)
Cemetery	39	63	24
Pavilion	1,069	1,016	(53)
Bank Interest	6	27	21
Other Income	306	456	150
<b>TOTAL</b>	<b>5,233</b>	<b>5,371</b>	<b>138</b>

The following explanations are provided to quantify the variations in the budgeted and actual income;

- Grant funding received – HLF repayment claim Ponsharden Cemeteries (£18k); TRIP funding (£94K); CCF funding (£12k)
- Lower than expected event and catering income at the Princess Pavilion venue – (£62k) but increased bank and investment income (£21); Cemetery revenue (£6k); CIL revenue (£68k)

	<i>Budget</i>	<i>Actual</i>	<i>Variance</i>
	£000's	£000's	£000's
<b>Expenditure:</b>			
Corporate Services	941	1,187	(246)
Town Management	77	94	(17)
Mayoral and Civic	16	34	(18)
Grants and S 137 Payments	73	117	(44)
Cultural Services	651	665	(14)
Cemetery Services	75	73	2
Parks and Open Spaces	146	181	(35)
Buildings	342	449	(107)
Pavilion	1,311	1,386	(75)
Public Conveniences	175	197	(22)
Other Operating Costs	1,305	990	315
Capital	121	122	(1)
<b>TOTAL</b>	<b>5,233</b>	<b>5,495</b>	<b>(262)</b>

The following explanations are provided to quantify the variations in the budgeted and actual expenditure:

- Increased level of staffing required Princess Pavilion – (£89,599)
- Replacement of IT Servers and Storage Arrays - (£60,000) EMR held
- Increased professional fees required to support the Passmore Edwards Building Project (£166,581) this includes costs for which grant income was received.

**Name of Smaller authority: FALMOUTH TOWN COUNCIL**

**NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF  
UNAUDITED ANNUAL GOVERNANCE &  
ACCOUNTABILITY RETURN**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026**

**Local Audit and Accountability Act 2014 Sections 26 and 27  
The Accounts and Audit Regulations 2015 (SI 2015/234)**

NOTICE	NOTES
<p><b>1. Date of announcement</b> _____ <b>15<sup>th</sup> June 2026</b> _____ (a)</p> <p><b>2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.</b></p> <p><b>Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2026, these documents will be available on reasonable notice by application to:</b></p> <p>(b) Ruth Thoams, Responsible Financial Officer <a href="mailto:ruththomas@falmouthtowncouncil.com">ruththomas@falmouthtowncouncil.com</a> 01326315559 - 07909865626</p> <p>commencing on (c) _____ 16<sup>th</sup> June 2026</p> <p>and ending on (d) _____ 8<sup>th</sup> July 2026</p> <p><b>3. Local government electors and their representatives also have:</b></p> <ul style="list-style-type: none"><li>• The opportunity to question the appointed auditor about the accounting records; and</li><li>• The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.</li></ul> <p>The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.</p> <p><b>4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:</b></p> <p><b>BDO LLP</b> Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL ✉ councilaudits@bdo.co.uk</p> <p><b>5. This announcement is made by (e) Ruth Thomas – Responsible Financial Officer</b></p>	<p>(a) Insert date of placing of the notice which must be not less than 1 day before the date in (c) below</p> <p>(b) Insert name, position and address/telephone number/ email address, as appropriate, of the Clerk or other person to which any person may apply to inspect the accounts</p> <p>(c) Insert date, which must be at least 1 day after the date of announcement in (a) above and at least 30 working days before the date appointed in (d) below</p> <p>(d) The inspection period between (c) and (d) must be 30 working days inclusive and must include the first 10 working days of July.</p> <p>(e) Insert name and position of person placing the notice – this person must be the responsible financial officer for the smaller authority</p>

**Accounting statements 2025-26**

By completing this box, the figures will pull through to the relevant tabs of the workbook to assist you in reporting on the significant variances

