
FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

***Annual Report and Accounts for the Year
Ended 31 March 2022***

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022**

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**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
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1. INTRODUCTION

- 1.1 Folkestone & Hythe District Council, as Corporate Trustee, presents the annual report, together with the financial statements, for the year ended 31 March 2022 for the Folkestone Parks and Pleasure Grounds Charity (“the Charity”).
- 1.2 The Charity’s annual report and accounts have been prepared in accordance with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in UK and Republic of Ireland (FRS 102) “Charities SORP (FRS102)” together with the Charity’s governing document.

2. REFERENCE AND ADMINISTRATIVE INFORMATION

| | | |
|-----|---|--|
| 2.1 | Name of Charity | Folkestone Parks and Pleasure Grounds Charity |
| 2.2 | Registration Number | 1006288 |
| 2.3 | Corporate Trustee | Folkestone & Hythe District Council |
| 2.4 | Names of the Representatives of the Trustee | Cllr D Monk (Leader) Cllr Mrs J Hollingsbee (Deputy Leader) Cllr J Collier Cllr R Field Cllr D Godfrey Cllr S Peall Cllr T Prater Cllr L Whybrow Cllr D Wimble |
| 2.5 | Names of Chief Officers | Head of Paid Service – Susan Priest Financial Advisor to the Charity – Jonathan Smith Legal Advisor to the Charity – Amandeep Khroud |
| 2.6 | Principal Office | Folkestone & Hythe District Council Civic Centre, Castle Hill Avenue Folkestone, Kent CT20 2QY |
| 2.7 | Principal External Advisors | Folkestone & Hythe District Council hold balances on behalf of the Charity. The Council’s bankers are: National Westminster Bank Europa House, 49 Sandgate Road, Folkestone, CT20 1RU |
| | Bankers | |
| | Auditor | UHY Kent LLP t/a UHY Hacker Young Thames House Roman Square Sittingbourne, Kent ME10 4BJ |
| | Investment Managers | Folkestone & Hythe District Council |

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3. STRUCTURE, GOVERNANCE AND MANAGEMENT

- 3.1 Following the 1974 local government re-organisation, Folkestone & Hythe District Council succeeded the Borough of Folkestone as Corporate Trustee for a number of areas of land in Folkestone, each a charity in its own right, specifically provided as a park, pleasure ground or recreation ground for the use and enjoyment of the inhabitants of the town and its neighbourhood.
- 3.2 The areas of land are:
East Cliff and Warren
The Durlocks
Lower Sandgate Road (Coastal Park)
Radnor Park
Morehall Recreation Ground
Canterbury Road Recreation Ground
- 3.3 The individual charities all had identical objectives and to improve their administration a successful application was made to the Charity Commission to combine them into one.
- 3.4 On 13 June 1991 the Folkestone Parks and Pleasure Grounds Charity was established, by a Charity Commission scheme, for the provision of parks, pleasure grounds or recreation grounds for the use and enjoyment of the inhabitants of the former Borough of Folkestone and the neighbourhood thereof.
- 3.5 In accordance with the constitution of Folkestone & Hythe District Council, the Council's cabinet carries out its Corporate Trustee functions.
- 3.6 The cabinet consists of the leader who is elected by the Council, together with at least two, but no more than nine, councillors appointed to the cabinet by the leader. The current cabinet is shown at 2.4. Councillors are required to stand for election by the public every four years.
- 3.7 Day to day management of the Charity is delegated to chief officers in accordance with the Council's constitution. The names and designations of chief officers are shown at 2.5.
- 3.8 The Charity is managed on the same basis as the Council's own recreation service and is subject to the same codes and protocols specified in the Council's constitution.
- 3.9 **Risk Management**
The major risks to which the Charity is exposed are managed within Folkestone & Hythe District Council's risk management strategy and policy.
- 3.10 It is the overall responsibility of the cabinet to approve the Council's risk management policy and strategy, to review it on an annual basis and to promote a culture of risk management awareness throughout the Council, including the Charity. The cabinet is also responsible for designating a councillor to act as 'risk management champion' to support the integration of risk management into the culture of the Council.
- 3.11 The Council's constitution specifies the risk management responsibilities of the head of paid service, the corporate directors and service managers.

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3.12 Risks are identified, assessed and controls established throughout the year. The key controls used by the Council and the Charity include:

- formal written policies, codes and protocols;
- established organisational structure and lines of reporting;
- clear authorisation and approval levels;
- comprehensive strategic planning, budgeting and budgetary control;
- effective insurance cover and vetting procedures;
- regular training and guidance;
- maintenance of risk registers;
- formal agendas, reports and terms of reference for meetings, projects etc.

3.13 Through the Council's risk management processes established for the Charity the cabinet, representing the Corporate Trustee, is satisfied that any identified major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

4. OBJECTIVES AND ACTIVITIES

4.1 Objective of the Charity

The Charity's objective, as set out in the Charity Commission scheme, is the provision of parks, pleasure grounds or recreation grounds for the use and enjoyment of the inhabitants of the area of the former Borough of Folkestone and its neighbourhood.

