

Meeting of the

KING GEORGE'S FIELD CHARITY BOARD

Wednesday, 6 January 2010 at 6.30 p.m.
(or at rise of the Leaders Advisory Board)

A G E N D A

VENUE

Meeting Room M72, 7th Floor, Town Hall, Mulberry Place, 5 Clove
Crescent, London, E14 2BG

Members:

Chair: Councillor Lutfur Rahman	(Leader of the Council)
Vice-Chair: Councillor Joshua Peck	(Deputy Leader of the Council)
Councillor Ohid Ahmed	(Lead Member, Resources and Performance)
Councillor Rofique U Ahmed	(Lead Member, Culture and Leisure)
Councillor Anwara Ali	(Lead Member, Health & Wellbeing)
Councillor Abdul Asad	(Lead Member, Children's Services)
Councillor Marc Francis	(Lead Member, Housing and Development)
Councillor Rania Khan	(Lead Member, Regeneration, Localisation and Community Partnerships)
Councillor Oliur Rahman	(Lead Member, Employment and Skills)
Councillor Abdal Ullah	(Lead Member, Cleaner, Safer, Greener)

[Note: The quorum for this body is 3 Members].

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact: Zoe Folley, Democratic Services, Tel: 020 7364 4877, E-mail: zoe.folley@towerhamlets.gov.uk

LONDON BOROUGH OF TOWER HAMLETS

KING GEORGE'S FIELD CHARITY BOARD

Wednesday, 6 January 2010

6.30 p.m.

SECTION ONE

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Chief Executive.

3. UNRESTRICTED MINUTES

To confirm as a correct record of the proceedings the unrestricted minutes of the meeting of the Board held on 14th October 2009.

**PAGE
NUMBER WARD(S)
 AFFECTED**

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4. DEPUTATIONS AND PETITIONS

To receive any deputations and petitions.

The deadline for the receipt of any deputations for this meeting is **12 noon Wednesday 23rd December 2009.**

5. REPORTS FOR CONSIDERATION

5 .1 Stepping Stones Farm - Crossrail Implications (KGFCB/06/089) (Pages 9 - 16)

5 .2 King George's Fields Charitable Trust Annual Accounts 2008/2009 (KGFCB/06/089) (Pages 17 - 48)

6. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE CHIEF EXECUTIVE

This note is guidance only. Members should consult the Council's Code of Conduct for further details. Note: Only Members can decide if they have an interest therefore they must make their own decision. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending at a meeting.

Declaration of interests for Members

Where Members have a personal interest in any business of the authority as described in paragraph 4 of the Council's Code of Conduct (contained in part 5 of the Council's Constitution) then s/he must disclose this personal interest as in accordance with paragraph 5 of the Code. Members must disclose the existence and nature of the interest at the start of the meeting and certainly no later than the commencement of the item or where the interest becomes apparent.

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- (a) An interest that you must **register**
- (b) An interest that is not on the register, but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of your authority more than it would affect the majority of inhabitants of the ward affected by the decision.

Where a personal interest is declared a Member may stay and take part in the debate and decision on that item.

What constitutes a prejudicial interest? - Please refer to paragraph 6 of the adopted Code of Conduct.

Your personal interest will also be a prejudicial interest in a matter if (a), (b) and either (c) or (d) below apply:-

- (a) A member of the public, who knows the relevant facts, would reasonably think that your personal interests are so significant that it is likely to prejudice your judgment of the public interests; AND
- (b) The matter does not fall within one of the exempt categories of decision listed in paragraph 6.2 of the Code; AND EITHER
- (c) The matter affects your financial position or the financial interest of a body with which you are associated; or
- (d) The matter relates to the determination of a licensing or regulatory application

The key points to remember if you have a prejudicial interest in a matter being discussed at a meeting:-

- i. You must declare that you have a prejudicial interest, and the nature of that interest, as soon as that interest becomes apparent to you; and
- ii. You must leave the room for the duration of consideration and decision on the item and not seek to influence the debate or decision unless (iv) below applies; and

- iii. You must not seek to improperly influence a decision in which you have a prejudicial interest.
- iv. If Members of the public are allowed to speak or make representations at the meeting, give evidence or answer questions about the matter, by statutory right or otherwise (e.g. planning or licensing committees), you can declare your prejudicial interest but make representations. However, you must immediately leave the room once you have finished your representations and answered questions (if any). You cannot remain in the meeting or in the public gallery during the debate or decision on the matter.