	Year ending		Variance £	Variance %	Notes and guidance	Explanation required
	31-Mar-25	31-Mar-26				
1. Balances brought forward	889,605.32	735,210.43			Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year	
2. (+) Precept or Rates and Levies	3,352,214.39	3,677,262.79	325048.4	10%	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	Please explain within the relevant tab
3. (+) Total other receipts	2,685,288.46	1,693,739.51	-991548.95	-37%	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.	Please explain within the relevant tab
4. (-) Staff costs	2,273,577.40	2,529,749.70	256172.3	11%	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.	Please explain within the relevant tab
5. (-) Loan interest/capital repayments	120,614.58	120,614.58	0	0%	Total expenditure of payments of capital and interest made during the year on the authority's borrowings (if any).	No explanation required
6. (-) All other payments	3,797,705.76	2,845,305.45	-952400.31	-25%	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).	Please explain within the relevant tab
7. (=) Balances carried forward	735,210.43	610,543.00			Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).	Please explain in the Reserves tab
Bal c/f checker	735,210.43	610,543.00				
8. Total value of cash and short term investments	737,866.97	667,827.82			The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - <b>to agree with bank reconciliation.</b>	
9. Total fixed assets plus long term investments and assets	6,782,495.34	6,857,273.16	74777.82	1%	The value of all the property the authority owns - it is made up of all its fixed assets and long term investments as at 31 March.	No explanation required
10. Total borrowings	1,341,438.15	1,270,201.01	71237.1	-5%	The outstanding capital balances as at 31 March of all loans from third parties (including PWLB).	No explanation required

**Precept or rates and levies**

2025 **3352214.39**      2026 **3677262.8**

Difference **325048.4**  
 % Change **10%** No explanation required

Use the table below to breakdown your explanation

2025 £	2026 £	Difference	Explanation (Ensure each explanation is quantified)
1273521.22	1310937	<b>37415.78</b>	Princess Pavilion Venue - Budget increase to cover increase in LWFLW/NI and salary increases (£13320) - additional budget to continue to fund the programme of theatre events - (£40000) - reduction in utility costs due to the installation of solar - (-£25000) - other small budget adjustments cumulative (£2695)
92495.54	101167.29	<b>8671.75</b>	The Old Post Office Building - increase in running cost against precept due to loss of rental income
381732.35	447646	<b>65913.65</b>	Grounds Team - additional recruitment required re devolved open spaces and increase in salary and on costs
489876	511229	<b>21353</b>	Cultural Services - increase in salary and on costs
48000	58000	<b>10000</b>	Town Management - increased salary and on costs
553134.5	606843	<b>53708.5</b>	Corporate - increases in salary and on costs
148500	165500	<b>17000</b>	Public conveniences - additional contractor cleaning costs
22400	41000	<b>18600</b>	Cemetery Provision - additional works required to site buildings and chapels
49000	60000	<b>11000</b>	CCTV - additional costs for monitoring and maintenance
6250	12450	<b>6200</b>	Cultural Services - additional funds for collection management of towns art collection
		<b>0</b>	
		<b>0</b>	
		<b>0</b>	
		<b>0</b>	
<b>Total</b>	<b>3064909.61</b>	<b>3314772.29</b>	<b>249862.68</b>

Enter more lines as appropriate





**All other payments**

2025	3797705.76	2026	2845305.5
		Difference	-952400.3
		% Change	-25%

yes explain

Use the table below to breakdown your explanation

*(consider any fixed assets that have been purchased and reflect in explanation in box 9 fixed assets)  
Please ensure you complete the value for both years, please do not provide the movement only.*

2025 £	2026 £	Difference	Explanation (Ensure each explanation is quantified)	Is this purchase an asset and reflected in Box 9
665903	12527	-653376	Capital Building completed in 2025 - community radio station with recording studio and café	yes
272326	0	-272326	Skatepark construction in 2025	yes
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
<b>Total</b>	<b>938229</b>	<b>12527</b>	<b>-925702</b>	

Enter more lines as appropriate

Reserves

Box 7      610543 Precept      3677262.8

	£	£	£
<b>Earmarked reserves:</b>			
Cemetery	70000		
Cultural	15661		
General Council	195402.31		
Buildings	107142		
Parks and Open Space	33203		
Plant and Vehicles	10000		
Other	2934.35		
			<u>434342.66</u>
<b>General reserve</b>	176199.92		
			<u>176199.92</u>
<b>Total reserves (must agree to Box 7)</b>			<u><u>610542.58</u></u>

## Reconciliation between Box 7 and Box 8 in the Accounting Statements - Template

Applies to Accounting Statements prepared on an income and expenditure basis only

Please complete the highlighted boxes.

Name of smaller authority:

Falmouth Town Council

County area (local councils and parish meetings only):

Cornwall

There should only be a difference between Box 7 and Box 8 where the Accounting Statements within the AGAR have been prepared on an income and expenditure basis and there have been adjustments for debtors/prepayments and creditors/receipts in advance at the year end. Please provide details of the year end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

Please note that all authorities using the income and expenditure basis should include either a VAT debtor or creditor in the table below.