4.2 The parks and recreation grounds consist of the following:

East Cliff and Warren
The Durlocks
Lower Sandgate Road
Radnor Park
Morehall Recreation Ground
Canterbury Road Recreation Ground

4.3 The representatives of the Corporate Trustee confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity and in planning future activities.

4.4 Aims and Intended Impact

The principal aim of the Charity is to ensure the maintenance of the parks and recreation grounds, including public conveniences on charity land, in accordance with agreed specifications so that the residents of Folkestone and Sandgate can continue to use them for leisure pursuits and to enjoy the benefits of open spaces in an urban area.

4.5 Maintenance includes grass and hedge cutting, shrub and rose beds, herbaceous borders, annual bedding displays, tree stock, ponds and associated structures such as fences, walls, paths, car parks and public conveniences.

4.6 The Charity also provides sports facilities at East Cliff (bowls, golf, putting and tennis) and allows attractions to take place on the sites, particularly Radnor Park (e.g. annual donkey derby, amusements and boot fairs).

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- 4.7 The success of the coastal park on the Lower Sandgate Road continues after 20 years of it's opening in 2000. The park is monitored by CCTV and has a warden. It has an approximate area of 25 hectares designed into three zones.
- 4.8 The formal zone comprises pine avenues, formal planting and hard landscaping. The fun zone contains the largest free play area in the south east as well as a zigzag path and amphitheatre. The wild zone encourages wildlife through sensitive habitat management.
- 4.9 **Objectives for 2021/22**
The main objective for 2021/22 was to ensure that the maintenance of the charitable land continued to the agreed standards.
- 4.10 This links to Folkestone & Hythe's strategic objective 'Appearance Matters' of providing an attractive and clean environment.
- 4.11 Key actions for 2021/22 were the retention of the Green Flag accreditation national recognition for the Coastal Park and Radnor Park, ensuring a summer events programme in the Coastal Park and Radnor Park.

5. REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR 2021/22

5.1 Radnor Park

The park continues to be popular with local residents and is being well used and has retained its Green Flag Award for the fifth year running.

Following the improvements made in 2020/21, which included i) new free of charge sports facilities including an 11 v 11 football pitch, ii) new commissioned and installed goal posts, iii) 400m running track and iv) rounders pitch that were marked out, a new petanque square was marked out in 2021/22.

Five Bee Kind/ wildlife areas were also introduced to the park increasing its biodiversity.

In addition, refurbishment and reinstatement works were carried out to the bridge on the eastern side of the Pent Stream.

5.2 Coastal Park

The Coastal Park continues to be the key destination play site for the District retaining its Green Flag status for the 15th consecutive year. The Coastal Park also won a TripAdvisor's Travellers' Choice Award in August 2021 being named in the top 10 percent of attractions worldwide as well as retaining its place in the 'Hall of Fame' being the number one attraction to visit in Folkestone.

The four free family rock-pooling sessions were still popular and well attended and two new free Coastal Park trail events were introduced to the summer programme and both were well attended.

A green waste composting compound was constructed on site resulting in efficiencies and lower carbon footprint by reducing trips to our Hawkinge recycling depot.

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A total ban of BBQs announced in June 2020 has resulted in a large decrease in littering, vandalism and parking issues in the park and remains in place.

Grant funding of £20k was received from the Roger De Haan Charitable Trust towards the cost of new play area equipment. Work commenced on this project late in 2021/22 and the replacement of the ageing pirate ship wreck play equipment and major refurbishment of the play towers will be completed in 2022/23.

5.3 East Cliff Sports

The sports facilities continue to be well used by the public and schools alike and income has increased in 2021/22.

2021/2022 saw the installation of a card machine, reducing the handling of cash and intake discrepancies.

Grant funding of £20k was received from KCC in 2020/21 to look at scoping a new destination play area and associated facilities. Engineering advice was commissioned to understand the cliff position into the next 100 years. Draft drawings were commissioned and a full public consultation was due to take place late in 2021/22 but was delayed and will now take place in mid 2022/23.

5.4 Beach Chalets – Marine Walk

The refurbishment of the Beach Chalets and local infrastructure along Marine Walk below the Coastal Park, agreed by the FPPG Trustees in October 2019, was completed in February 2021. Working together with Creative Folkestone, particularly the Artist Rana Begum, the Charity successfully delivered a colourful scheme that has received positive national coverage. The Chalets have been viewed positively by the local community and are being enjoyed by the new tenants with 100% occupancy.

The refurbishment project required further funding to complete; this was due to additional costs of unidentified asbestos removal required as part of the demolition and concrete works as well as significant increases in material costs due to the pandemic. The final cost of the project was £577,000 against a budget of £500,000. The Council agreed an additional financial contribution of £69,500 to be repaid over the original ten year period from surpluses generated from rental income and the remaining £7,500 was funded by a contribution from the Creative Foundation. The Charity made its first annual repayment in 2021/22 and a sum of £56,544 was repaid.

6. FINANCIAL REVIEW 2021/22

6.1 The charity generated an operating surplus of £90,000 in 2021/22, largely due to increased rental income from the beach huts following completion of the refurbishment project and increased car parking income.

