

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales · Charity number 1006288

Details

Status Registered

Legal form Other

Registered 1991-11-27

Register [View on the Charity Commission register](#)

Contact

Address Folkestone & Hythe District Council
Civic Centre
Castle Hill Avenue
Folkestone
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Activities

Objects: 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 THE NEIGHBOURHOOD THEREOF.

Activities: The principal aim of the Charity is to ensure the maintenance of specific parks and recreation grounds so that the residents of Folkestone and Sandgate can use them for leisure pursuits and to enjoy the benefits of open spaces in an urban area.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Amateur Sport, Environment/conservation/heritage, Recreation, Other Charitable Purposes
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE FORMER BOROUGH OF FOLKESTONE AND THE NEIGHBOURHOOD
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,320,000	£1,383,000	£5,658,000	0
2024-03-31	£1,179,878	£1,216,961	£5,647,706	0
2023-03-31	£923,760	£907,000	£5,070,302	0
2022-03-31	£922,880	£832,860	£4,827,618	0
2021-03-31	£740,000	£771,000	£4,595,000	0

Trustees

Name	Role	Appointed
FOLKESTONE & HYTHE DISTRICT COUNCIL		2018-04-01

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales - Charity number 1006288

Accounts

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

***Annual Report and Accounts for the Year
Ended 31 March 2025***

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**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025**

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 2025 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 J Martin (Leader) Cllr T Prater (Deputy Leader) Cllr M Blakemore Cllr P Blakemore Cllr G Fuller Cllr R Holgate Cllr S Scoffham Cllr R Shoob Cllr J Speakman
2.5	Names of Chief Officers	Head of Paid Service – Susan Priest Financial Advisor to the Charity – Jonathan Smith Legal Advisor to the Charity – Ola Sobowale
2.6	Principal Office	Folkestone & Hythe District Council Civic Centre, Castle Hill Avenue Folkestone, Kent CT20 2QY
2.7	Principal External Advisors Bankers Auditor Investment Managers	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 Begbies Chartered Accountants, Unit 14, Park Barn, Evegate Business Park, Smeeth, Ashford TN25 6SX 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.
- 3.11 The Council's constitution specifies the risk management responsibilities of the head of paid service, the corporate directors and service managers.
- 3.12 Risks are identified, assessed and controls established throughout the year. The key controls used by the Council and the Charity include:

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025**

- 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 (Coastal Park)
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).

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.

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4.8 The formal zone comprises pine avenues, formal planting and hard landscaping. The fun zone contains the largest free play area in the southeast as well as a zigzag path and amphitheatre. The wild zone encourages wildlife through sensitive habitat management.

4.9 **Objectives for 2024/25**

The main objective for 2024/25 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 'A thriving environment' of providing a clean, attractive and safe environment for residents, visitors and businesses.

4.11 Key actions for 2024/25 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 2024/25

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 eighth year running.

A new pétanque group was founded by local residents in order to raise funding for a permanent square. A new pétanque square was installed in previous year with the grand opening taking place in April 2025.

This year also marked the installation of Changing Places toilets designed to cater for the needs of disabled adults and their carers.

A fountain was installed to aerate the boating pond to protect the fish stock and to add extra value to aesthetic to the park.

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 18th consecutive year.

The six free family rock-pooling sessions were still popular and well attended.

However, the free Shakespeare performance by Changeling theatre had to be cancelled due to sickness.

Like Radnor Park, this year also marked the installation of Changing Places toilets designed to cater for the needs of disabled adults and their carers.

Plans are in place to refurbish the main Tower Unit in the Fun Zone of the Lower Leas Coastal Park which will continue through 2025/26 and aims to be completed in summer 2026.

5.3 East Cliff Sports

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The sports facilities continue to be well used by the public and schools alike with similar income levels to 2023/24.

Use of a card machine (cashless operations) has proven successful, reducing the workload and risk associated with handling cash.

New sports equipment was purchased this year to improve the customer experience.

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 which received positive national coverage. The Chalets continue to be viewed positively by the local community and are being enjoyed by tenants with 100% occupancy (115).

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 in equal instalments 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 when a sum of £56,544 was repaid; the fourth payment towards this was made in 2024/25.

6. FINANCIAL REVIEW 2024/25

6.1 The charity ran an operating deficit of £39,000 in 2024/25 (£13,000 deficit 2023/24).

6.2 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.

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 £121,000 at the end of 2024/25 (£158,000 2023/24).

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6.7 Investment Policy and Performance

At the start of 2024/25, 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's investment activity during 2024/25 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.

6.8 The Charity also holds five properties (valued at £1,914,000) that are leased at commercial rents and are classed as investment assets.

6.9 The Charity's accounts showing the financial performance for the year ending 31 March 2025 are set out on pages 14 to 29. 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.

6.10 The accounts are supported by the Statement of Accounting Policies and various notes to the accounts.

6.11 The charity finished the year with a surplus of £10,000 largely due to gains arising on the revaluation on investment assets, bringing the total reserves to £5,658,000. Of these funds £2,705,000 are restricted and £118,000 are endowment funds. At the balance sheet date £5,923,000 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 As noted at paragraph 5.2 above, a major refurbishment of the play equipment in the Lower Leas Coastal Park is planned to complete in 2026, making it more accessible and modernising the now decades old play equipment. Work will also be performed to stabilise the land above the Coastal Park following landslips in 2024 due to uncharacteristically heavy rainfall.

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8. AUDIT OF THE CHARITY'S ACCOUNTS

- 8.1 Begbies Chartered Accountants have been appointed to audit the 2024/25 accounts in accordance with the Charities Act 2011.

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 852303) susan.priest@folkestone-hythe.gov.uk.

The Annual Report for the year ended 31 March 2025 approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 25 March 2026 and signed on its behalf by:

Signed:



Date:
Cllr J Martin
Chair

25 MARCH 2026

Folkestone Parks and Pleasure Grounds Charity

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025**

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 29. have been prepared in accordance with the accounting policies set out on pages 18 to 20 and that it presents fairly the financial position of the Folkestone Parks and Pleasure Grounds Charity at 31 March 2025 and the Charity's incoming and outgoing resources for the year then ended.

Signed



Date 25 MARCH 2026

Cllr J Martin

**Chair
Folkestone Parks and
Pleasure Grounds Charity**

Signed



Date 25 MARCH 2026

JONATHAN SMITH

**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 2025**

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 for the year ended 31 March 2025 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of the charity's net movement in funds 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 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. 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 Auditor's 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 UK, including the FRC'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.

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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2025

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011 and the Charities SORP.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2025**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals entries and management bias in certain accounting estimates and judgements such as valuation of the unlisted investments. Audit procedures performed by the engagement team included:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing;
- Evaluation of the selection and application of the accounting policies chosen by the charity; and
- Evaluating management's controls designed to prevent and detect irregularities.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 Auditor's 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Begbies Chartered Accountants

Statutory Auditors
Unit 14, Park Barn
Evegate Business Park
Smeeth, Ashford
TN25 6SX

Begbies is eligible to act as an auditor 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 2025

	2024/25			
	Unrestri- c- ted Fund	Restric- ted Funds	Endow- ment Funds	Total
	£'000	£'000	£'000	£'000
Income and Endowments from:				
Donations for projects	0	0	0	0
Charitable Activities	199	0	0	199
Investment Income (note 2)	480	0	0	480
Contribution from Folkestone & Hythe DC (note 3)	641	0	0	641
Total	1,320	0	0	1,320
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	32	0	0	32
Premises & Grounds (note 5)	1,004	(1)	0	1,003
Supplies and Services	97	0	0	97
Management and Support Services (note 4)	219	0	0	219
Governance Costs (note 6)	7	0	0	7
Depreciation	0	25	0	25
Total	1,359	24	0	1,383
Gains/(Losses) on Investment assets	60	0	0	60
Gains/(Losses) on Revaluation of Fixed Assets	13	0	0	13
Net (Expenditure)/Income	34	(24)	0	10
Transfers Between Funds	0	0	0	0
Net Movements in Funds	34	(24)	0	10
Reconciliation of Funds:				
Total funds brought forward	2,801	2,729	118	5,648
Total funds carried forward	2,835	2,705	118	5,658

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	2023/24			
	Unrestric- ted Fund £'000	Restrict- ed Funds £'000	Endow- ment Funds £'000	Total £'000
Income and Endowments from:				
Donations for projects	0	24	0	24
Charitable Activities	194	0	0	194
Investment Income (note 2)	350	0	0	350
Contribution from Folkestone & Hythe DC (note 3)	612	0	0	612
Total	1,156	24	0	1,180
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	23	0	0	23
Premises & Grounds (note 5)	844	24	0	868
Supplies and Services	104	0	0	104
Management and Support Services (note 4)	187	0	0	187
Governance Costs (note 6)	11	0	0	11
Depreciation	0	23	0	23
Total	1,169	47	0	1,216
Gains/(Losses) on Investment assets	612	0	0	612
Gains/(Losses) on Revaluation of Fixed Assets	1	0	0	1
Net (Expenditure)/Income	600	(23)	0	577
Transfers Between Funds	0	0	0	0
Net Movements in Funds	600	(23)	0	577
Reconciliation of Funds:				
Total funds brought forward	2,201	2,752	118	5,071
Total funds carried forward	2,801	2,729	118	5,648