	2025		2026	
	£	£	£	£
<b>Box 7: Balances carried forward</b>		735,210.43		610,542.58
<b>Deduct: Debtors (enter these as negative numbers)</b>				
Debtors Control Account	(139,122.00)		(180,899.53)	
Debtors - Other	(132,848.53)		(5,237.63)	
HMRC - NI	(9,118.12)		(9,118.12)	
VAT Receivable	(139,199.87)		(27,952.65)	
	<u>(420,288.52)</u>		<u>(223,207.93)</u>	
<b>Deduct: Payments made in advance (prepayments) (enter these as negative numbers)</b>				
Prepayments	(109,586.59)		(96,766.06)	
	<u>(109,586.59)</u>		<u>(96,766.06)</u>	
<b>Total deductions</b>		<u>(529,875.11)</u>		<u>(319,973.99)</u>
<b>Add:</b>				
Creditors (must not include community infrastructure levy (CIL) receipts)				
Creditors Control Account	367,703.09		194,638.24	
	2			
	<u>367,703.09</u>		<u>194,638.24</u>	
<b>Add:</b>				
Receipts in advance (must not include deferred grants/loans received)				
Payments in advance	38,643.65		45,025.30	
Accruals	59,354.21		54,987.97	
Statutory Payments	66,830.70		82,607.72	
	<u>164,828.56</u>		<u>182,620.99</u>	
<b>Total additions</b>		532,531.65		377,259.23
<b>Box 8: Total cash and short term investments</b>		<u>737,866.97</u>		<u>667,827.82</u>

## **FALMOUTH TOWN COUNCIL**

### **Bank Reconciliation as at 31/03/2026**

£

Balances per Bank Statements and Petty Cash as at 31/03/2026

Deposit Account	83,896.00	
Current Account	9,812.62	
CCLA PSDF	5,000.00	
Pavilion Cash Float	500.00	
Pavilion Cash Float Tills	300.00	
Pavilion Cash Float Change	400.00	
Lloyds Bank 57912660	2,180.19	
Lloyds Bank 57912060	8,211.62	
Lloyds Bank 57913560	7,083.82	
Lloyds 32 day	23,431.45	
Lloyds 95 day	526,624.97	
Petty Cash - Town Council	295.05	
Petty Cash - Art Gallery	185.92	
Petty Cash - Pavilion	116.71	
		668,038.35
<b>Less:</b>		
Unpresented Cheques ( as attached)		10,313.66
<b>Plus:</b>		
Unpresented Receipts ( as attached)		10,103.13
<b>Adjusted Bank and Cash Balance as at 31st March 26</b>		<b>667,827.82</b>

### **Reconciliation between Boxes 7 & 8 on the Annual Return**

Figure in Box 8 of the Annual Return	667,827.82
Less Creditors as at 31st March 2025	-377,259.23
Plus Debtors as at 31st March 2025	319,973.99
Figure for Box 7 of the Annual Return	<u><u>610,542.58</u></u>

**FALMOUTH TOWN COUNCIL**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR YEAR ENDING 31ST MARCH 2026**

<b>2024/25</b>		<b>Note</b>	<b>2025/26</b>
£			£
	<b>INCOME</b>		
3,352,214	Precept		3,677,263
145,189	Art Heritage and Culture	1	131,439
60,109	Cemetery	2 and 3	62,779
1,047,715	Pavilion	10	1,016,084
27,054	Bank Interest		27,054
1,405,222	Other Income	4	456,383
<b>6,037,503</b>	<b>Total Income</b>		<b>5,371,002</b>
	<b>EXPENDITURE</b>		
1,001,266	Corporate	4 and 5	1,186,685
101,237	Town Management	4 and 6	94,068
21,832	Mayoral & Civic	7	33,548
117,371	Grants & S.137 Payments	8	117,371
644,770	Art Heritage and Culture	1	665,208
72,795	Cemetery	2 and 3	73,186
160,802	Parks & Open Spaces	9	181,490
1,304,234	Pavilion	10	1,386,463
306,654	Municipal Buildings (Inc PO)	11	449,082
152,134	Public Conveniences	12	196,625
989,139	Other Operating Costs	4	989,714
1,319,663	Capital Expenditure	13	122,228
<b>6,191,898</b>	<b>Total Expenditure</b>		<b>5,495,670</b>
<b>(154,395)</b>	<b>Excess of Income over Expenditure in the Year</b>		<b>(124,668)</b>
129,734	Transfers (to)/from Earmarked Reserves	14	19,054
<b>(24,661)</b>	<b>Movement on General Fund in the Year</b>		<b>(105,614)</b>
306,475	General Fund Balance Brought Forward		281,814
<b>281,814</b>	<b>General Fund Balance Carried Forward</b>		<b>176,200</b>