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE KING GEORGE'S FIELD CHARITY BOARD

HELD AT 5.00 P.M. ON WEDNESDAY, 14 OCTOBER 2009

**MEETING ROOM M72, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5
CLOVE CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor Lutfur Rahman (Chair)	(Leader of the Council)
Councillor Joshua Peck (Vice-Chair)	(Deputy Leader of the Council)
Councillor Ohid Ahmed	(Lead Member, Resources and Performance)
Councillor Rofique U Ahmed	(Lead Member, Culture and Leisure)
Councillor Marc Francis	(Lead Member, Housing and Development)
Councillor Rania Khan	(Lead Member, Regeneration, Localisation and Community Partnerships)
Councillor Oliur Rahman	(Lead Member, Employment and Skills)
Councillor Abdal Ullah	(Lead Member, Cleaner, Safer, Greener)

Other Councillors Present:

None

Officers Present:

Owen Whalley	– (Service Head Major Projects, Development & Renewal)
David Galpin	– (Head of Legal Services (Community))
Bob Bennett	– (Crossrail Project Manager)
Hugh Chambers	– (Information and Equalities Officer, Development and Renewal)
Zoe Folley	– (Committee Officer, Democratic Services Chief Executive's)
	–

COUNCILLOR L. RAHMAN (CHAIR) IN THE CHAIR

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

Councillor Abdul Asad, Lead Member, Children's Services.

Councillor Anwara Ali Lead Member, Health and Wellbeing.

Apologies for lateness were received on behalf of Councillor Marc Francis, Lead Member Housing and Development.

2. DECLARATIONS OF INTEREST

Councillor Joshua Peck declared a **prejudicial interest** in Agenda item 5.1 (Steeping Stones Farm – Crossrail Implications). The declaration was made on the basis that the report contained references to Crossrail and Councillor Peck's employees had a contract with Crossrail. Councillor Peck left the meeting prior to the consideration of this item.

3. UNRESTRICTED MINUTES

RESOLVED

That the unrestricted minutes of the King George's Fields Charity Board held on 17th June 2009 be approved and signed by the Chair as a correct record of the proceedings.

4. DEPUTATIONS AND PETITIONS

There were no deputations or petitions.

5. REPORTS FOR CONSIDERATION

5.1 Steeping Stones Farm – Crossrail Implications (KGFCB/05/089)

Mr Owen Whalley (Service Head Major Projects, Development and Renewal) introduced the report. He commented:

- At the meeting held on 17th June 2009, the Board noted the impact of Crossrail upon the land owned by the King George's Field Charity Board and the approach being taken by officers to mitigate those impacts. Public consultation was now taking place on the proposed pitch replacement at Stepney Green and work is planned to start on site in January 2010. However because of the urgent need to gain access to part of the Steeping Stones Farm to undertake borehole investigations, mitigation works on the farm land will need to commence within the next few weeks. To facilitate this, it was necessary for the Board to grant a licence to Crossrail to carry out the works;
- The licence would deal with two matters. The first would be to allow Crossrail to enter on part of the farm site that would form part of the

construction site in order to undertake the borehole investigation. The second part of the licence would allow Crossrail to carry out mitigation works to the farm in accordance with the works specified in Appendix 2 of the report;

- A similar licence would also need to be granted to progress the works to replace the Stepney Green Football Pitch and associated facilities.

Mr Whalley also reported that the Stepping Stones Farm Charity, which originally occupied the site, appeared to be effectively moribund not having submitted any accounts to the Charity Commission since 2001/02. Because of this it was necessary to terminate their occupation of the Farm and to grant a new licence to the new occupiers, the Stepping Stones Farm Company, who were managing and maintaining the Farm in an effective manner. The licence would be granted for a 12 month period to enable the new company to continue to manage the Farm during the period in which Crossrail will be undertaking the work.

To clarify matters, the Board was also requested to empower officers to act on behalf of the Board in ensuring that the replacement facilities were carried out in accordance with the Parliamentary undertakings and the requirements in the Licenses.

In response to the presentation, the Board noted the following points:

- officers had meet with representatives from the Stepping Stones Farm Charity on a number of occasions. During which, the representatives made a number of claims and counter claims about activity on the Farm. The findings in respect of the Charity were based on evidence obtained from the Charity, the Council's records, the Charity Commission and the Greater London Authority;
- the Stepping Stones Farm Company comprised six Directors. Four of whom lived in the Borough. One lived in Hackney and one in Hounslow.