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
BALANCE SHEET AS AT 31 MARCH 2025**

	2024/25 £'000	2023/24 £'000
FIXED ASSETS (note 8)		
Freehold Land and Buildings	3,879	3,821
Fixtures, Fittings and Equipment	61	79
Infrastructure Assets	69	74
Investment Assets (Properties)	1,914	1,901
Total Fixed Assets	5,923	5,875
CURRENT ASSETS		
Debtors (note 9)	175	203
Total Current Assets	175	203
LIABILITIES		
Creditors: due within 1 year (note 11)	158	92
Net Current Assets	17	111
Total Assets Less Current Liabilities	5,940	5,986
Creditors: due after more than 1 year (note 12)	282	338
TOTAL NET ASSETS	5,658	5,648
THE FUNDS OF THE CHARITY		
Endowment Fund	118	118
Restricted Funds:		
Capital Grants Reserve	2,705	2,729
Unrestricted Funds:		
Revaluation Reserve	2,714	2,643
Unrestricted General Fund	121	158
TOTAL CHARITY FUNDS (note 13)	5,658	5,648

Approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 25 March 2026 and signed on its behalf by:

Signed

Date



25 MARCH 2026

Cllr Jim Martin
Chair

Folkestone Parks and Pleasure Grounds Charity

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2025

	2024/25	2023/24
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities (note 15)	(452)	(379)
Cash flows from investing activities:		
Dividends, interest and rents from investments	482	350
Purchase of investment	0	0
Net cash provided by/(used in) investing activities	482	350
Cash flows from financing activities:		
Repayments of borrowing	(57)	(57)
Cash inflows from new borrowing	0	0
Net cash (used in)/provided by financing activities	(57)	(57)
Change in cash and cash equivalents in the year	(27)	(86)
Cash and cash equivalents at the beginning of the year (note 16)	203	290
Cash and cash equivalents at the end of the year (note 16)	175	203

Analysis of changes in net debt:	At 1 April	Cashflows	At 31
	2024		March
	£'000	£'000	£'000
Cash at bank in hand	203	(28)	175
Debt:			
Loans	(395)	57	(338)
Net debt	(192)	29	(163)

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

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 2025

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 2025.

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. Financial assets and liabilities are payable within 12 months for short term financial assets and liabilities, 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 2025

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.

Valuations are 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 continues to be 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 2025**

2. Income

Investment income

	2024/25	2023/24
	£'000	£'000
Rental Income (UK)	188	185
External Investment Interest	23	0
Share of centrally determined investment income recharge	269	165
	480	350

Donations

Donations of £0 were received in 2024/25.

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' and 'employees'.

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 2024/25.

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

	2024/25	2023/24
	£'000	£'000
Auditor's Remuneration – Current Year	4	4
Valuation Fees	3	3
Public Consultation Fees	0	4
	7	11

Fees for audit of the 2024/25 accounts are estimated at £4k and have been accrued in 2024/25.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

7. Unrestricted Fund - Analysis of Net Income

	2024/25	2024/25	2024/25	2023/24
	Running	Income	Net	Net
	Costs		Total	Total
	£'000	£'000	£'000	£'000
East Cliff & Warren (including Durlocks)	134	(64)	70	49
Lower Sandgate Road	266	(175)	91	66
Radnor Park	571	(279)	292	326
Morehall Recreational Ground	56	(6)	50	39
Canterbury Road Recreational Ground	56	(6)	50	39
Marine Walk Beach Chalets	47	(147)	(100)	(73)
Subtotal	1,130	(677)	453	445
Management and Support Services			220	169
Governance Costs			7	11
Subtotal			227	180
Contribution from Folkestone & Hythe District Council			(641)	(612)
Net Income Before Transfers			39	13
Gross Transfer between funds			0	0
Net Income Before Other Recognised Gains and Losses			39	13

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.

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

b) Movement in Fixed Assets

	*Land and Buildings	Fixtures & Fittings	Infrastructure Assets	Investment Assets	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
01 April 2024	3,833	454	109	1,901	0	6,297
Additions	0	0	0	0	0	0
Revaluations	60	0	0	13	0	73
31 March 2025	3,893	454	109	1,914	0	6,370
Accumulated Depreciation and Impairment Provision						
01 April 2024	12	375	35	0	0	422
Revaluations	0	0	0	0	0	0
Charge for year	2	18	5	0	0	25
31 March 2025	14	393	40	0	0	447
Net Book Values						
31 March 2025	3,879	61	69	1,914	0	5,923
31 March 2024	3,821	79	74	1,901	0	5,875

*The historical cost of Land and Buildings included above is £2,689,000 (2023/24: £2,689,000)

c) Fixed Asset Valuation

The Charity's freehold land and buildings and investment assets (properties), were re-valued at 31 March 2025 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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

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

d) Approximate Area of Charity’s Land

	31 Mar 25	31 Mar 24
	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	2	2
	130	130

9. Debtors

	2024/25	2023/24
	£'000	£'000
Sum Held By Folkestone & Hythe District Council (see note 10)	175	203
Trade debtors	0	0
	175	203

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.

	2024/25	2023/24
	£'000	£'000
Capital Receipts from Disposal of Fixed Assets <i>(Endowment Fund held by F&HDC)</i>	118	118
Grants and Contributions (net of loans between F&HDC and FPPG) <i>(Restricted Funds held by F&HDC)</i>	(165)	(108)
General Reserve <i>(Unrestricted Funds held by F&HDC)</i>	121	158
Movement in Trade Debtors and Creditors <i>(Administered by F&HDC)</i>	101	35
	175	203

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

11. Creditors Due Within One Year

	2024/25	2023/24
	£'000	£'000
Trade Creditors	0	0
Accruals	18	12
Deferred Income	81	22
Deposits	2	1
Loan due to F&HDC	57	57
	158	92

12. Creditors Due After More Than One Year

	2024/25	2023/24
	£'000	£'000
Loan due to F&HDC	282	338
	282	338

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. This equates to an effective annual interest rate of 2%.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

13. Fund Movements in the Year

a) **Movement in current year**

	Balance at 31 March 2024	Net Income	Transfers	Balance at 31 March 2025
	£'000	£'000	£'000	£'000
Restricted Funds:				
Capital Grants Reserve	2,729	(24)	0	2,705
Endowment Fund	118	0	0	118
				0
Unrestricted Funds:				
Revaluation Reserve	2,643	73	0	2,714
General Fund	158	(39)	0	121
	5,648	10	0	5,658

b) **Movement in prior year**

	Balance at 31 March 2023	Net Income	Transfers	Balance at 31 March 2024
	£'000	£'000	£'000	£'000
Restricted Funds:				
Capital Grants Reserve	2,752	(23)	0	2,729
Endowment Fund	118	0	0	118
				0
Unrestricted Funds:				
Revaluation Reserve	2,030	613	0	2,643
General Fund	171	(13)	0	158
	5,071	577	0	5,648

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

14. Analysis of Net Assets between Funds

2024/25	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,705	0	0	2,705
Endowment Fund	0	118	0	118
Unrestricted Funds:				
Revaluation Reserve	2,714	0	0	2,714
General Fund	503	(101)	(282)	121
	5,923	17	(282)	5,658

2023/24	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,729	0	0	2,729
Endowment Fund	0	118	0	118
Unrestricted Funds:				
Revaluation Reserve	2,643	0	0	2,643
General Fund	503	(7)	(338)	158
	5,875	111	(338)	5,648

15. Reconciliation of Net Cash Flow from Operating Activities

	2024/25 £'000	2023/24 £'000
Net (expenditure)/income for the reporting period (as per statement of financial activities)	10	577
Adjustments for:		
Depreciation charge	25	24
Loss/(Gains) on investments	(60)	(612)
Loss/(Gains) on fixed assets	(13)	(1)
Dividends, interest and rents from investments	(480)	(350)
(Increase)/Decrease in debtors	0	0
Increase/(Decrease) in creditors	66	(17)
Net cash provided by/(used in) operating activities	(452)	(379)

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

16. Analysis of Cash and Cash Equivalents

	2024/25	2023/24
	£'000	£'000
Sum held by Folkestone & Hythe District Council	175	203
Total cash and cash equivalents	175	203

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 2024/25.

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 2024/25.

Loan interest charges on the capital loan from the Council equates to an effective annual interest rate of 2%.