**FALMOUTH TOWN COUNCIL**

**BALANCE SHEET AS AT 31ST MARCH 2026**

Year Ended 31st March 25		Note	Year Ended 31st March 26
£			£
-			
271,970.53	Debtors	15	186,137.16
139,199.87	Recoverable VAT		27,952.65
9,118.12	Recoverable PAYE/NI	16	9,118.12
109,586.59	Payments in Advance		96,766.06
737,866.97	Cash & Bank		667,827.82
<b>1,267,742.08</b>	<b>Total Current Assets</b>		<b>987,801.81</b>
	<b>Current Liabilities</b>		
(38,643.65)	Receipts in advance		(45,025.30)
(493,888.00)	Creditors and Accruals		(332,233.93)
<b>- 532,531.65</b>	<b>Total Current Liabilities</b>		<b>(377,259.23)</b>
<b>735,210.43</b>	<b>Total Assets less Liabilities</b>		<b>610,542.58</b>
	<b>Represented By:</b>		
453,396.38	Earmarked Reserves		434,342.66
281,814.05	Long Term Investment Fund	142,678	176,199.92
<b>735,210.43</b>	General Fund Balance	17	<b>610,542.58</b>

## **NOTES TO THE INCOME & EXPENDITURE ACCOUNT**

The Income & Expenditure Account for 2025/26 presents the total income and expenditure of services provided by the Council during the financial year – compared against the actual figures for the previous year.

### **1. ART, HERITAGE AND CULTURE**

<b>CULTURAL SERVICES</b>			<b>2024/25</b>	<b>2025/26</b>	<b>Variation</b>
<b>Expenditure</b>					
Salaries			494,698	529,502	34,803
Postage/stationery/copying/telephones			4,730	5,156	426
Subscriptions			3,859	2,760	- 1,099
Publicity/Marketing			17,021	4,848	- 12,173
Insurance			11,417	12,085	668
Exhibition/Preview Costs/Transportation			32,251	32,488	237
Education and Engagement (workshops)			17,577	16,769	- 808
Consumables			2,498	1,707	- 791
Photography/Repro Fees			955	585	- 370
Stock/Resale Items			13,885	14,192	307
Collection Care/Equipment and Misc			6,772	12,499	5,727
Externally Funded Projects			900	5,673	4,773
Arts Council			37,257	22,797	- 14,460
Library Workshops and Expenses			950	4,148	3,198
			<b>644,770</b>	<b>665,208</b>	<b>20,438</b>
<b>Cultural Services Capital Expenditure</b>					
CS Acquisitions and IT funded and unfunded			9,520	11,777	2,257
			<b>9,520</b>	<b>11,777</b>	<b>2,257</b>
<b>Income</b>					
Sales Income			28,947	30,860	1,912
Library Income			1,790	1,534	- 255
Commision			2,689	675	- 2,014
Donations			1,274	1,223	- 51
Supporters			660	655	- 5
Sponsorship			5,500		- 5,500
Grants Revenue			80,933	82,179	1,247
Grants Capital Projects			5,000	5,025	25
Workshop Income			435	1,289	855
Reproduction Fees			281	25	- 256
Disbursements Other income			17,681	7,974	- 9,707
			<b>145,189</b>	<b>131,439</b>	<b>- 13,750</b>
<b>COST OF SERVICE</b>			<b>509,101</b>	<b>545,546</b>	<b>36,446</b>

The Council, recognising the importance of cultural provision to the community, continues its engagement with partner organisations, supporting local schools, providing free access to workshops and activities and acting as custodians for the town's art collection. Funding from Art Council supports the Council, with officer placements supporting the online digital enhancement

of public engagement, delivery of digital workshops and the management of social media. Overall the year-to-year comparison identifies that costs across the service have been well managed.