The Board also made the following points:

- Councillor Oliur Rahman, speaking as a ward member for the Stepney Green area, reported that both he and the other ward Councillors for the Stepney Green area had listen to the views of the local residents. Many local residents used and valued the Stepping Stones Farm. Given this, he considered it essential that the Governing Board comprised members of the local community rather than people from outside of the Borough;
- Councillor Abdul Ullah also considered that the composition of the Farm's Governing Board should be made up of members of the local community. It was necessary to ensure local people were involved in the decision making process and it was open and transparent;
- The Board considered that serious attempts should be made to ensure the new Trust was managed by members of the local community.

Consequently, in view of the concerns, the Board considered that the consideration of the plans to grant the Stepping Stones Farm Company a licence for the management of the Stepping Stones Farm should be deferred pending further discussions with the local ward members for the area.

RESOLVED:

1. That the positive progress being made on the mitigation works to Stepping Stones Farm as described in paragraph 3.5 and set out at Appendix 2 of the report (KGFCB/05/089), be noted;
2. That licences be granted to Crossrail to enter on the land at Stepping Stones Farm and Stepney Green to commence the mitigation works and borehole investigations at Stepping Stones Farm, and to undertake enabling works at Stepney Green as referred to in paragraphs 4.2 – 4.4 of the report (KGFCB/05/089);
3. That the occupation of Stepping Stones Farm by the Stepney Stepping stones Farm Charity be terminated with immediate effect for the reasons set out in paragraph 3.4 and Appendix 1 of the report (KGFCB/05/089),
4. That officers of the Council be authorised to act on behalf of the Board to negotiate the terms of licence agreements with Crossrail, and undertake all other actions in accordance with the aims and objectives of the King George's Field Charity;
5. That upon the agreement of terms for licence agreements with Crossrail, such licences be granted to Crossrail; and
6. That the consideration of the proposal to grant a licence for the management of the Stepping Stones Farm Company for a 12-month period be deferred for consideration at a future meeting of the Board pending further consultation with the local Ward Members.
7. That following the completion of the Crossrail works, the Council's Communities, Localities and Cultural Directorate be authorised to act as agents on behalf of the Board to manage Stepping Stones Farm and provide regular reports to the Board including make holding arrangements to receive any funding arising from the grant of a licenses to Crossrail as detailed in resolutions 2 &5 above;

Action by:

**CORPORATE DIRECTOR DEVELOPMENT AND RENEWAL
(A. DALVI)**

Service Head Major Projects, Development and Renewal, (O. Whalley)
Cross Rail Project Manager (B. Bennett)

6. **ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT**

No urgent business was submitted.

The meeting ended at 5.30 p.m.

Chair, Councillor Lutfur Rahman
King George's Field Charity Board

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Agenda Item 5.1

Committee: King George's Fields Charity Board	Date: 6 th January 2010	Classification: Unrestricted	Report No:	Agend a Item:
Report of: Owen Whalley – Head of Major Projects, Development and Renewal		Title: Stepping Stones Farm – Crossrail Update and Implications		
Originating officer(s) Bob Bennett – Crossrail Project Manager		Wards Affected: Stepney Green		

1. SUMMARY

- 1.1 At the last meeting of the Board held on 14th October 2009 Officers provided an update on the Crossrail proposals as they affected Stepney Green and Stepping Stones Farm. The report also provided information on the operation of the existing Stepping Stones Charity, the steps being taken to both maintain and enhance the Farm, and the role of the new Company occupying and managing the site. At the meeting Members agreed to terminate the licence of the existing Stepping Stone Farm Charity, but did not agree to grant a temporary licence to the Company currently occupying because of the need to secure further local involvement in the running of the farm. This report provides a further update on the Crossrail proposals form mitigating the impact of Crossrail on the Farm, and put forward a number of recommendations about the actions needed to ensure the continuing successful operation of the Farm and implication of the Crossrail proposals.

2. RECOMMENDATIONS

The Board is recommended to:-

- 2.1 Note the progress being made on the mitigation works to Stepping Stones Farm as described in paragraph 3.2
- 2.2 Agree to the further involvement of consultant Mike Daligan in accordance with the revised terms of reference as set out in paragraph 4.6.2.

Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report

Brief description of "background papers"

Name and telephone number of holder and address
where open to inspection.