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

	2024/25	2023/24
	£'000	£'000
Contribution to finance net expenditure	(641)	(612)
Provision of management and support services	219	187
Share of centrally determined investment income recharge	(269)	(165)
Provision of grounds maintenance and cleansing services (see note 5)	1,003	868

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales - Charity number 1006288

Accounts

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

***Annual Report and Accounts for the Year
Ended 31 March 2024***

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**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

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 2024 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 J Martin (Leader) Cllr T Prater (Deputy Leader) Cllr M Blakemore Cllr P Blakemore Cllr G Fuller Cllr R Holgate Cllr S Scoffham Cllr R Shoob Cllr J Speakman
2.5	Names of Chief Officers	Head of Paid Service – Susan Priest Financial Advisor to the Charity – Jonathan Smith Legal Advisor to the Charity – Nicola Murton
2.6	Principal Office	Folkestone & Hythe District Council Civic Centre, Castle Hill Avenue Folkestone, Kent CT20 2QY
2.7	Principal External Advisors Bankers	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
	Auditor	Begbies Chartered Accountants, Unit 14, Park Barn, Evegata Business Park, Smeeth, Ashford TN25 6SX
	Investment Managers	Folkestone & Hythe District Council

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

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.
- 3.11 The Council's constitution specifies the risk management responsibilities of the head of paid service, the corporate directors and service managers.
- 3.12 Risks are identified, assessed and controls established throughout the year. The key controls used by the Council and the Charity include:

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

- 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 (Coastal Park)
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).

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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

4.8 The formal zone comprises pine avenues, formal planting and hard landscaping. The fun zone contains the largest free play area in the southeast as well as a zigzag path and amphitheatre. The wild zone encourages wildlife through sensitive habitat management.

4.9 Objectives for 2023/24

The main objective for 2023/24 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 'A thriving environment' of providing a clean, attractive and safe environment for residents, visitors and businesses.

4.11 Key actions for 2023/24 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 2023/24

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 seventh year running.

A new pétanque group was founded by local residents in order to raise funding for a permanent square. Funding was secured by the group, with a new pétanque square installed in January 2024.

Following the introduction of five Bee Kind / wildlife areas in 2022/23, new grass cutting regimes have been introduced with two conservation cuts taking place (July & October).

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 17th consecutive year.

The six free family rock-pooling sessions were still popular and well attended.

A free Shakespeare production was performed by Changeling theatre was extremely well attended and received.

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

This financial year also saw the installation of Changing Places toilets designed to cater for the needs of disabled adults and their carers within the Coastal Park.

In June 2023, a new concessions kiosk and toilet block opened near the foot of the Zig-Zag path. The new building includes four additional toilets, one of which is a disabled facility. The kiosk and toilet block are powered by solar panels and have a green roof.

Four battery powered backpack blowers were purchased in February 2023 with the aim to minimise noise and pollution in the park during grounds maintenance activities.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

5.3 East Cliff Sports

The sports facilities continue to be well used by the public and schools alike with similar income levels to 2022/23.

A new mower was purchased for the maintenance of the golf greens.

The kiosks on East Cliff are looking to adopt a cashless system which will reduce administration costs (dealing with cash).

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 which received positive national coverage. The Chalets continue to be viewed positively by the local community and are being enjoyed by tenants with 100% occupancy (115).

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 in equal instalments 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 when a sum of £56,544 was repaid; the third payment towards this was made in 2023/24.

6. FINANCIAL REVIEW 2023/24

6.1 The charity ran an operating deficit of £13,000 in 2023/24 (£58,000 surplus 2022/23), broadly in line with budget, given the 'cost of living' crisis.

6.2 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.

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 £158,000 at the end of 2023/24 (£171,000 2022/23).

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

6.7 Investment Policy and Performance

At the start of 2023/24 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's investment activity during 2023/24 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.

6.8 The Charity also holds five properties (valued at £1,901,000) that are leased at commercial rents and are classed as investment assets.

6.9 The Charity's accounts showing the financial performance for the year ending 31 March 2024 are set out on pages 14 to 29. 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.

6.10 The accounts are supported by the Statement of Accounting Policies and various notes to the accounts.

6.11 The charity finished the year with a surplus of £577,000 largely due to gains arising on the revaluation on investment assets, bringing the total reserves to £5,648,000. Of these funds £2,729,000 are restricted and £118,000 are endowment funds. At the balance sheet date £5,875,000 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 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 identified the site as a Priority Play Area. A full public consultation commenced in 2023/24; in July 2024, Trustees of the charity considered the response to the public consultation. It was agreed not to increase the leisure facilities at East Cliff but for the council to explore external sources of funding to improve the play area and address the cost of maintaining the existing sports facilities.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

8. AUDIT OF THE CHARITY'S ACCOUNTS

- 8.1 Begbies Chartered Accountants have been appointed to audit the 2023/24 accounts in accordance with the Charities Act 2011.

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 852303) susan.priest@folkestone-hythe.gov.uk.

The Annual Report for the year ended 31 March 2024 approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 15 October 2025 and signed on its behalf by:

Signed:



Date:

Cllr J Martin

Chair

Folkestone Parks and Pleasure Grounds Charity

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

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).

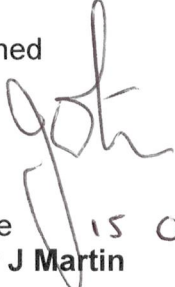
The law applicable to charities in England and Wales requires Folkestone & Hythe District Council to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. 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 29. have been prepared in accordance with the accounting policies set out on pages 18 to 20 and that it presents fairly the financial position of the Folkestone Parks and Pleasure Grounds Charity at 31 March 2024 and the Charity's incoming and outgoing resources for the year then ended.

Signed

Date 15 October 2025
Cllr J Martin

**Chair
Folkestone Parks and
Pleasure Grounds Charity**

Signed

(JONATHAN SMITH)
Date 15 October 2025

**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 2024**

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 for the year ended 31 March 2024 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of the charity's net movement in funds 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 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. 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 Auditor's 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 UK, including the FRC'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.

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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2024**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011 and the Charities SORP.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2024**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals entries and management bias in certain accounting estimates and judgements such as valuation of the unlisted investments. Audit procedures performed by the engagement team included:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing;
- Evaluation of the selection and application of the accounting policies chosen by the charity; and
- Evaluating management's controls designed to prevent and detect irregularities.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 Auditor's 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Begbies Chartered Accountants

Statutory Auditors

Unit 14, Park Barn

Evegate Business Park

Smeeth, Ashford

TN25 6SX

Begbies is eligible to act as an auditor 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 2024

	2023/24			
	Unrestric- ted Fund £'000	Restrict- ed Funds £'000	Endow- ment Funds £'000	Total £'000
Income and Endowments from:				
Donations for projects	0	24	0	24
Charitable Activities	194	0	0	194
Investment Income (note 2)	350	0	0	350
Contribution from Folkestone & Hythe DC (note 3)	612	0	0	612
Total	1,156	24	0	1,180
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	23	0	0	23
Premises & Grounds (note 5)	844	24	0	868
Supplies and Services	104	0	0	104
Management and Support Services (note 4)	187	0	0	187
Governance Costs (note 6)	11	0	0	11
Depreciation	0	23	0	23
Total	1,169	47	0	1,216
Gains/(Losses) on Investment assets	612	0	0	612
Gains/(Losses) on Revaluation of Fixed Assets	1	0	0	1
Net (Expenditure)/Income	600	(23)	0	577
Transfers Between Funds	0	0	0	0
Net Movements in Funds	600	(23)	0	577
Reconciliation of Funds:				
Total funds brought forward	2,201	2,752	118	5,071
Total funds carried forward	2,801	2,729	118	5,648

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	2022/23			Total
	Unrestric- ted Fund	Restric- ted Funds	Endow- ment Funds	
	£'000	£'000	£'000	£'000
Income and Endowments from:				
Donations for projects	0	19	0	19
Charitable Activities	171	0	0	171
Investment Income (note 2)	219	0	0	219
Contribution from Folkestone & Hythe DC (note 3)	514	0	0	514
Total	904	19	0	923
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	20	0	0	20
Premises & Grounds (note 5)	671	38	0	709
Supplies and Services	101	0	0	101
Management and Support Services (note 4)	46	0	0	46
Governance Costs (note 6)	8	0	0	8
Depreciation	0	23	0	23
Total	846	61	0	907
Gains/(Losses) on Investment assets	0	0	0	0
Gains/(Losses) on Revaluation of Fixed Assets	228	0	0	228
Net (Expenditure)/Income	286	(42)	0	244
Transfers Between Funds	0	0	0	0
Net Movements in Funds	286	(42)	0	244
Reconciliation of Funds:				
Total funds brought forward	1,915	2,794	118	4,827
Total funds carried forward	2,201	2,752	118	5,071

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
BALANCE SHEET AS AT 31 MARCH 2024**