## 2. CEMETERY - PONSHARDEN

The conservation work at the combined Dissenters and Jewish burial sites at Ponsharden is now complete with the remaining project elements - security fencing and interpretation boards – currently commissioned and under construction.

<b>CEMETERIES OTHER</b>		<b>2024/25</b>	<b>2025/26</b>	<b>Variation</b>
<b>Expenditure</b>				
General Site Works		180	-	180
Project		15,951	58	15,893
		16,131	58	16,073
<b>Cemeteries Other Capital Works</b>				-
Contribution to HLF grant works		-	-	-
		-	-	-
<b>Income</b>				-
Cemetery J&C		15,951	18,119	2,168
		15,951	18,119	2,168
<b>COST OF SERVICE</b>		<b>180</b>	<b>- 18,061</b>	<b>- 18,241</b>

### 3. OPERATIONAL CEMETERY

Service income is mirrored and overall costs associated with service provision remain steady . The notable exception to this is the additional site costs incurred as a results of winter storms and the damage caused by the loss of trees.

<b>CEMETERY SERVICES</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Variation</b>
<b>Expenditure</b>			
Printing/Insurance/Phones	1,536	1,772	235
Repairs/Replacements	2,754	1,662	- 1,091
Trees/Tree Surgery	900	9,866	8,966
Electricity	3,823	3,361	- 461
Rates/Water/Council Tax	15,687	16,601	913
Dog Notices/Bins	-	250	250
Building and Infrastructure Repairs	7,413	6,512	- 901
Grounds and General Site Maintenance	13,001	7,797	- 5,203
Miscellaneous	11,550	13,018	1,468
Cemetery and Burial Project Work	-	9,364	9,364
New Site	-	2,925	2,925
	<b>56,664</b>	<b>73,129</b>	<b>16,465</b>
<b>Cemeteries Capital</b>			
New Cemetery Site		-	
Other Capital Site Improvements	-	3,473	-
	<b>-</b>	<b>3,473</b>	<b>-</b>
<b>Income</b>			
Cemetery Fees	44,158	44,660	502
	<b>44,158</b>	<b>44,660</b>	<b>502</b>
<b>COST OF SERVICE</b>	<b>12,506</b>	<b>31,941</b>	<b>15,962</b>

### 4. OTHER INCOME AND OPERATING COSTS

The Council received significant grant funding towards various projects during 2024/25 – ReSource - £577k and Dracaena Skatepark - £145k

	<b>2024-25</b>	<b>2025-26</b>
<b>Income</b>		
Other and Bank	1,432,276	456,383
	<b>1,432,276</b>	<b>456,383</b>
<b>Expenditure</b>		
Other	1,034,027	1,001,429
	<b>1,034,027</b>	<b>1,001,429</b>
<b>Cost of Service</b>	<b>- 398,249</b>	<b>-545,046</b>

## 5. CORPORATE EXPENDITURE

			2024/25	2025/26	Variation
<b>CORPORATE SERVICES</b>					
<b>Expenditure</b>					
Officers Salaries			543,318	595,865	52,547
Postage/Petty Cash			756	849	93
Telephone			11,599	7,314	- 4,284
Printing/Stationery/Copier			4,189	3,304	- 885
Publications			2,143	149	- 1,994
Advertising and Marketing			2,399	2,457	58
IT - maintenance/monitoring and software			196,255	233,220	36,965
Subscriptions			34,836	35,963	1,127
Insurance			5,649	5,519	- 130
Professional / Legal Fees etc. (includes age			97,039	196,581	99,542
Conference/Seminars and Training			19,957	26,885	6,928
Audit Fees			11,310	6,300	- 5,010
Bank Charges			11,469	12,223	755
Miscellaneous inc H&S			3,774	9,376	5,602
Bad Debts/W/Off/P&L Adjustments			3,355	1	- 3,355
Loan Interest			53,219	50,681	- 2,538
			1,001,266	1,186,685	185,419
IT Capital expenditure			11,277	54,110	42,833
			11,277	54,110	42,833
<b>Income</b>					
Misc		Inc Suspense Ac	1,160	10,938	9,777
Bank Interest			27,054	21,242	- 5,812
			28,215	32,180	3,965
<b>COST OF SERVICE</b>			<b>984,329</b>	<b>1,208,616</b>	<b>224,287</b>

The increase in cost of service is quantified by increases in professional fees incurred in the progression of the building project/conservation of the Passmore Edwards Municipal Buildings and the installation of replacement It hardware (EMR held)