6.2 The net revenue expenditure in 2021/22 was £558,800 which was in line with the latest budget of £558,700. Net revenue expenditure is defined as net expenditure on unrestricted funds excluding depreciation and is met by a contribution from Folkestone & Hythe District Council, as it is the intention for the charity to achieve a breakeven position each year. See Note 7 for the analysis of net income.

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- 6.3 The net revenue expenditure supported the objectives of the Charity by financing the maintenance of charitable open spaces, the provision of sports facilities at East Cliff and the management of the Coastal Park.
- 6.4 The net expenditure of the Charity was financed by Folkestone & Hythe District Council.
- 6.5 **Reserves Policy**
The day-to-day finances of the Charity are administered within the financial systems of the Council, which also finances the net cost of the Charity on an ongoing basis. As a result there are no separate balances representing resources set aside for Charity purposes such as general contingencies and cash flow management.
- 6.6 The Charity's general fund had a surplus of £113,000 at the end of 2021/22. In the past the Council has not contributed fully to the provision for depreciation in recognition of the significant contribution to the resources of the Charity from local taxpayers. In local authority accounts depreciation has a neutral impact on the amounts required to be raised from local taxation. A decision was taken by the Trustees in 2018/19 to utilise the profit from the beach hut service to make a contribution to reserves to reduce the deficit. 2021/22 was the first year the service has generated a surplus following completion of the capital refurbishment programme. It was also agreed that for one year only any surplus generated from car parking income would be utilised to reduce the deficit. Accordingly in 2021/22 surpluses of £56,500 and £43,800 from beach hut and car parking income respectively were transferred to reserves improving the Charity's reserves position.
- 6.7 **Investment Policy and Performance**
At the start of 2021/22 Folkestone & Hythe District Council held £118,434 on behalf of the Charity. That sum represented the brought forward balance of past proceeds of the sale of charitable assets and is managed by the Council as part of its overall investment portfolio. The Council also held £52,095 on behalf of the Charity representing the balance of external donations received for the Radnor Park improvements. The Council's investment activity during 2021/22 complied with its approved Investment Strategy for the year. Most investments made were for up to a maximum of 12 months duration, reflecting the gradual rise in interest rates from their historically low base. The Council will continue to take a cautious approach around the credit risk of counterparties available to invest with. The Council also has a strategic long term investment in the CCLA Local Authority Property Fund. During 2021/22, a grant of £20,000 was received from the Roger De Haan Charitable Trust as a contribution towards the cost of new play area equipment in the Coastal Park, of which £1,384 was spent in 2021/22 with the remainder to be used in 2022/23. The balance at the end of 2021/22 of £189,145 remains with the Council.
- 6.8 Overall a return of approximately 0.2% was achieved on the Charity's investment, earning interest of £429 for 2021/22.
- 6.9 In line with Folkestone & Hythe District Council's projected return on investments, it is anticipated that the 2022/23 investment return will be higher than that achieved in 2021/22 due to the increased sum invested and the forecast increase in interest rates.
- 6.10 The Charity also holds five properties (valued at £1,289,000) that are leased at commercial rents and are classed as investment assets.

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- 6.11 The Charity's accounts showing the financial performance for the year ending 31 March 2022 are set out on pages 14 to 27. They consist of the following:
- a) The Statement of Financial Activities – which shows all resources made available to the Charity and all expenditure incurred by it.
 - b) The Balance Sheet – which sets out the financial position of the Charity at the year end. It shows the balances and reserves at the Charity's disposal and its long term indebtedness, together with summarised information on the fixed assets held.
 - c) The Statement of Cash Flows – which shows how the Charity has used cash generated by its activities and changes in cash and cash equivalents held by the Charity.
- 6.12 The accounts are supported by the Statement of Accounting Policies and various notes to the accounts.
- 6.13 The charity finished the year with a surplus of £233,000 due to a surplus generated from the beach hut service, a donation towards new play equipment at the Coastal Park and gains arising on the revaluation of both investment and tangible fixed assets, bringing the total reserves to £4,828,000. Of these funds £2,794,000 are restricted and £119,000 are endowment funds. At the balance sheet date £5,081,000 of the reserves are represented by fixed assets and could only be accessed by the sale of those assets.

7. FUTURE PLANS

- 7.1 The Charity will be considering enhancing a number of its land and property assets with the intention of furthering the aims of the Charity and continues to improve the parks and pleasure ground facilities for the people of Folkestone and the surrounding areas.
- 7.2 Draft master-planning work has commenced to potentially create a new destination play area and leisure hub at East Cliff following approval of the Play Area Strategy 2020-2030 which identifies the site as a Priority Play Area. This is still in the formative stages, meetings have taken place with a range of external stakeholders to gain buy-in to the project. A full public consultation will be held in 2022/23 and the results will be reported back to the Trustees to decide upon next steps.

8. AUDIT OF THE CHARITY'S ACCOUNTS

- 8.1 UHY Hacker Young Chartered Accountants have been appointed to audit the 2021/22 accounts in accordance with the Charities Act 2011.