	2023/24 £'000	2022/23 £'000
FIXED ASSETS (note 8)		
Freehold Land and Buildings	3,821	3,821
Fixtures, Fittings and Equipment	79	96
Infrastructure Assets	74	79
Investment Assets (Properties)	1,901	1,289
Total Fixed Assets	5,875	5,285
CURRENT ASSETS		
Debtors (note 9)	203	290
Total Current Assets	203	290
LIABILITIES		
Creditors: due within 1 year (note 11)	92	109
Net Current Assets	111	181
Total Assets Less Current Liabilities	5,986	5,466
Creditors: due after more than 1 year (note 12)	338	395
TOTAL NET ASSETS	5,648	5,071
THE FUNDS OF THE CHARITY		
Endowment Fund	118	118
Restricted Funds:		
Capital Grants Reserve	2,729	2,752
Unrestricted Funds:		
Revaluation Reserve	2,643	2,030
Unrestricted General Fund	158	171
TOTAL CHARITY FUNDS (note 13)	5,648	5,071

Approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 15 October 2025 and signed on its behalf by:

Signed

Date

Cllr Jim Martin
Chair

Folkestone Parks and Pleasure Grounds Charity

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

	2023/24	2022/23
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities (note 15)	(379)	(211)
Cash flows from investing activities:		
Dividends, interest and rents from investments	350	219
Purchase of investment	0	0
Net cash provided by/(used in) investing activities	350	219
Cash flows from financing activities:		
Repayments of borrowing	(57)	(57)
Cash inflows from new borrowing	0	0
Net cash (used in)/provided by financing activities	(57)	(57)
Change in cash and cash equivalents in the year	(86)	(49)
Cash and cash equivalents at the beginning of the year (note 16)	290	339
Cash and cash equivalents at the end of the year (note 16)	203	290

Analysis of changes in net debt:

	At 1 April 2023 £'000	Cashflows £'000	At 31 March 2024 £'000
Cash at bank in hand	290	(87)	203
Debt:			
Loans	(452)	57	(395)
Net debt	(162)	(30)	(192)

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

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 2024

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 2024.

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. Financial assets and liabilities are payable within 12 months for short term financial assets and liabilities, 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 2024

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.

Valuations are 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 continues to be 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 2024

2. Income

Investment income

	2023/24	2022/23
	£'000	£'000
Rental Income (UK)	185	158
External Investment Interest	0	8
Share of centrally determined investment income recharge	165	53
	350	219

Donations

Donations of £24,245 were received in 2023/24.

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 2023/24.

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

	2023/24	2022/23
	£'000	£'000
Auditor's Remuneration – Current Year	4	4
Valuation Fees	3	4
Public Consultation Fees	4	0
	11	8

Fees for audit of the 2023/24 accounts are estimated at £4k and have been accrued in 2023/24.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

7. Unrestricted Fund - Analysis of Net Income

	2023/24	2023/24	2023/24	2022/23
	Running	Income	Net	Net
	Costs		Total	Total
	£'000	£'000	£'000	£'000
East Cliff & Warren (including Durlocks)	118	(54)	64	107
Lower Sandgate Road	245	(158)	87	59
Radnor Park	483	(54)	429	279
Morehall Recreational Ground	51	0	51	43
Canterbury Road Recreational Ground	51	0	51	43
Marine Walk Beach Chalets	41	(137)	(96)	(76)
Subtotal	989	(403)	586	455
Management and Support Services			28	(7)
Governance Costs			11	8
Subtotal			39	1
Contribution from Folkestone & Hythe District Council			(612)	(514)
Net Income Before Transfers			13	(58)
Gross Transfer between funds			0	0
Net Income Before Other Recognised Gains and Losses			13	(58)

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.

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

b) Movement in Fixed Assets

	*Land and Buildings £'000	Fixtures & Fittings £'000	Infrastructure Assets £'000	Investment Assets £'000	Assets under Construction £'000	Total £'000
Cost or valuation						
01 April 2023	3,832	454	109	1,289	0	5,684
Additions	0	0	0	0	0	0
Revaluations	1	0	0	612	0	613
31 March 2024	3,833	454	109	1,901	0	6,297
Accumulated Depreciation and Impairment Provision						
01 April 2023	11	358	30	0	0	399
Revaluations	0	0	0	0	0	0
Charge for year	1	17	5	0	0	23
31 March 2024	12	375	35	0	0	422
Net Book Values						
31 March 2024	3,821	79	74	1,901	0	5,875
31 March 2023	3,821	96	79	1,289	0	5,285

*The historical cost of Land and Buildings included above is £2,689,000 (2023: £2,689,000)

c) Fixed Asset Valuation

The Charity's freehold land and buildings and investment assets (properties), were re-valued at 31 March 2024 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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

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

d) Approximate Area of Charity’s Land

	31 Mar 24	31 Mar 23
	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	2	2
	130	130

9. Debtors

	2023/24	2022/23
	£'000	£'000
Sum Held By Folkestone & Hythe District Council (see note 10)	203	290
Trade debtors	0	0
	203	290

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.

	2023/24	2022/23
	£'000	£'000
Capital Receipts from Disposal of Fixed Assets <i>(Endowment Fund held by F&HDC)</i>	118	118
Grants and Contributions (net of loans between F&HDC and FPPG) <i>(Restricted Funds held by F&HDC)</i>	(108)	(51)
General Reserve <i>(Unrestricted Funds held by F&HDC)</i>	158	171
Movement in Trade Debtors and Creditors <i>(Administered by F&HDC)</i>	35	52
	203	290

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

11. Creditors Due Within One Year

	2023/24	2022/23
	£'000	£'000
Trade Creditors	0	0
Accruals	12	7
Deferred Income	22	44
Deposits	1	1
Loan due to F&HDC	57	57
	92	109

12. Creditors Due After More Than One Year

	2023/24	2022/23
	£'000	£'000
Loan due to F&HDC	338	395
	338	395

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. This equates to an effective annual interest rate of 2%.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

13. Fund Movements in the Year

a) Movement in current year

	Balance at 31 March 2023 £'000	Net Income £'000	Transfers £'000	Balance at 31 March 2024 £'000
Restricted Funds:				
Capital Grants Reserve	2,752	(23)	0	2,729
Endowment Fund	118	0	0	118
				0
Unrestricted Funds:				
Revaluation Reserve	2,030	613	0	2,643
General Fund	171	(13)	0	158
	5,071	577	0	5,648

b) Movement in prior year

	Balance at 31 March 2022 £'000	Net Income £'000	Transfers £'000	Balance at 31 March 2023 £'000
Restricted Funds:				
Capital Grants Reserve	2,794	(42)	0	2,752
Endowment Fund	118	0	0	118
				0
Unrestricted Funds:				
Revaluation Reserve	1,802	228	0	2,030
General Fund	113	58	0	171
	4,827	244	0	5,071

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

14. Analysis of Net Assets between Funds

2023/24	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,729	0	0	2,729
Endowment Fund	0	118	0	118
Unrestricted Funds:				
Revaluation Reserve	2,643	0	0	2,643
General Fund	503	(7)	(338)	158
	5,875	111	(338)	5,648

2022/23	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,752	0	0	2,752
Endowment Fund	0	118	0	118
Unrestricted Funds:				0
Revaluation Reserve	2,030	0	0	2,030
General Fund	503	63	(395)	171
	5,285	181	(395)	5,071

15. Reconciliation of Net Cash Flow from Operating Activities

	2023/24 £'000	2022/23 £'000
Net (expenditure)/income for the reporting period (as per statement of financial activities)	577	244
Adjustments for:		
Depreciation charge	24	23
Loss/(Gains) on investments	(612)	0
Loss/(Gains) on fixed assets	(1)	(228)
Dividends, interest and rents from investments	(350)	(219)
(Increase)/Decrease in debtors	0	8
Increase/(Decrease) in creditors	(17)	(39)
Net cash provided by/(used in) operating activities	(379)	(211)

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

16. Analysis of Cash and Cash Equivalents

	2023/24	2022/23
	£'000	£'000
Sum held by Folkestone & Hythe District Council	203	290
Total cash and cash equivalents	203	290

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 2023/24.

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 2023/24.

Loan interest charges on the capital loan from the Council equates to an effective annual interest rate of 2%.

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

	2023/24	2022/23
	£'000	£'000
Contribution to finance net expenditure	(612)	(514)
Provision of management and support services	187	46
Share of centrally determined investment income recharge	(165)	(53)
Provision of grounds maintenance and cleansing services (see note 5)	868	709

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales - Charity number 1006288

Accounts

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

***Annual Report and Accounts for the Year
Ended 31 March 2023***

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**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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 2023 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	<p>Current (since May 2023): Cllr J Martin (Leader) Cllr T Prater (Deputy Leader) Cllr M Blakemore Cllr P Blakemore Cllr G Fuller Cllr R Holgate Cllr S Scoffham Cllr R Shoob Cllr J Speakman</p> <p>Former: (to May 2023) 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</p>
2.5	Names of Chief Officers	Head of Paid Service – Susan Priest Financial Advisor to the Charity – Jonathan Smith Legal Advisor to the Charity – Nicola Murton
2.6	Principal Office	Folkestone & Hythe District Council Civic Centre, Castle Hill Avenue Folkestone, Kent CT20 2QY

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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.
- 3.11 The Council's constitution specifies the risk management responsibilities of the head of paid service, the corporate directors and service managers.
- 3.12 Risks are identified, assessed and controls established throughout the year. The key controls used by the Council and the Charity include:

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

- 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 (Coastal Park)
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).