## 6. TOWN MANAGEMENT

<b>TOWN MANAGEMENT SERVICES</b>				<b>2024/25</b>	<b>2025/26</b>	<b>Variation</b>
<b>Expenditure</b>						
Events Support			65,363	59,176	-	6,186
Operational Budget			6,635	4,809	-	1,826
Safe and Secure			29,240	30,083		843
			<b>101,237</b>	<b>94,068</b>	-	<b>7,169</b>
IT Capital expenditure			-	2,199	-	2,199
			<b>-</b>	<b>2,199</b>	-	<b>2,199</b>
<b>Income</b>						
Safe and Secure			17,000	17,000		-
Events/Xmas and Other			26,897	35,779		8,882
			<b>43,897</b>	<b>52,779</b>		<b>8,882</b>
<b>COST OF SERVICE</b>			<b>57,340</b>	<b>41,289</b>	-	<b>16,051</b>

The delivery of the new Safe and Secure Partnership in 2024/25 and was supported by partners in 2025/26

## 7. MAYORAL AND CIVIC

2025/26 has seen increased mayoral events and activities relating to charity fundraising and expenditure shown includes charity funds raised which are offset by donations received with £10k raised for a local charity.

8. **GRANTS AND SECTION 137 PAYMENTS**

The grants awarded under this or other powers during 2025/26 were as follows:

<b>Falmouth Town Council Schedule of Grants Awarded</b>	<b>2025/26</b>
<b>Name of Group/Organisation</b>	<b>Award</b>
Dracaena Centre - Annual Grant Youth Support	£25,000.00
Bosvale Community Centre - annual grant	£1,000.00
Falmouth Age Concern - annual grant	£1,000.00
Coast Medic	£1,000.00
Carnon Carers	£250.00
Citizens Advice Cornwall	£1,000.00
Royal Naval Association Sea Sunday - annual grant	£804.66
Falmouth Classics	£1,000.00
Pendennis Leisure CIO (Y2 funds)	£10,000.00
Source FM - annual grant	£2,000.00
Falmouth Pride	
Falmouth Golf Club - earmarked for bursary support if required	£750.00
WILD Young Parents	£534.00
TRURO Nourish Hub CIC	£300.00
Gylly Wellbeing Swimmers and Sober Sea Swimmers (A26-27)	£1,500.00
Falmouth Ladies Football Club	£300.00
Dracaena Centre Summer Activities	£576.00
Falmouth Climate Café Sharing Circle	£280.00
Aurora Dance Collective	£300.00
True Butterflies Foundation (A26-27)	£1,000.00
Falmouth Poetry Group	£300.00
League of Friends of Falmouth Hospital - (A26-27)	£300.00
Penryn RFC	£1,000.00
Falmouth Book Festival	£130.00
Swashbuckling Cornwall	£290.00
The Royal Cornwall Polytechnic Society	£100.00
Save Our Falmouth - grant for gramma school banner	£179.00
Falmouth United - grant towards year end event	£900.00
<b>Falmouth Town Council Educational Reserve</b>	
<b>Funding Request</b>	<b>2025/26</b>
Falmouth Primary - Birmingham choir trip	£500.00
King Charles Primary	£500.00
KCPS Y5	£500.00
KCPS Y6	£2,600.00

Under Section 137 of the Local Government Act 1972 the Council can spend up to £11.10 per head on the electoral role in the 2025/26 municipal year for the benefit of people in the area on activities or projects not specifically authorised by other powers. There were 17,805 registered electors (DEC24), giving a sum permitted of £197,635.

In addition, £12,500 was released to the Falmouth Festival Fund as match funding and the Council made the following organisational grants to further partnership working and meet the shortfall where other funding sources have been withdrawn; Visitor Information Centre £4,000; Falmouth Shuttle Bus Service £10,000; Falmouth Twinning £1,500. Councillors also hold a small Community Chest fund which can be awarded to projects of their choice £4,000 (£250 each).

## 9. PARKS AND OPEN SPACES

	2024-25	2025-26
<b>Income</b>		
Combined	275,672	275,672
	<b>275,672</b>	<b>275,672</b>
<b>Expenditure</b>		
Combined	160,802	181,490
Capital (inc KPL)	1,031,449	12,527
	<b>1,925,251</b>	<b>194,017</b>
<b>Cost of Service</b>	<b>-916,579</b>	<b>81,655</b>

Year to year variation due to progression of the Dracaena Skatepark build - £195k; Kimberley Park ReSource Project - £668k in 2024/25.