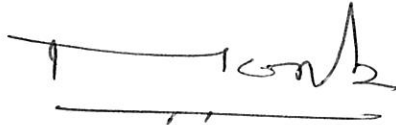
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9. FURTHER INFORMATION

- 9.1 Further information about the Charity can be obtained from Susan Priest, Head of Paid Service, Folkestone & Hythe District Council, Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY. (01303 852203) susan.priest@folkestone-hythe.gov.uk.

The Annual Report for the year ended 31 March 2022 approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 20 October 2022 and signed on its behalf by:

Signed:



Date:

14th Dec 2022

**Cllr DD Monk
Chairman
Folkestone Parks and Pleasure Grounds Charity**

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ACCOUNTING AND REPORTING RESPONSIBILITIES

Folkestone & Hythe District Council as the Corporate Trustee of the Charity is responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires Folkestone & Hythe District Council to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the representatives of the Corporate Trustee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.


Folkestone & Hythe District Council as the Corporate Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Folkestone & Hythe District Council is responsible for the maintenance and integrity of the charity and financial information included 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.

We certify that the financial statements on pages 14 to 27 have been prepared in accordance with the accounting policies set out on pages 17 to 19 and that it presents fairly the financial position of the Folkestone Parks and Pleasure Grounds Charity at 31 March 2022 and the Charity's incoming and outgoing resources for the year then ended.

Signed 
Date 4/12/2022
Cllr DD Monk

**Chairman
Folkestone Parks and
Pleasure Grounds Charity**

Signed  (J. SMITH)
Date 6/1/2023

**Financial Advisor to the
Folkestone Parks and
Pleasure Grounds Charity**

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022**

Report of the Independent Auditor to the Members of Folkestone Parks and Pleasure Grounds Charity

Opinion

We have audited the financial statements of Folkestone Parks and Pleasure Grounds Charity (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022**

a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 9 January 2023

UHY Kent LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

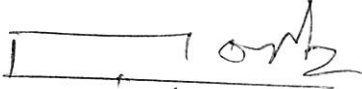
FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

| | Unrestricted Fund | Restricted Funds | Endowment Funds | Total | 2020/21 |
|--|----------------------|---------------------|--------------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income and Endowments from: | | | | | |
| Donations for projects | - | 27 | - | 27 | 20 |
| Charitable Activities | 180 | - | - | 180 | 145 |
| Investment Income (note 2) | 157 | - | - | 157 | 46 |
| Contribution from Folkestone & Hythe DC (note 3) | 559 | - | - | 559 | 529 |
| Total | 896 | 27 | - | 923 | 740 |
| Expenditure on: | | | | | |
| Charitable Activities | | | | | |
| Operation of Parks and playgrounds | | | | | |
| Employees (note 4) | 7 | - | - | 7 | - |
| Premises & Grounds (note 5) | 662 | - | - | 662 | 623 |
| Supplies and Services | 89 | - | - | 89 | 86 |
| Management and Support Services (note 4) | 34 | - | - | 34 | 7 |
| Governance Costs (note 6) | 6 | - | - | 6 | 7 |
| Depreciation | 35 | - | - | 35 | 48 |
| Total | 833 | - | - | 833 | 771 |
| Gains/(Losses) on Investment assets | 59 | - | - | 59 | (197) |
| Gains/(Losses) on Revaluation of Fixed Assets | 84 | - | - | 84 | (16) |
| Net (Expenditure)/Income | 206 | 27 | - | 233 | (244) |
| Transfers Between Funds | 37 | (37) | - | - | - |
| Net Movements in Funds | 243 | (10) | - | 233 | (244) |
| Reconciliation of Funds: | | | | | |
| Total funds brought forward | 1,672 | 2,804 | 119 | 4,595 | 4,839 |
| Total funds carried forward | 1,915 | 2,794 | 119 | 4,828 | 4,595 |

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
BALANCE SHEET AS AT 31 MARCH 2022**

| | 2021/22 | 2020/21 |
|---|----------------------------|----------------------------|
| | £'000 | £'000 |
| FIXED ASSETS (note 8) | | |
| Freehold Land and Buildings | 3,595 | 3,521 |
| Fixtures, Fittings and Equipment | 113 | 133 |
| Infrastructure Assets | 84 | 89 |
| Investment Assets (Properties) | <u>1,289</u> | <u>1,181</u> |
| Total Fixed Assets | <u>5,081</u> | <u>4,924</u> |
| CURRENT ASSETS | | |
| Debtors (note 9) | <u>347</u> | <u>235</u> |
| Total Current Assets | <u>347</u> | <u>235</u> |
| LIABILITIES | | |
| Creditors: due within 1 year (note 11) | <u>91</u> | <u>40</u> |
| Net Current Assets | <u>256</u> | <u>195</u> |
| Total Assets Less Current Liabilities | <u>5,337</u> | <u>5,119</u> |
| Creditors: due after more than 1 year (note 12) | 509 | 524 |
| TOTAL NET ASSETS | <u><u>4,828</u></u> | <u><u>4,595</u></u> |
| THE FUNDS OF THE CHARITY | | |
| Endowment Fund | 119 | 119 |
| <i>Restricted Funds:</i> | | |
| Capital Grants Reserve | 2,794 | 2,804 |
| <i>Unrestricted Funds:</i> | | |
| Revaluation Reserve | 1,802 | 1,659 |
| Unrestricted General Fund | <u>113</u> | <u>13</u> |
| TOTAL CHARITY FUNDS (note 13) | <u><u>4,828</u></u> | <u><u>4,595</u></u> |

Approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 20 October 2022 and signed on its behalf by:

Signed 

Date 14 Dec 2022

Cllr DD Monk
Chairman

Folkestone Parks and Pleasure Grounds Charity

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

| | 2021/22 | 2020/21 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Cash flows from operating activities: | | |
| Net cash provided by operating activities (note 15) | 11 | 8 |
| Cash flows from investing activities: | | |
| Dividends, interest and rents from investments | 157 | 46 |
| Purchase of investment | (49) | (521) |
| Net cash provided by/(used in) investing activities | 108 | (475) |
| Cash flows from financing activities: | | |
| Repayments of borrowing | (57) | - |
| Cash inflows from new borrowing | 42 | 521 |
| Net cash (used in)/provided by financing activities | (15) | 521 |
| Change in cash and cash equivalents in the year | 104 | 54 |
| Cash and cash equivalents at the beginning of the year (note 16) | 235 | 181 |
| Cash and cash equivalents at the end of the year (note 16) | 339 | 235 |

| Analysis of changes in net debt: | At 1 April | Cashflows | At 31 March |
|--|-------------------|------------------|--------------------|
| | 2021 | | 2022 |
| | £'000 | £'000 | £'000 |
| Cash at bank in hand | 235 | 104 | 339 |
| Debt: | | | |
| Loans falling due after more than one year | (524) | 15 | (509) |
| Net debt | (524) | 15 | (509) |

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Statement of Accounting Policies

Basis of the Preparation of Accounts

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102), the Charities Act 2011 and applicable regulations. The accounts have been prepared on a going concern basis and under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The charity constitutes a public benefit entity as defined by FRS 102.

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and Expenditure

The revenue and capital accounts of the Charity are maintained on an accruals basis. That is, sums due to or from the Charity are accounted for in the year to which they relate whether or not the cash has actually been received or paid in the year. Accounts are accrued on an estimate basis where actual figures are not known.

Income is recognised once the charity has sufficient certainty of receipt and the amount of income can be measured reliably.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount can be measured reliably. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants and Contributions

Revenue grants and contributions are matched with the expenditure to which they relate.

Where the acquisition of a fixed asset is financed either wholly or in part by a grant or other contribution, the Charity will normally have entitlement to the incoming resource when it is receivable. At this point the income is recognised in the Statement of Financial Activities and is not deferred over the life of the asset.

Grants and other contributions are accounted for on an accruals basis and recognised in the accounting statements when the conditions for their receipt have been complied with and there is reasonable assurance that the grant or contribution will be received.

Overheads

There is a recharge from the accounts of Folkestone & Hythe District Council, based on time allocations, to reflect the cost of administrative and management support for the Charity.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

1. Statement of Accounting Policies (continued)

Fixed Assets

Capitalisation

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. Generally expenditure of over £10,000 on fixed assets is capitalised, provided that the fixed asset yields benefits to the Charity and the services it provides, for a period of more than one year, excluding routine repairs and maintenance of fixed assets which is charged directly to resources expended.

Valuation

- Freehold land and buildings are included in the balance sheet at the lower of net current replacement cost or net realisable value in existing use.
- Fixtures, fittings and equipment are included in the balance sheet at historical cost.
- Investment assets (properties leased at commercial rent) are included in the balance sheet at the lower of net current replacement cost or net realisable value. This is normally open market value.

The surpluses arising on the initial valuation of fixed assets have been credited to the revaluation reserve. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, as they occur. For example, assets are reviewed annually for impairment loss. In accordance with this policy the fixed assets were re-valued as at 31 March 2022.

Any assets acquired under finance leases are also capitalised in the Charity's accounts, together with the liability to pay future rentals.

Depreciation

Depreciation is provided for on all fixed assets with a finite useful life, which can be determined at the time of acquisition or revaluation. Depreciation is based on the asset value included in the balance sheet. The straight line method of calculation is used.

Depreciation is not provided for freehold land or investment assets.

Depreciation rates for other tangible assets are as follows:

| | |
|----------------------------------|-------------|
| functional buildings | 20-35 years |
| fixtures, fittings and equipment | 5-10 years |
| infrastructure assets | 20 years |

Financial instruments

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, and loan balances with its parent entity, Folkestone & Hythe District Council. All financial assets and liabilities are payable within 12 months, and are measured at the transaction price less provisions for impairment.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Statement of Accounting Policies (continued)

Funds Structure

- a) General Fund – this is an unrestricted income fund available to the Trustee to apply for the general purposes of the Charity.
- b) Revaluation Reserve – this is an unrestricted capital fund arising from the revaluation of the Charity’s fixed assets. It is not available for revenue purposes.
- c) Capital Grants Reserve – this is a restricted fund reflecting the book value of fixed assets financed by capital grants. The fund is reduced over the useful economic life of the assets in line with their depreciation policy.
- d) Endowment Fund – this is a restricted fund holding capital receipts from the disposal of the Charity’s fixed assets. Investment income from this fund is transferred to the general fund.