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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
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4.8 The formal zone comprises pine avenues, formal planting and hard landscaping. The fun zone contains the largest free play area in the southeast as well as a zigzag path and amphitheatre. The wild zone encourages wildlife through sensitive habitat management.

4.9 **Objectives for 2022/23**

The main objective for 2022/23 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 'A thriving environment' of providing a clean, attractive and safe environment for residents, visitors and businesses.

4.11 Key actions for 2022/23 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 2022/23

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 sixth year running.

A new pétanque group was founded by local residents in order to raise funding for a permanent square.

Following the introduction of five Bee Kind / wildlife areas in 2021/22, 50,000 native pollinator-friendly spring flowers were planted to further the biodiversity in the area.

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 16th consecutive year.

The four free family rock-pooling sessions were still popular and well attended.

The free production of Shakespear's Othello performed by Changeling theatre was extremely well attended and received.

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.

A battery powered wheelbarrow was purchased in February 2023 with the aim to minimise noise and CO2 pollution in the park.

5.3 East Cliff Sports

The sports facilities continue to be well used by the public and schools alike with similar income levels to 2021/22.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

A full public consultation took place in July 2022 regarding facilities on the East Cliff, with the results compiled from October 2022 for consideration by the Trustees. It was agreed not to increase the leisure facilities at East Cliff but for the Council to explore external sources of funding to improve the play area and address the cost of maintaining the existing sports facilities.

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 which received positive national coverage. The Chalets continue to be viewed positively by the local community and are being enjoyed by tenants with 100% occupancy (115).

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 in equal instalments 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 when a sum of £56,544 was repaid; the second payment towards this was made in 2022/23.

6. FINANCIAL REVIEW 2022/23

6.1 The charity generated an operating surplus of £58,000 in 2022/23 (£90,000 2021/22), largely due to rental income from the beach huts following completion of the refurbishment project and car parking income.

6.2 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.

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 £171,000 at the end of 2022/23 (£113,000 2021/22).

6.7 Investment Policy and Performance

At the start of 2022/23 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

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

of charitable assets and is managed by the Council as part of its overall investment portfolio. The Council's investment activity during 2022/23 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.

- 6.8 Overall a return of approximately 2.34% was achieved on the Charity's investment, earning interest of £7,936 for 2022/23 (£429 2021/22).
- 6.9 In line with Folkestone & Hythe District Council's projected return on investments, it is anticipated that the 2023/24 investment return will be marginally higher than that achieved in 2022/23 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.
- 6.11 The Charity's accounts showing the financial performance for the year ending 31 March 2023 are set out on pages 15 to 29. 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 £244,000 largely due to gains arising on the revaluation on fixed assets, bringing the total reserves to £5,071,000. Of these funds £2,752,000 are restricted and £118,000 are endowment funds. At the balance sheet date £5,285,000 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 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 identified the site as a Priority Play Area. A full public consultation commenced in 2022/23; in July 2023, Trustees of the charity considered the response to the public consultation. It was agreed not to increase the leisure facilities at East Cliff but for the council to explore external sources of funding to improve the play area and address the cost of maintaining the existing sports facilities.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

8. AUDIT OF THE CHARITY'S ACCOUNTS

- 8.1 Begbies Chartered Accountants have been appointed to audit the 2022/23 accounts in accordance with the Charities Act 2011.

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 2023 approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 28 April 2025 and signed on its behalf by:

Signed:



Date:

Cllr J Martin

Chair

Folkestone Parks and Pleasure Grounds Charity

28th April 2025.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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 15 to 29. 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 2023 and the Charity's incoming and outgoing resources for the year then ended.

Signed


Date
Cllr J Martin

28th April 2025

Signed



Date

28/4/2025

**Chair
Folkestone Parks and
Pleasure Grounds Charity**

**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 2023**

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 for the year ended 31 March 2023 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of the charity's net movement in funds 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 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. 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 Auditor's 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 UK, including the FRC'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.

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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011 and the Charities SORP.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals entries and management bias in certain accounting estimates and judgements such as valuation of the unlisted investments. Audit procedures performed by the engagement team included:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing;
- Evaluation of the selection and application of the accounting policies chosen by the charity; and
- Evaluating management's controls designed to prevent and detect irregularities.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 Auditor's 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Begbies Chartered Accountants

Statutory Auditors
Unit 14, Park Barn
Evegate Business Park
Smeeth, Ashford
TN25 6SX

28/04/2025

Begbies is eligible to act as an auditor 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 2023

	2022/23			
	Unrestricted Fund	Restricted Funds	Endowment Funds	Total
	£'000	£'000	£'000	£'000
Income and Endowments from:				
Donations for projects	0	19	0	19
Charitable Activities	171	0	0	171
Investment Income (note 2)	219	0	0	219
Contribution from Folkestone & Hythe DC (note 3)	514	0	0	514
Total	904	19	0	923
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	20	0	0	20
Premises & Grounds (note 5)	671	38	0	709
Supplies and Services	101	0	0	101
Management and Support Services (note 4)	46	0	0	46
Governance Costs (note 6)	8	0	0	8
Depreciation	0	23	0	23
Total	846	61	0	907
Gains/(Losses) on Investment assets	0	0	0	0
Gains/(Losses) on Revaluation of Fixed Assets	228	0	0	228
Net (Expenditure)/Income	286	(42)	0	244
Transfers Between Funds	0	0	0	0
Net Movements in Funds	286	(42)	0	244
Reconciliation of Funds:				
Total funds brought forward	1,915	2,794	118	4,827
Total funds carried forward	2,201	2,752	118	5,071

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	2021/22			
	Unrestricted Fund	Restricted Funds	Endowment Funds	Total
	£'000	£'000	£'000	£'000
Income and Endowments from:				
Donations for projects	0	27	0	27
Charitable Activities	180	0	0	180
Investment Income (note 2)	157	0	0	157
Contribution from Folkestone & Hythe DC (note 3)	559	0	0	559
Total	896	27	0	923
Expenditure on:				
Charitable Activities				
Operation of Parks and playgrounds				
Employees (note 4)	7	0	0	7
Premises & Grounds (note 5)	662	0	0	662
Supplies and Services	89	0	0	89
Management and Support Services (note 4)	34	0	0	34
Governance Costs (note 6)	6	0	0	6
Depreciation	35	0	0	35
Total	833	0	0	833
Gains/(Losses) on Investment assets	59	0	0	59
Gains/(Losses) on Revaluation of Fixed Assets	84	0	0	84
Net (Expenditure)/Income	206	27	0	233
Transfers Between Funds	37	(37)	0	0
Net Movements in Funds	243	(10)	0	233
Reconciliation of Funds:				
Total funds brought forward	1,672	2,804	119	4,595
Total funds carried forward	1,915	2,794	119	4,827


**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
BALANCE SHEET AS AT 31 MARCH 2023**

	2022/23 £'000	2021/22 £'000
FIXED ASSETS (note 8)		
Freehold Land and Buildings	3,821	3,595
Fixtures, Fittings and Equipment	96	113
Infrastructure Assets	79	84
Investment Assets (Properties)	1,289	1,289
Total Fixed Assets	5,285	5,081
CURRENT ASSETS		
Debtors (note 9)	290	347
Total Current Assets	290	347
LIABILITIES		
Creditors: due within 1 year (note 11)	109	91
Net Current Assets	181	256
Total Assets Less Current Liabilities	5,466	5,337
Creditors: due after more than 1 year (note 12)	395	509
TOTAL NET ASSETS	5,071	4,828
THE FUNDS OF THE CHARITY		
Endowment Fund	118	119
Restricted Funds:		
Capital Grants Reserve	2,752	2,794
Unrestricted Funds:		
Revaluation Reserve	2,030	1,802
Unrestricted General Fund	171	113
TOTAL CHARITY FUNDS (note 13)	5,071	4,828

Approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 28 April 2025 and signed on its behalf by:

Signed

Date


28th April 2025

Cllr Jim Martin
Chair

Folkestone Parks and Pleasure Grounds Charity

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023

	2022/23	2021/22
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities (note 15)	(211)	11
Cash flows from investing activities:		
Dividends, interest and rents from investments	219	157
Purchase of investment	0	(49)
Net cash provided by/(used in) investing activities	219	108
Cash flows from financing activities:		
Repayments of borrowing	(57)	(57)
Cash inflows from new borrowing	0	42
Net cash (used in)/provided by financing activities	(57)	(15)
Change in cash and cash equivalents in the year	(49)	104
Cash and cash equivalents at the beginning of the year (note 16)	339	235
Cash and cash equivalents at the end of the year (note 16)	290	339

Analysis of changes in net debt:	At 1 April	Cashflows	At 31
	2022		March
	£'000	£'000	£'000
Cash at bank in hand	339	(49)	290
Debt:			
Loans	509	(57)	452
Net debt	509	(57)	452

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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 2023.

