

Charity registration number: 211528

# Folkestone Municipal Charity

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Beresfords  
Chartered Certified Accountants  
1-2 Rhodium Point  
Spindle Close  
Hawkinge  
Folkestone  
Kent  
CT18 7TQ

## **Folkestone Municipal Charity**

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## **Folkestone Municipal Charity**

### **Reference and Administrative Details**

<b>Trustees</b>	Mrs S Thorne
	Mr P West
	Cllr P Bingham
	Mrs P West
	Cllr R C West
	Mr R C P Medicott
	Mrs M Hunter
	Mrs Cllr A Berry
	Mrs R Braid
	Cllr P Gane
	Mr J Bonomy
	Cllr N Keen
<b>Charity Registration Number</b>	211528
<b>Principal Office</b>	Romney House
	Cliff Road
	Hythe
	Kent
	CT21 5XA
<b>Independent Examiner</b>	Beresfords
	Chartered Certified Accountants
	1-2 Rhodium Point
	Spindle Close
	Hawkinge
	Folkestone
	Kent
	CT18 7TQ

# **Folkestone Municipal Charity**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

### **Objectives and activities**

#### ***Objects and aims***

The objective of the charity is to provide relief in need to residents of Folkestone by provision of grants to individuals or organisations and by payment of monthly awards to needy residents.

#### ***Objectives, strategies and activities***

The charity receives referrals from social services and other sources. All cases are referred to the committee of trustees or, in cases of emergency, to such members of the executive committee as are available.

Relief in need, when sanctioned by the trustees, is made available wherever possible by payment direct to suppliers of goods and services.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Grant making policies***

The trustees as a group meet in order to decide upon grant applications. Grants are made if the trustees feel the application has merit and is in line with the charity's constitutional aims.

### **Financial review**

#### ***Policy on reserves***

The trustees maintain a reserve of £33,000 in order to fund any unanticipated expenditure or to cover the normal expenditure of the charity should there be a change in the incoming resources. Any other unrestricted funds are to be spent in accordance with the charity's constitution.

#### ***Investment policy and objectives***

The trustees have the power to invest in such assets as they see fit. Due to the present market conditions, the trustees consider their current investments to be the most appropriate in order to generate income to meet their anticipated expenditure.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The trustees have considered the circumstances of Covid 19 and do not regard them having an impact on the charity's ability to continue as a going concern.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity. It was registered with the Charity Commission with effect from 29th June 1984 under the charity number 211528.

## **Folkestone Municipal Charity**

### **Trustees' Report (continued)**

#### ***Recruitment and appointment of trustees***

Trustees are appointed when a vacancy occurs by personal recommendation from existing trustees and elected at an annual general meeting.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....

Mrs S Thorne  
Trustee

## **Folkestone Municipal Charity**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....

Mrs S Thorne  
Trustee

## **Folkestone Municipal Charity**

### **Independent Examiner's Report to the trustees of Folkestone Municipal Charity**

I report to the trustees on my examination of the accounts of Folkestone Municipal Charity for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the charity trustees of Folkestone Municipal Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Folkestone Municipal Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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

1. accounting records were not kept in respect of Folkestone Municipal Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

.....  
Mr Daniel Payne FCCA  
Beresfords  
Chartered Certified Accountants  
1-2 Rhodium Point  
Spindle Close  
Hawkinge  
Folkestone  
Kent  
CT18 7TQ

Date:.....

# Folkestone Municipal Charity

## Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Total 2023 £
<b>Income and Endowments from:</b>			
Investment income	2	<u>131,714</u>	<u>131,714</u>
Total income		<u>131,714</u>	<u>131,714</u>
<b>Expenditure on:</b>			
Charitable activities	3	<u>(124,537)</u>	<u>(124,537)</u>
Total expenditure		<u>(124,537)</u>	<u>(124,537)</u>
Gains/(losses) on investment assets	9	<u>(156,213)</u>	<u>(156,213)</u>
Net expenditure		<u>(149,036)</u>	<u>(149,036)</u>
Net movement in funds		(149,036)	(149,036)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>4,519,157</u>	<u>4,519,157</u>
Total funds carried forward	12	<u>4,370,121</u>	<u>4,370,121</u>
		<b>Unrestricted funds £</b>	<b>Total 2022 £</b>
<b>Income and Endowments from:</b>			
Investment income	2	<u>124,456</u>	<u>124,456</u>
Total income		<u>124,456</u>	<u>124,456</u>
<b>Expenditure on:</b>			
Charitable activities	3	<u>(106,273)</u>	<u>(106,273)</u>
Total expenditure		<u>(106,273)</u>	<u>(106,273)</u>
Gains/(losses) on investment assets	9	<u>272,623</u>	<u>272,623</u>
Net income		<u>290,806</u>	<u>290,806</u>
Net movement in funds		290,806	290,806
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>4,228,350</u>	<u>4,228,350</u>
Total funds carried forward	12	<u>4,519,156</u>	<u>4,519,156</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 12.

The notes on pages 8 to 14 form an integral part of these financial statements.