Taxation

Folkestone Parks and Pleasure Grounds Charity is a registered charity and is therefore potentially exempt from taxation on its income and gains as the charity falls within the definition of a charitable trust as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen in the year.

Judgements and key sources of estimation uncertainty

The Trustee does not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The most significant area of judgement and key assumptions that affect items in the accounts relate to the revaluation of land and buildings.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value.

Valuations are therefore not reported as being subject to ‘material valuation uncertainty’ as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards, except in respect of Retail and specific trading related assets/sectors such as camp sites, as at the valuation date there continue to be an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base judgements. Consequently, less certainty and a higher degree of caution should be attached to the valuations of these assets. This does not apply to Freehold Land & Buildings.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

2. Income

Investment income

| | 2021/22 | 2020/21 |
|--------------------|----------------|----------------|
| | £'000 | £'000 |
| Rental Income (UK) | 157 | 46 |
| | 157 | 46 |

Donations

The remaining balance of donations received brought forward was £52,095. Donations of £27,500 were received in 2021/22 and expenditure of £8,884 was incurred leaving a balance of £70,711 to be carried forward at 31 March 2022.

3. Contribution from Folkestone & Hythe District Council

The net expenditure of the Charity is met from the resources of Folkestone & Hythe District Council and is treated as a special expense chargeable through Council Tax on the area of the former Borough of Folkestone (the current area of Folkestone and Sandgate).

4. Employees and Management and Support Services

The Charity does not directly employ any staff. Staffing costs, including an on-cost to recover Folkestone & Hythe's pension and national insurance overheads, are charged from the payroll of Folkestone & Hythe District Council either directly or through an apportionment based on time allocations. All apportioned staffing costs are included under 'management and support services'.

No employee of Folkestone & Hythe District Council charged total employee benefits (excluding employer's pension contributions) in excess of £60,000 to the Charity in 2021/22.

5. Premises and Grounds Expenses

The costs included in this heading are those relating to the grounds maintenance service and maintenance of the Charity's assets including utility costs. Both maintenance services are provided by Folkestone & Hythe District Council.

6. Governance Costs

| | 2021/22 | 2020/21 |
|---------------------------------------|----------------|----------------|
| | £'000 | £'000 |
| Auditor's Remuneration – Current Year | 3 | 3 |
| Valuation fees | 3 | 4 |
| | 6 | 7 |

Fees for audit of the 2021/22 accounts are estimated at £3,100 and have been accrued in 2021/22.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

7. Unrestricted Fund - Analysis of Net Income

| | 2021/22 | 2021/22 | 2021/22 | 2021/22 | 2021/22 | Restated |
|--|----------------|---------------------|----------------|----------------|---------------------|------------------|
| | Running | Depreciation | Expend | Income | Net | 2020/21* |
| | Costs | | Total | | Total | Net |
| | £'000 | £'000 | £'000 | £'000 | £'000 | Total |
| | | | | | | £'000 |
| East Cliff & Warren (incl Durlocks) Lower Sandgate Rd | 158 | 6 | 164 | (54) | 110 | 99 |
| Radnor Park | 210 | 2 | 212 | (145) | 67 | 75 |
| Morehall Rec Ground | 269 | 27 | 296 | (24) | 272 | 276 |
| Canterbury Rd Rec Ground | 44 | - | 44 | - | 44 | 42 |
| Marine Walk Beach Chalets | 45 | - | 45 | - | 45 | 45 |
| | 32 | - | 32 | (114) | (82) | 29 |
| | <u>758</u> | <u>35</u> | <u>793</u> | <u>(337)</u> | <u>456</u> | <u>566</u> |
| Management and Support Services | | | | | 34 | 7 |
| Governance Costs | | | | | 6 | 7 |
| | | | | | <u>40</u> | <u>14</u> |
| Contribution from Folkestone & Hythe District Council | | | | | (559) | (529) |
| Net Income Before Transfers | | | | | <u>(63)</u> | <u>51</u> |
| Gross Transfer between funds | | | | | <u>(37)</u> | <u>(51)</u> |
| Net Income Before Other Recognised Gains and Losses | | | | | <u>(100)</u> | <u>-</u> |

*2020/21 comparatives have been restated due to misallocation of costs between Charity areas.

8. Fixed Assets

a) Definitions of Fixed Assets

Freehold Land and Buildings – functional assets used in the delivery of services, possibly income producing e.g. car parks, sports facilities etc.

Fixtures, Fittings and Equipment – play area equipment at the Coastal Park and play equipment at Radnor Park and Canterbury Road Recreation Ground.

Infrastructure Assets – long-lived capital assets, normally stationary in nature and can be preserved for a significantly greater number of years than most capital assets e.g. surfacing and landscaping at Radnor Park.