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. Financial assets and liabilities are payable within 12 months for short term financial assets and liabilities, 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 2023

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.

Valuations are 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 continues to be 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 2023**

2. Income

Investment income

	2022/23	2021/22
	£'000	£'000
Rental Income (UK)	158	157
External Investment Interest	8	0
Share of centrally determined income recharge	53	0
	219	157

Donations

Donations of £18,619 were received in 2022/23 and expenditure of £24,616.

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 2022/23.

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

	2022/23	2021/22
	£'000	£'000
Auditor's Remuneration – Current Year	4	3
Valuation fees	4	3
	8	6

Fees for audit of the 2022/23 accounts are estimated at £4k and have been accrued in 2022/23.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

7. Unrestricted Fund - Analysis of Net Income

	2022/23	2022/23	2022/23	2021/22
	Running	Income	Net	Net
	Costs		Total	Total
	£'000	£'000	£'000	£'000
East Cliff & Warren (including Durlocks)	161	(54)	107	110
Lower Sandgate Road	181	(122)	59	67
Radnor Park	332	(53)	279	272
Morehall Recreational Ground	43	0	43	44
Canterbury Road Recreational Ground	43	0	43	45
Marine Walk Beach Chalets	32	(108)	(76)	(82)
Subtotal	792	(337)	455	456
Management and Support Services			(7)	34
Governance Costs			8	6
Subtotal			1	40
Contribution from Folkestone & Hythe District Council			(514)	(559)
Net Income Before Transfers			(58)	(63)
Gross Transfer between funds			0	(37)
Net Income Before Other Recognised Gains and Losses			(58)	(100)

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.

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

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

	*Land and Buildings	Fixtures & Fittings	Infrastructure Assets	Investment Assets	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
01 April 2022	3,604	454	109	1,289	0	5,456
Additions	0	0	0	0	0	0
Revaluations	228	0	0	0	0	228
31 March 2023	3,832	454	109	1,289	0	5,684
Accumulated Depreciation and Impairment Provision						
01 April 2022	10	341	25	0	0	376
Revaluations	0	0	0	0	0	0
Charge for year	1	17	5	0	0	23
31 March 2023	11	358	30	0	0	399
Net Book Values						
31 March 2023	3,821	96	79	1,289	0	5,285
31 March 2022	3,595	113	84	1,289	0	5,081

*The historical cost of Land and Buildings included above is £2,689,000 (2022: £2,689,000)

c) Fixed Asset Valuation

The Charity's freehold land and buildings and investment assets (properties), were re-valued at 31 March 2023 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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

d) Approximate Area of Charity's Land

	31 Mar 23	31 Mar 22
	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	2	2
	130	130

9. Debtors

	2022/23	2021/22
	£'000	£'000
Sum Held By Folkestone & Hythe District Council (see note 10)	291	339
Trade debtors	0	8
	291	347

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.

	2022/23	2021/22
	£'000	£'000
Capital Receipts from Disposal of Fixed Assets <i>(Endowment Fund held by F&HDC)</i>	118	119
Grants and Contributions <i>(Restricted Funds held by F&HDC)</i>	71	71
General Reserve <i>(Unrestricted Funds held by F&HDC)</i>	171	130
Movement in Trade Debtors and Creditors <i>(Administered by F&HDC)</i>	(51)	19
	309	339

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

11. Creditors Due Within One Year

	2022/23	2021/22
	£'000	£'000
Trade Creditors	0	0
Accruals	7	10
Deferred Income	44	81
Deposits	1	0
Loan due to F&HDC	57	0
	109	91

12. Creditors Due After More Than One Year

	2022/23	2021/22
	£'000	£'000
Loan due to F&HDC	395	508
	395	508

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. This equates to an effective annual interest rate of 2%.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13. Fund Movements in the Year

a) **Movement in current year**

	Balance at 31 March 2022	Net Income	Transfers	Balance at 31 March 2023
	£'000	£'000	£'000	£'000
Restricted Funds:				
Capital Grants Reserve	2,794	(42)	0	2,752
Endowment Fund	118	0	0	118
				0
Unrestricted Funds:				
Revaluation Reserve	1,802	228	0	2,030
General Fund	113	58	0	171
	4,827	244	0	5,071

The transfers between funds of £43k relate to the transfer of depreciation £23k and application of capital grants £19k.

b) **Movement in prior year**

	Balance at 31 March 2021	Net Income	Transfers	Balance at 31 March 2022
	£'000	£'000	£'000	£'000
Restricted Funds:				
Capital Grants Reserve	2,804	27	(37)	2,794
Endowment Fund	119	0	0	119
Unrestricted Funds:				
Revaluation Reserve	1,659	143	0	1,802
General Fund	13	63	37	113

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

14. Analysis of Net Assets between Funds

2022/23	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,752	0	0	2,752
Endowment Fund	0	118	0	118
Unrestricted Funds:				
Revaluation Reserve	2,030	0	0	2,030
General Fund	213	(495)	452	170
	4,995	(377)	452	5,070

2021/22	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,794	0	0	2,794
Endowment Fund	0	119	0	119
Unrestricted Funds:				
Revaluation Reserve	1,802	0	0	1,802
General Fund	485	137	(509)	113
	5,081	256	(509)	4,828

15. Reconciliation of Net Cash Flow from Operating Activities

	2022/23 £'000	2021/22 £'000
Net (expenditure)/income for the reporting period (as per statement of financial activities)	244	233
Adjustments for:		
Depreciation charge	23	35
Loss/(Gains) on investments	0	(59)
Loss/(Gains) on fixed assets	(228)	(84)
Dividends, interest and rents from investments	(219)	(157)
(Increase)/Decrease in debtors	8	(8)
Increase/(Decrease) in creditors	(39)	51
Net cash provided by/(used in) operating activities	(211)	11

16. Analysis of Cash and Cash Equivalents

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

	2022/23	2021/22
	£'000	£'000
Sum held by Folkestone & Hythe District Council	290	339
Total cash and cash equivalents	290	339

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 2022/23.

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 2022/23.

Loan interest charges on the capital loan from the Council equates to an effective annual interest rate of 2%.

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

	2022/23	2021/22
	£'000	£'000
Contribution to finance net expenditure	(514)	(559)
Provision of management and support services	46	34
Share of centrally determined income recharge	(53)	0
Provision of grounds maintenance and cleansing services (see note 5)	709	662

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales - Charity number 1006288

Accounts

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
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022**

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

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

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.

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

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).

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

- 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.

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

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.

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

- 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.

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

- 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.

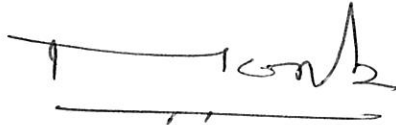
**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022**

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**

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

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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
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.

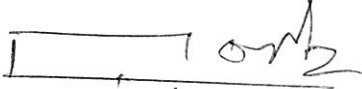
FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	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	347	235
 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>
	<u>130</u>	<u>130</u>

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>
	<u>347</u>	<u>235</u>

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>
	<u>91</u>	<u>40</u>

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
<i>Restricted Funds:</i>				
Capital Grants Reserve	2,835	20	(51)	2,804
Endowment Fund	119	-	-	119
<i>Unrestricted Funds:</i>				
Revaluation Reserve	1,872	(213)	-	1,659
General Fund	13	(51)	51	13
	<u>4,839</u>	<u>(244)</u>	<u>-</u>	<u>4,595</u>

14. Analysis of Net Assets between Funds

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

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

**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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY

England & Wales - Charity number 1006288

Accounts

**FOLKESTONE PARKS AND PLEASURE
GROUNDS CHARITY**

***Annual Report and Accounts for the Year
Ended 31 March 2021***

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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 2021 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 – Cheryl Ireland 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

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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).

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

- 4.7 The success of the coastal park on the Lower Sandgate Road continues after 20 years of its 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 2020/21**
The main objective for 2020/21 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 2020/21 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 and progressing with the agreed project to refurbish and replace beach huts at Marine Walk to bring the beach huts back into operation after they were brought back in-house in 2017/18.

5. REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR 2020/21

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 fourth year running.

New free of charge sports facilities including an 11 v 11 football pitch, 400m running track and a rounders pitch were marked out in 2020/21. A set of new goal posts were commissioned and installed.

Two community notice board signs were commissioned and installed.

Several dilapidated paths in the Lower Radnor Park area were resurfaced and made safe.