**Folkestone Municipal Charity**  
**(Registration number: 211528)**  
**Balance Sheet as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	9	4,209,896	4,366,109
<b>Current assets</b>			
Debtors	10	30,716	30,189
Cash at bank and in hand		<u>131,151</u>	<u>124,550</u>
		161,867	154,739
<b>Creditors: Amounts falling due within one year</b>	11	<u>(1,642)</u>	<u>(1,692)</u>
<b>Net current assets</b>		<u>160,225</u>	<u>153,047</u>
<b>Net assets</b>		<u><u>4,370,121</u></u>	<u><u>4,519,156</u></u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>4,370,121</u>	<u>4,519,156</u>
<b>Total funds</b>	12	<u><u>4,370,121</u></u>	<u><u>4,519,156</u></u>

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....

Mrs S Thorne  
Trustee

# **Folkestone Municipal Charity**

## **Notes to the Financial Statements for the Year Ended 31 March 2023**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

Folkestone Municipal Charity meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### **Going concern**

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

#### **Income and endowments**

##### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

## **Folkestone Municipal Charity**

### **Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Investment properties**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

# Folkestone Municipal Charity

## Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

### 2 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Income from dividends;			
Dividends receivable from other listed investments	115,966	115,966	109,667
Interest receivable and similar income;			
Interest receivable on bank deposits	988	988	29
Other interest receivable	10,710	10,710	10,710
Income from rents	4,050	4,050	4,050
	<u>131,714</u>	<u>131,714</u>	<u>124,456</u>

### 3 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Management		748	748	904
Staff costs		5,050	5,050	4,950
Grants and donations		15,820	15,820	8,833
Monthly grants		57,740	57,740	60,235
Relief in need		43,537	43,537	29,709
Governance costs	4	1,642	1,642	1,642
		<u>124,537</u>	<u>124,537</u>	<u>106,273</u>

### 4 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	1,642	1,642	1,642
	<u>1,642</u>	<u>1,642</u>	<u>1,642</u>

## Folkestone Municipal Charity

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 5 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mrs M Hunter**

Mrs M Hunter received remuneration of £300 (2022: £450) during the year.

Mrs M Hunter, the welfare officer, was paid an honorarium during the year for visits to monthly grant recipients

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Honoraria	<u>5,050</u>	<u>4,950</u>

No employee received emoluments of more than £60,000 during the year

Honoraria represents £4,750 (2022 - £4,500) for the Secretary's fee and £300 (2022 - £450) paid to a trustee.

#### 7 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>1,642</u>	<u>1,642</u>

#### 8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 9 Fixed asset investments

	2023 £	2022 £
Investment properties	168,500	168,500
Other investments	<u>4,041,396</u>	<u>4,197,609</u>
	<u>4,209,896</u>	<u>4,366,109</u>

# Folkestone Municipal Charity

## Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

### Investment properties

	Investment properties £
<b>Cost or Valuation</b>	
At 1 April 2022	<u>168,500</u>
<b>Provision</b>	
At 31 March 2023	<u>-</u>
<b>Net book value</b>	
At 31 March 2023	<u>168,500</u>
At 31 March 2022	<u>168,500</u>
There has been no valuation of investment property by an independent valuer.	

### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 April 2022	4,197,609	4,197,609
Revaluation	<u>(156,213)</u>	<u>(156,213)</u>
At 31 March 2023	<u>4,041,396</u>	<u>4,041,396</u>
<b>Net book value</b>		
At 31 March 2023	<u>4,041,396</u>	<u>4,041,396</u>
At 31 March 2022	<u>4,197,609</u>	<u>4,197,609</u>

# Folkestone Municipal Charity

## Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

### 10 Debtors

	2023 £	2022 £
Accrued income	<u>30,716</u>	<u>30,189</u>

### 11 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	<u>1,642</u>	<u>1,692</u>

### 12 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General	<u>4,519,157</u>	<u>131,714</u>	<u>(124,537)</u>	<u>(156,213)</u>	<u>4,370,121</u>

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General	<u>4,228,350</u>	<u>124,456</u>	<u>(106,273)</u>	<u>272,623</u>	<u>4,519,156</u>

### 13 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2023 £
Fixed asset investments	4,209,896	4,209,896
Current assets	161,867	161,867
Current liabilities	<u>(1,642)</u>	<u>(1,642)</u>
Total net assets	<u>4,370,121</u>	<u>4,370,121</u>

## Folkestone Municipal Charity

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

	Unrestricted funds General £	Total funds at 31 March 2022 £
Fixed asset investments	4,366,109	4,366,109
Current assets	154,739	154,739
Current liabilities	(1,692)	(1,692)
Total net assets	<u>4,519,156</u>	<u>4,519,156</u>

#### 14 Related party transactions

During the year the charity made the following related party transactions:

##### **Cllr N Keen**

(Cllr N Keen (previously Cllr M Keutenius) is a trustee of the charity and also the Town Mayor of Folkestone.)

During the year £5,000 (2022 - £5,000) was donated to the Town Mayor of Folkestone's Christmas Fund..