Investment Assets – freehold land and buildings that are leased at commercial rents.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

8. Fixed Assets (continued)

There is no historic cost to the charity of the revalued assets as they were transferred with no charge in 1991 on the formation of the charity.

b) Movement in Fixed Assets

| | *Land and Buildings £'000 | Fixtures & Fittings £'000 | Infra- structure Assets £'000 | Investment Assets £'000 | Assets under Construction £'000 | Total £'000 |
|---------------------------------|------------------------------------|---------------------------------|--|-------------------------------|---------------------------------------|----------------|
| <u>Cost or valuation</u> | | | | | | |
| 1 April 2021 | 3,531 | 454 | 109 | 1,181 | - | 5,275 |
| Additions | - | - | - | 49 | - | 49 |
| Revaluations | 74 | - | - | 59 | - | 133 |
| 31 March 2022 | 3,605 | 454 | 109 | 1,289 | - | 5,457 |

Accumulated Depreciation and Impairment Provision

| | | | | | | |
|-----------------|-----------|------------|-----------|---|---|------------|
| 1 April 2021 | 10 | 321 | 20 | - | - | 351 |
| Revaluations | (10) | - | - | - | - | (10) |
| Charge for year | 10 | 20 | 5 | - | - | 35 |
| | 10 | 341 | 25 | - | - | 376 |

Net Book Values

| | | | | | | |
|---------------|--------------|------------|-----------|--------------|---|--------------|
| 31 March 2021 | 3,521 | 133 | 89 | 1,181 | - | 4,924 |
| 31 March 2022 | 3,595 | 113 | 84 | 1,289 | - | 5,081 |

*The historical cost of Land and Buildings included above is £2,689,000 (2021: £2,689,000)

c) Fixed Asset Valuation

The Charity's freehold land and buildings and investment assets (properties), were re-valued at 31 March 2022 by an external independent valuer – Wilks, Head & Eve Chartered Surveyors – on the under-mentioned bases in accordance with the Statements of Asset Valuation Practice and Guidance Notes of The Royal Institution of Chartered Surveyors.

Freehold Land and Buildings – are valued on the basis of open market value for the existing use or, where this could not be assessed because there was no market for an asset, the depreciated replacement cost.

Investment Assets (properties) – are valued on the basis of open market value.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

8. Fixed Assets (continued)

d) Approximate Area of Charity's Land

| | 31 March 2022 | 31 March 2021 |
|---------------------------------------|----------------------|----------------------|
| | Hectares | Hectares |
| East Cliff and Warren (incl Durlocks) | 102 | 102 |
| Lower Sandgate Road | 13 | 13 |
| Radnor Park | 8 | 8 |
| Morehall Recreation Ground | 5 | 5 |
| Canterbury Road Recreation Ground | <u>2</u> | <u>2</u> |
| | 130 | 130 |

9. Debtors

| | 2021/22 | 2020/21 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Sum Held By Folkestone & Hythe District Council (see note 10) | 339 | 235 |
| Trade debtors | <u>8</u> | <u>-</u> |
| | 347 | 235 |

10. Sum Held by Folkestone & Hythe District Council

The Council's investments, including the Charity's capital receipts, are now managed in-house. The Charity's capital receipts are not in a ring-fenced investment but are part of Folkestone & Hythe's overall investment funds.

Folkestone & Hythe District Council also holds the Charity's day-to-day cash balance in one of its bank accounts. Sums held by the Council on behalf of the Charity are now treated as a debtor balance to acknowledge that the Council has custody of the funds but not beneficial ownership.

| | 2021/22 | 2020/21 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Capital Receipts from Disposal of Fixed Assets <i>(Endowment Fund held by F&HDC)</i> | 119 | 119 |
| Grants and Contributions <i>(Restricted Funds held by F&HDC)</i> | 71 | 52 |
| General Reserve <i>(Unrestricted Funds held by F&HDC)</i> | 130 | 29 |
| Movement in Trade Debtors and Creditors <i>(Administered by F&HDC)</i> | 19 | 35 |
| | <u>339</u> | <u>235</u> |

11. Creditors Due Within One Year

a) Balances at year end

| | 2021/22 | 2020/21 |
|-----------------|----------------|----------------|
| | £'000 | £'000 |
| Trade Creditors | - | 6 |
| Accruals | 10 | 14 |
| Deferred Income | <u>81</u> | <u>20</u> |
| | 91 | 40 |

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

b) Movement in the Year

Beach Hut rental income is payable either quarterly in advance so is treated as deferred income in the accounts and only recognised as income in the period to which it relates.

| | Balance at 31 March 2021 £'000 | Income released in year £'000 | Income deferred in year £'000 | Balance at 31 March 2022 £'000 |
|-------------------------|---|--|--|---|
| Deferred Income | | | | |
| Beach hut rental income | 20 | (20) | 81 | 81 |

12. Creditors Due After More Than One Year

| | 2021/22 £'000 | 2020/21 £'000 |
|-------------------|------------------|------------------|
| Loan due to F&HDC | 509 | 524 |
| | <u>509</u> | <u>524</u> |

Following completion of the Beach Chalets and local infrastructure in February 2021, the Charity had total borrowing with FHDC totalling £569,500 (see section 5.4 in the Trustees Report). The borrowing period is 10 years and the indicative annual capital financing cost is estimated to be £62,000 and the Charity will meet the financing costs over a 10 year period from the gross additional revenue income generated from the scheme. A sum of £56,544 was repaid during the financial year.