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 14th consecutive year. It has also been the 7th successive year that the Coastal Park has received the Trip Advisor 'Certificate of Excellence' and its place in the 'Hall of Fame' was retained with the Coastal Park being the number one attraction to visit in Folkestone.

Due to the pandemic, the free events programme was reduced to a minimum however the four free family rock-pooling sessions were still popular and well attended.

Waste management of the site was improved by an installation of three permanent timber compounds housing (in total) 6 x 1100L wheelie bins with 3 units being designated to general waste and 3 to recycling.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

A total ban of BBQs was announced in June 2020 resulting in a large decrease in littering, vandalism and parking issues in the park.

The park has seen many improvements over the year with works to the amphitheatre, renewal of the LED street lighting throughout the park and repairs to the play area. 2021/22 will see the ageing pirate ship wreck play equipment replaced and major refurbishment of the play towers.

5.3 East Cliff Sports

The sports facilities continue to be well used by the public and schools alike and the income generated has slightly increased.

Grant funding of £20k was received from KCC 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 will take place in late 2021/22.

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 delayed due to the Covid-19 pandemic with work commencing in June 2020 and completing in February 2021.

Further funding was required to complete the project due to additional costs of unidentified asbestos removal required as part of the demolition and concrete works and 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 £77,000 which will be repaid over the original ten year period from surpluses generated from rental income.

Working together with Creative Folkestone, particularly the Artist Rana Begum, the Charity has 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.

6. FINANCIAL REVIEW 2020/21

6.1 The charity made an operating loss of £31,000 in 2020/21, largely due to a reduction in investment income resulting from the delayed refurbishment of the beach chalets which completed in late 2020/21.

6.2 The net revenue expenditure in 2020/21 was £528,600 being £27,340 less than the latest budget of £555,940. 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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

- 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 has a surplus of £13,000 at the end of 2020/21. 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. There was no profit from this service in 2020/21 as the beach huts were undergoing refurbishment and replacement as part of the approved capital programme, but it is anticipated that the service will generate a surplus from 2021/22 and contribute to the charity's reserves.
- 6.7 **Investment Policy and Performance**
At the start of 2020/21 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 £32,095 on behalf of the Charity representing the balance of external donations received for the Radnor Park improvements. The Council's investment activity during 2020/21 complied with its approved Investment Strategy for the year. Most investments made were for up to a maximum of 12 months duration reflecting an expectation that interest rates will eventually rise from their historically low base and also 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 2020/21, a grant of £20,000 was received from Kent County Council (KCC) as a contribution towards viability, consultation and master-planning costs for a proposed East Cliff redevelopment project. The balance at the end of 2020/21 of £170,529 remains with the Council.
- 6.8 Overall a return of approximately 0.1% was achieved on the Charity's investment, earning interest of £181 for 2020/21.
- 6.9 In line with Folkestone & Hythe District Council's projected return on investments, it is anticipated that the 2021/22 investment return will be similar to that achieved in 2020/21 based on the sum invested.
- 6.10 The Charity also holds five properties (valued at £1,181,000) that are leased at commercial rents and are classed as investment assets. There has been a significant increase in the valuation of investment assets in 2020/21 to reflect the redevelopment of beach huts at Marine Walk and the increased revenue income this will generate.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

- 6.11 The Charity's accounts showing the financial performance for the year ending 31 March 2021 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 loss of £244,000 due to losses arising on the revaluation of both investment and tangible fixed assets bringing the total reserves to £4,595,000. Of these funds £2,804,000 are restricted and £119,000 are endowment funds. At the balance sheet date £4,924,000 of the reserves are represented by fixed assets and could only be accessed by the sale of those assets.

7. COVID-19 PANDEMIC

- 7.1 The coronavirus (Covid-19) outbreak was declared a global pandemic by the World Health Organisation on 11 March 2020 and on 23 March the government imposed a lockdown on the whole population, restricting all non-essential travel and contact with people outside of the home and closed almost all businesses, venues and facilities. This has had a considerable impact on the Council and in turn the Charity as many businesses in the district were forced to close which has significantly impacted the local economy and in turn impacts the Council's income streams.
- 7.2 The impact on the Charity was not as significant as first anticipated. Car parking income was largely unaffected as Folkestone & Hythe is a coastal district and many residents and visitors travelled to local areas while national travel restrictions were imposed. Leisure income only saw a small reduction as restrictions were lifted in the Summer months and visitor numbers increased during this period.
- 7.3 Work on the Beach Hut scheme which was due to commence in March 2020 was delayed due to business closures and access restrictions and started in June 2020. This delayed completion of the initial stage of beach huts until February 2021 with new leases being granted at the end of March 2021, therefore no rental income was received in 2020/21. There were also no maintenance or financing costs incurred in 2020/21 as a result of the delayed project and so there was no impact on the net revenue expenditure of the Charity.
- 7.4 While it is difficult to estimate with any certainty the full extent of the economic impact on the Council's financial position and the subsequent impact on the Charity for future years, the net expenditure of the Charity continues to be financed by a contribution from the Council.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

8. FUTURE PLANS

- 8.1 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.
- 8.2 The introduction of recycling facilities across all parks and open spaces is currently being discussed as part of the Council's new waste management contract.
- 8.3 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. Plans will be presented to Cabinet to gain approval for the project.

9. AUDIT OF THE CHARITY'S ACCOUNTS

- 9.1 UHY Hacker Young Chartered Accountants have been appointed to audit the 2020/21 accounts in accordance with the Charities Act 2011.

10. FURTHER INFORMATION

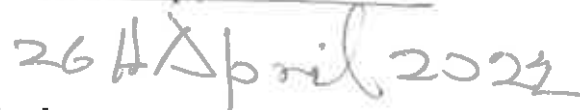
- 10.1 Further information about the Charity can be obtained from Susan Priest, Head of Paid Service, Folkestone & Hythe District Council, Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY. (01303 852203) susan.priest@folkestone-hythe.gov.uk.

The Annual Report for the year ended 31 March 2021 approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 26 April 2022 and signed on its behalf by:

Signed:



Date:



**Clr DD Monk
Chairman**

Folkestone Parks and Pleasure Grounds Charity

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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 2021 and the Charity's incoming and outgoing resources for the year then ended.

Signed



Date 26/4/22
Cllr DD Monk

**Chairman
Folkestone Parks and
Pleasure Grounds Charity**

Signed



Date 26/04/22
Cheryl Ireland

**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 2021**

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

Opinion

We have audited the financial statements of Folkestone Parks and Pleasure Grounds Charity (the 'charity') for the year ended 31 March 2021 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 2021 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 2021**

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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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 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.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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.

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: *27 April 2022*

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 2021

	Unrestricted Fund	Restricted Funds	Endowment Funds	Total	2019/20
	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:					
Donations for projects	-	20	-	20	-
Charitable Activities	145	-	-	145	100
Investment Income (note 2)	46	-	-	46	72
Contribution from Folkestone & Hythe DC (note 3)	529	-	-	529	543
Total	720	20	-	740	715
Expenditure on:					
Charitable Activities					
Operation of Parks and playgrounds					
Employees (note 4)	-	-	-	-	6
Premises & Grounds (note 5)	623	-	-	623	595
Supplies and Services	86	-	-	86	59
Management and Support Services (note 4)	7	-	-	7	37
Governance Costs (note 6)	7	-	-	7	9
Depreciation	48	-	-	48	31
Total	771	-	-	771	737
Gains/(Losses) on Investment assets	(197)	-	-	(197)	289
Gains/(Losses) on Revaluation of Fixed Assets	(16)	-	-	(16)	299
Net (Expenditure)/Income	(264)	20	-	(244)	566
Transfers Between Funds	51	(51)	-	-	-
Net Movements In Funds	(213)	(31)	-	(244)	566
Reconciliation of Funds:					
Total funds brought forward	1,885	2,835	119	4,839	4,273
Total funds carried forward	1,672	2,804	119	4,595	4,839

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
BALANCE SHEET AS AT 31 MARCH 2021**

	2020/21 £'000	2019/20 £'000
FIXED ASSETS (note 8)		
Freehold Land and Buildings	3,521	3,558
Fixtures, Fittings and Equipment	133	154
Infrastructure Assets	89	95
Investment Assets (Properties)	1,181	854
Assets under Construction	-	3
Total Fixed Assets	<u>4,924</u>	<u>4,664</u>
CURRENT ASSETS		
Debtors (note 9)	<u>235</u>	<u>181</u>
Total Current Assets	235	181
LIABILITIES		
Creditors: due within 1 year (note 11)	<u>40</u>	<u>3</u>
Net Current Assets	<u>195</u>	<u>178</u>
Total Assets Less Current Liabilities	<u>5,119</u>	<u>4,842</u>
Creditors: due after more than 1 year (note 12)	524	3
TOTAL NET ASSETS	<u><u>4,595</u></u>	<u><u>4,839</u></u>
THE FUNDS OF THE CHARITY		
Endowment Fund	119	119
<i>Restricted Funds:</i>		
Capital Grants Reserve	2,804	2,835
<i>Unrestricted Funds:</i>		
Revaluation Reserve	1,659	1,872
Unrestricted General Fund	<u>13</u>	<u>13</u>
TOTAL CHARITY FUNDS (note 13)	<u><u>4,595</u></u>	<u><u>4,839</u></u>