## 10. PRINCESS PAVILION - BUILDINGS

<b>BUILDINGS - PRINCESS PAVILION</b>	2024/25	2025/26	Variation
<b>Expenditure</b>			
Repairs and Renewals	60,910	28,636	- 32,274
	60,910	28,636	- 32,274
<b>Buildings - Pavilion - Capital</b>			
	166,334	-	166,334
	166,334	-	166,334
<b>Income</b>			
Donations/Grants	140,000	-	140,000
	140,000	-	140,000
<b>COST OF SERVICE</b>	<b>87,244</b>	<b>28,636</b>	<b>- 58,608</b>

2024/25 the Council benefitted from Community Ownership Funding (COF) towards carbon saving installations and upgrades to theatre equipment, air-source heating and cooling solutions and solar array; replacement garden room doors and new replacement kitchen gas boiler. The increase in site costs represents the Council's contribution the project.

## PRINCESS PAVILION - OPERATIONAL

<b>PRINCESS PAVILION</b>		<b>2024/25</b>	<b>2025/26</b>	<b>Variation</b>
<b>Expenditure</b>				
Salaries		578,765	670,305	91,539
Repairs and Renewals		16,995	13,533	- 3,462
Cleaning		55,383	66,203	10,819
Utilities E/G/W and NDBR INS		71,214	77,367	6,153
Marketing		11,984	11,630	- 354
IT and Telephony		2,561	3,289	727
Catering - Equipment (under £300)		12,215	12,218	3
Catering - Cost of production		244,543	234,084	- 10,459
Service and other contract costs		5,308	8,856	3,548
Misc Site Costs	INC Theatre Equipment	21,861	18,669	- 3,192
Alarms and Security		5,362	4,100	- 1,262
Event Cost - non Theatre		5,761	9,059	3,298
Theatre Events Cost		272,281	257,151	- 15,130
		<b>1,304,234</b>	<b>1,386,463</b>	<b>82,229</b>
<b>Buildings - Pavilion - Capital</b>				
		85,462	23,336	- 62,126
		<b>85,462</b>	<b>23,336</b>	<b>- 62,126</b>
<b>Income</b>				
Venue/Theatre Hire and Misc		332,639	308,738	- 23,901
Donations/Grants		50,400	5,339	- 45,061
PRS		6,814	8,919	2,106
Catering		657,862	693,088	35,225
		<b>1,047,715</b>	<b>1,016,084</b>	<b>- 31,631</b>
<b>COST OF SERVICE</b>		<b>341,982</b>	<b>393,715</b>	<b>51,734</b>

The Council saw continued growth in use of the services provided at the Princess Pavilion and Gyllyngdune Gardens site with catering income continuing to rise from £658k in 2024/25 to £693k in 2025/26 with cost of production remaining static.

The Council continues to invest in the site with additional theatre chairs and storage solution.

Theatre income was reduced year on year, impacted in part by the cost of living crisis and the value of grant received was reduced in 25/26.

## 11. BUILDINGS – Municipal and Old Post Office

	2024-25	2025-26
<b>Income</b>		
Rental and Other Income	105,743	191,838
	<b>105,743</b>	<b>191,838</b>
<b>Expenditure</b>		
Combined	310,552	449,081
	<b>310,552</b>	<b>449,081</b>
<b>Capital</b>		
	800	0
	<b>311,352</b>	<b>449,081</b>
<b>Cost of Service</b>	<b>205,609</b>	<b>257,243</b>

The Council is continuing with the heritage and conservation works to the Passmore Edwards Municipal Buildings and costs for 2025/26 include urgent repair works required outside of the scope of the project as a whole (£120k) – these costs and project works will be funded partially from use of the second homes levy which will be used a match for potential funding applications.