13. Fund Movements in the Year

a) Movement in current year

| | Balance at 31 March 2021 £'000 | Net Income £'000 | Transfers £'000 | Balance at 31 March 2022 £'000 |
|----------------------------|--------------------------------------|------------------------|--------------------|--------------------------------------|
| Restricted Funds: | | | | |
| Capital Grants Reserve | 2,804 | 27 | (37) | 2,794 |
| Endowment Fund | 119 | - | - | 119 |
| Unrestricted Funds: | | | | |
| Revaluation Reserve | 1,659 | 143 | - | 1,802 |
| General Fund | 13 | 63 | 37 | 113 |
| | <u>4,595</u> | <u>233</u> | <u>-</u> | <u>4,828</u> |

The transfers between funds of £37k relate to the transfer of depreciation £35k and application of capital grants £2k.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

b) Movement in prior year

| | Balance at 31 March 2020 £'000 | Net Income £'000 | Transfers £'000 | Balance at 31 March 2021 £'000 |
|----------------------------|--------------------------------------|------------------------|--------------------|--------------------------------------|
| Restricted Funds: | | | | |
| Capital Grants Reserve | 2,835 | 20 | (51) | 2,804 |
| Endowment Fund | 119 | - | - | 119 |
| Unrestricted Funds: | | | | |
| Revaluation Reserve | 1,872 | (213) | - | 1,659 |
| General Fund | 13 | (51) | 51 | 13 |
| | 4,839 | (244) | - | 4,595 |

14. Analysis of Net Assets between Funds

| | 2021/22 | | | |
|----------------------------|--------------------------|-----------------------------------|--------------------------------------|---------------------------|
| | Fixed Assets £'000 | Net Current Assets £'000 | Long Term Liabilities £'000 | Fund Balances £'000 |
| Restricted Funds: | | | | |
| Capital Grants Reserve | 2,794 | - | - | 2,794 |
| Endowment Fund | - | 119 | - | 119 |
| Unrestricted Funds: | | | | |
| Revaluation Reserve | 1,802 | - | - | 1,802 |
| General Fund | 485 | 137 | (509) | 113 |
| | 5,081 | 256 | (509) | 4,828 |

| | 2020/21 | | | |
|----------------------------|--------------------------|-----------------------------------|--------------------------------------|---------------------------|
| | Fixed Assets £'000 | Net Current Assets £'000 | Long Term Liabilities £'000 | Fund Balances £'000 |
| Restricted Funds: | | | | |
| Capital Grants Reserve | 2,804 | - | - | 2,804 |
| Endowment Fund | - | 119 | - | 119 |
| Unrestricted Funds: | | | | |
| Revaluation Reserve | 1,659 | - | - | 1,659 |
| General Fund | 461 | 76 | (524) | 13 |
| | 4,924 | 195 | (524) | 4,594 |

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

15. Reconciliation of Net Cash Flow from Operating Activities

| | 2021/22 | 2020/21 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Net (expenditure)/income for the reporting period (as per statement of financial activities) | 233 | (244) |
| Adjustments for: | | |
| Depreciation charge | 35 | 48 |
| Loss/(Gains) on investments | (59) | 197 |
| Loss/(Gains) on fixed assets | (84) | 16 |
| Dividends, interest and rents from investments | (157) | (46) |
| (Increase)/Decrease in debtors | (8) | - |
| Increase/(Decrease) in creditors | 51 | 37 |
| Net cash provided by/(used in) operating activities | 11 | 8 |

16. Analysis of Cash and Cash Equivalents

| | 2021/22 | 2020/21 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Sum held by Folkestone & Hythe District Council | 339 | 235 |
| Total cash and cash equivalents | 339 | 235 |

17. Related Party Transactions

The Charity is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the Charity (or to be controlled or influenced by the Charity). Disclosure of these transactions allows readers to assess the extent to which the Charity might have been constrained in its ability to operate independently (or might have secured the capability to limit another party's ability to bargain freely with the Charity).

Folkestone & Hythe District Council has effective control over the general operations of the Charity. It is responsible for providing the majority of the Charity's funding by financing its net cost. The Corporate Trustee duties of the Council are carried out by its cabinet councillors. The Charity's management and support and grounds maintenance is provided by Council officers.

Councillors are required to observe the code of conduct for councillors, register financial interests under section 81(1) of the Local Government Act 2000 and register the receipt of any gifts/hospitality over £25. There are no material related party transactions with councillors to disclose for 2021/22.

Officers are required to observe the code of conduct for officers and register the receipt of any gifts/hospitality. The Charity had no material related party transactions with officers during 2021/22.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

Material amounts included in the Charity's accounts relating to Folkestone & Hythe District Council are as follows:

| Statement of Financial Activities | 2021/22 | 2020/21 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Contribution to finance net expenditure | (559) | (529) |
| Provision of management and support services | 34 | 7 |
| Provision of grounds maintenance and cleansing services (see note 5) | 662 | 623 |

18. Key Management Personnel

The Corporate Trustee, Folkestone & Hythe District Council, constitutes the key management personnel of the Charity. The cabinet members of Folkestone & Hythe District Council, as listed on page 1, have not received any remuneration or expenses for carrying out the Corporate Trustee function on behalf of the Council.