Approved by the Cabinet of Folkestone & Hythe District Council, the Corporate Trustee, on 26 April 2022 and signed on its behalf by:

Signed



Date

26th April 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 2021

	2020/21	2019/20
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities (note 15)	8	(91)
Cash flows from investing activities:		
Dividends, interest and rents from investments	46	72
Purchase of tangible fixed assets	-	(43)
Purchase of investment	(521)	(3)
Net cash (used in)/provided by investing activities	(475)	26
Cash flows from financing activities:		
Cash inflows from new borrowing	521	3
Net cash provided by financing activities	521	3
Change in cash and cash equivalents in the year	54	(62)
Cash and cash equivalents at the beginning of the year (note 16)	181	243
Cash and cash equivalents at the end of the year (note 16)	235	181

Analysis of changes in net debt:	At 1 April	Cashflows	At 31 March
	2020		2021
	£'000	£'000	£'000
Cash at bank in hand	181	54	235
Debt:			
Loans falling due after more than one year	(3)	(521)	(524)
Net debt	(3)	(521)	(524)

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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. While the full extent of the Covid-19 pandemic remains uncertain, the Charity continues to be financed by a contribution from the Council and regular cash flow monitoring and budget reviews are being undertaken to support the medium term financial position and there are no concerns over the Council'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 2021**

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 2021.

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 2021

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 2021**

2. Income

Investment income

	2020/21	2019/20
	£'000	£'000
Sum Held By Folkestone & Hythe District Council	-	6
Rental Income (UK)	46	66
	46	72

Donations

The remaining balance of donations received brought forward was £32,094. A grant of £20,000 was received in 2020/21 and no expenditure was incurred leaving a balance of £52,094 to be carried forward at 31 March 2021.

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 2020/21.

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

	2020/21	2019/20
	£'000	£'000
Auditor's Remuneration – Current Year	3	3
Auditor's Remuneration – Relating to Prior Years	-	(1)
Valuation fees	4	7
	7	9

Fees for audit of the 2020/21 accounts are estimated at £3,000 and have been accrued in 2020/21.

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

7. Unrestricted Fund - Analysis of Net Income

	2020/21 Running Costs £'000	2020/21 Depreciation £'000	2020/21 Expend Total £'000	2020/21 Income £'000	2020/21 Net Total £'000	2019/20 Net Total £'000
East Cliff & Warren (incl Durlocks)	142	14	156	(29)	127	123
Lower Sandgate Rd	196	3	199	(124)	75	139
Radnor Park	255	31	286	(38)	248	200
Morehall Rec Ground	42	-	42	-	42	46
Canterbury Rd Rec Ground	45	-	45	-	45	47
Marine Walk Beach Chalets	29	-	29	-	29	(29)
	<u>709</u>	<u>48</u>	<u>757</u>	<u>(191)</u>	<u>566</u>	<u>526</u>
Management and Support Services					7	37
Governance Costs					7	9
					<u>14</u>	<u>46</u>
Contribution from Folkestone & Hythe District Council					(529)	(544)
Net Income Before Transfers					<u>51</u>	<u>28</u>
Gross Transfer between funds					(51)	(81)
Net Income Before Other Recognised Gains and Losses					<u>-</u>	<u>(53)</u>

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.

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.

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

8. Fixed Assets (continued)

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 2020	3,568	454	109	854	3	4,988
Additions	-	-	-	521	-	521
Re-categorisation	-	-	-	3	(3)	-
Revaluations	(37)	-	-	(197)	-	(234)
31 March 2021	3,531	454	109	1,181	-	5,275

Accumulated Depreciation and Impairment Provision

1 April 2020	10	300	14	-	-	324
Revaluations	(21)	-	-	-	-	(21)
Charge for year	21	21	6	-	-	48
	10	321	20	-	-	351

Net Book Values

31 March 2020	3,558	154	95	854	3	4,664
31 March 2021	3,521	133	89	1,181	-	4,924

*The historical cost of Land and Buildings included above is £2,689,000 (2020: £2,689,000)

c) Fixed Asset Valuation

The Charity's freehold land and buildings and investment assets (properties), were re-valued at 31 March 2021 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 2021**

8. Fixed Assets (continued)

d) Approximate Area of Charity's Land

	31 March 2021	31 March 2020
	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>
	<u>130</u>	<u>130</u>

e) Capital Commitments

In November 2019 Folkestone & Hythe District Council agreed a capital contribution to the Charity of £500,000 to meet the capital cost of the proposed Beach Hut Scheme (see section 5.4 in this report). In summary, the proposed £500,000 capital scheme is for the following programme of works:

- o Renovate the existing 8 tiered chalets
- o Renovate the existing 8 pitched roof chalets
- o Undertake engineering works to stabilise and support the cliff
- o Undertake infrastructure improvements (walls, surfacing, steps, disabled access)
- o Undertake drainage improvements
- o Install 120 new wooden chalets

Following commencement of works the overall projected cost of the scheme has increased to £577,000 due to higher than anticipated costs to renovate the existing chalets; significant increases in material costs as a result of the COVID-19 pandemic; and additional costs for unidentified asbestos removal required as part of the demolition and concrete works. The Charity is to receive a contribution of £7,500 towards the scheme and a further capital contribution of £69,500 has been agreed by Folkestone & Hythe District Council (in January and November 2021) taking total borrowing to £569,500. 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.

9. Debtors

	2020/21	2019/20
	£'000	£'000
Sum Held By Folkestone & Hythe District Council (see note10)	<u>235</u>	<u>181</u>
	<u>235</u>	<u>181</u>

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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.

	2020/21 £'000	2019/20 £'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>	52	32
General Reserve <i>(Unrestricted Funds held by F&HDC)</i>	29	29
Movement in Trade Debtors and Creditors <i>(Administered by F&HDC)</i>	35	1
	235	181

11. Creditors Due Within One Year

a) Balances at year end

	2020/21 £'000	2019/20 £'000
Trade Creditors	6	-
Accruals	14	3
Deferred Income	20	-
	40	3

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 2020 £'000	Income released In year £'000	Income deferred in year £'000	Balance at 31 March 2021 £'000
Deferred Income				
Beach hut rental income	-	-	20	20
	-	-	20	20

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

12. Creditors Due After More Than One Year

	2020/21	2019/20
	£'000	£'000
Loan due to F&HDC	524	3
	524	3

The above loan is in respect of the refurbishment of the Beach Chalets as disclosed in note 8e.

13. Fund Movements in the Year

a) Movement In current year

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

The transfers between funds of £51k relate to the transfer of depreciation £48k and application of capital grants £3k.

b) Movement in prior year

	Balance at 31 March 2019	Net Income	Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000
<i>Restricted Funds:</i>				
Capital Grants Reserve	2,910	6	(81)	2,835
Endowment Fund	119	-	-	119
<i>Unrestricted Funds:</i>				
Revaluation Reserve	1,284	588	-	1,872
General Fund	(40)	(28)	81	13
	4,273	566	-	4,839

FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

14. Analysis of Net Assets between Funds

	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)	4,595

	2019/20			
	Fixed Assets £'000	Net Current Assets £'000	Long Term Liabilities £'000	Fund Balances £'000
Restricted Funds:				
Capital Grants Reserve	2,835	-	-	2,835
Endowment Fund	-	119	-	119
Unrestricted Funds:				
Revaluation Reserve	1,872	-	-	1,872
General Fund	(43)	53	3	13
	4,664	172	3	4,839

15. Reconciliation of Net Cash Flow from Operating Activities

	2020/21 £'000	2019/20 £'000
Net (expenditure)/income for the reporting period (as per statement of financial activities)	(244)	566
Adjustments for:		
Depreciation charge	48	31
Loss/(Gains) on investments	197	(289)
Loss/(Gains) on fixed assets	16	(299)
Dividends, interest and rents from investments	(46)	(72)
(Increase)/Decrease in debtors	-	2
Increase/(Decrease) in creditors	37	(30)
Net cash provided by/(used in) operating activities	8	(91)

**FOLKESTONE PARKS AND PLEASURE GROUNDS CHARITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

16. Analysis of Cash and Cash Equivalents

	2020/21	2019/20
	£'000	£'000
Sum held by Folkestone & Hythe District Council	235	181
Total cash and cash equivalents	235	181

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 2020/21.

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 2020/21.

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

Statement of Financial Activities	2020/21	2019/20
	£'000	£'000
Contribution to finance net expenditure	(529)	(543)
Provision of management and support services	7	37
Provision of grounds maintenance and cleansing services (see note 5)	623	595

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.