## 12. PUBLIC CONVENIENCES

<b>BUILDINGS - TOILETS</b>	2024/25	2025/26	Variation
<b>Expenditure</b>			
Rates and Water Rates and other utilities	38,191	65,594	27,404
Utilities (G&E)	9,045	6,291	- 2,754
Contractor Cleaning Costs	68,904	87,557	18,653
Repairs and Refurbishments	12,572	14,291	1,719
Misc. - facilities management and waste e	82	662	580
Consumables	23,339	22,229	- 1,110
	<b>152,134</b>	<b>196,625</b>	<b>44,491</b>
<b>Buildings - Toilets Capital</b>			
	-	-	-
	-	-	-
<b>Income</b>			
Rent /Grants/Refunds	-	-	-
	-	-	-
<b>COST OF SERVICE</b>	<b>152,134</b>	<b>196,625</b>	<b>44,491</b>

The Council continues to provide FOC public conveniences. Running costs for 2025/26 include excess water charges incurred due to two significant leaks for which no compensation was received. The Council now operates with a fully contract out service ad as such operator costs are increased to facilitate the Council operational requirements.

13. CAPITAL EXPENDITURE

	<b>2024-25</b>	<b>2025-26</b>
<b>Expenditure</b>		
Combined	288,214	122,228
	<b>288,214</b>	<b>122,228</b>

2024/25 costs included match funding for COF project at the Pavilions site.

14. EARMARKED RESERVES

FALMOUTH TOWN COUNCIL - EARMARKED RESERVES				Restated			
				Opening Balance 1st April 2025	Released	Proposed Additions @ Year End	Closing Balance as at 31st March 26
<b>EMR</b>							
<b>Corporate - CPF's future actuarial evaluation</b>							
<b>Cemeteries</b>							
	Site Development			70,000.00			70,000.00
							-
<b>Cultural Services Reserves</b>							
	General			15,661.00			15,661.00
							-
<b>General Council and Corporate</b>							
	CIL			61,553.73	37,084.92	68,161.86	92,630.67
	Environmental Support			11,894.00	9,000.00		2,894.00
	Events	INC FFCIC funds		5,866.58	91.00	1,500.00	7,275.58
	Place Shaping	TVF		40,000.00	5,000.00		35,000.00
	Corporate Development			-			-
	IT			60,000.00	60,000.00	15,000.00	15,000.00
	Website	Hosting and support		14,395.60	5,407.00		8,988.60
	Election Costs			20,000.00	13,180.00		6,820.00
	Falmouth Spring Flower Show			4,500.00			4,500.00
	Grants			500.00	500.00	1,706.00	1,706.00
	Falmouth Education Charity			19,441.41	3,600.12		15,841.29
	Mayoral			4,456.71	4,017.96	4,307.42	4,746.17
<b>Buildings</b>							
	CS/MB building development			32,000.00	122,000.00	184,342.00	94,342.00
	PO Building security/rent deposits		HOLD	12,800.00			12,800.00
	KP Lodge			17,721.00	17,721.00		-
<b>Parks/Gardens and Open Spaces</b>							
	Dracaena	Further Phased works		10,000.00	10,000.00		-
		Skatepark Project	MAV RTN	10,276.00	10,276.00		-
		Basketball		10,000.00			10,000.00
	Trescobeas			1,210.00			1,210.00
	Allotments			14,786.00		2,207.00	16,993.00
	Kimberley	Compost Bays		5,000.00			5,000.00
<b>Plant and Equipment</b>							
	Vehicles			10,000.00			10,000.00
	Other						-
<b>Committed Reserves</b>							
	Various			1,334.35		1,600.00	2,934.35
							-
<b>Pavilion</b>							
	Garden Room	Refurbishment		-			-
<b>Balance at Year End</b>				453,396.38	- 297,878.00	278,824.28	434,342.66
<b>Movement at Year end</b>							- 19,053.72

15. **DEBTORS**

As of the 31<sup>st</sup> of March 2026 the following debtors were outstanding:

Cost Centre	2024/25 - £	2025/26 - £
Rent and service delivery costs	<b>139,122</b>	<b>180,900</b>
Other Debtors	<b>132,849</b>	<b>5,237</b>
Totals	<b>271,971</b>	<b>186,137</b>

16. **RECOVERABLE PAYE/NI/PENSION**

Recovery of mainly statutory maternity pay from a previous period, recoverable from HMRC and this will be recouped as time allows.

17. **GENERAL FUND**

The Council is continuing to work towards reinstating its general reserves however in 2025/26 the level of reserves has fallen. Budget set for 2026/27 has been set to further address this. The Council continues to operate with funded ear-marked reserves to support project delivery. The Council also holds an investment in the LAPF which is now identified as an asset (non-cash).

Ruth Thomas  
Responsible Financial Officer  
5<sup>th</sup> June 2026