- 2.3 Request that the Authority are asked to investigate potential funding streams to contribute towards the estimated £20,000 per annum day to day running costs of Stepping Stones City Farm.

3. BACKGROUND

- 3.1 Since the last meeting there have been a number of significant developments in relation to the Crossrail proposals as they affect both the Stepney Green Football Pitch and the Farm. Following the appointments of new design consultants, Crossrail have revised the design of the Stepney Green Shaft with the effect that it is no longer necessary to relocate the football pitch. However, because of the close proximity of the construction works to the edge of the pitch, Crossrail recognise that the pitch could be affected and have agreed that once the tunnelling is complete the pitch will be rebuilt. Crossrail have now commenced bore hole investigations at Stepping Stones Farm and would be commencing similar investigations at Stepney Green in the very near future.
- 3.2 So far as Stepping Stones Farm is concerned, the revised proposals will still result in the loss of one third of the Farm for the whole of the five year construction period. However, Crossrail have now confirmed their agreement to undertake works of mitigation to the remaining part of the Farm which will involve reconfiguration of the grazing fields and allotments, new fencing and the construction of a new barn to accommodate some of the displaced animals. There are a number of outstanding issues that still need to be resolved and Crossrail have agreed to carry out consultation in the local area before finalising their proposals. Once the proposals have been agreed a planning application will need to be submitted, and a licence entered into with Crossrail to ensure the implementation of the mitigation works. It is understood that the mitigation works would take approximately 12 months to complete and would be undertaken prior to the commencement of the main construction works.
- 3.3. In relation to the management of the Farm the existing company is continuing to undertake the day to day management of the site, but the effect of the decision made at the last meeting of the Board not to grant a temporary licence is that by default officers are now responsible formally for the management and operation of the farm. As regards Members concern to secure more involvement of local people, it is understood that the two Board Members that live outside the Borough have now resigned and active steps are being taken to recruit local people to the Board. It is also proposed to hold an Annual General Meeting in spring 2010. The consultant, Mike Daligan is continuing to provide support to the Farm and work with Crossrail on mitigation work. The issue of who manages the farm in the longer term will need to be the subject of a further report to the Board in due course.

4. MATTERS FOR CONSIDERATION

4.1 Arising from the decisions made from the last meeting of the Board, and the imminence of the commencement a number of resource issues need to be addressed as a matter of some urgency. These relate to:-

- The need to manage and monitor the mitigation works by Crossrail
- The need to ensure that the Farm continues to operate in a responsible manner bearing in mind that the Council is now directly responsible for the Farm
- The need to continue capacity building with existing Company with a view to seeking charitable status and effective fund raising
- The day to day running cost of the Farm

4.2 Management and Monitoring of the Crossrail Works

4.2.1 As indicated above mitigation works to the Farm are significant and will take some 12 months to complete. The work will need to be carefully managed and monitored both to ensure that the Farm can continue to operate, and to ensure that the works themselves are completed to the Council's satisfaction bearing in mind that the Farm is an asset of the Mile End charity. So far as Crossrail is concerned there is an urgent need for a "Single point of contact" in relation to these works, since it is clearly not practical to have to liaise and negotiate with the Board of the Farm as a whole. Crossrail recognise that this activity is part of the mitigation works and agreed to fund the cost which is likely to be in the region of £40,000 over a 12 month period.

4.3 Day to Day Management of the Farm

4.3.1 Whilst Officers of Development & Renewal will continue to remain responsible for overall negotiations with Crossrail and the implementation of the mitigation works, clearly officers do not have the knowledge and experience of actually running a City Farm. Notwithstanding the lack of any formal licence to occupy the site, the existing Company is prepared to continue to maintain and operate the farm but in view of the Council's ultimate responsibility, it is essential that Farm activities are properly monitored and managed on the Council's behalf. This will ensure that for example any Health & Safety Issues arising are dealt with in a proper manner and that the Farm animals are looked after in a proper manner. It is estimated that this will require approximately half day a week which will have a cost of approximately £10,000 over a 12 month period which will be supported from within existing Council staffing resources.

4.4 Capacity Building of the Farm and Setting up the new Charity

4.4.1. Although the consultant has completed a considerable amount of work with the new Company and set in place proper management systems that did not previously exist, the need for this work is ongoing until the

Company achieves full charitable status and has some form of title to the land. Although it is difficult to fund raise in the present circumstances, the consultant has been able to access charitable funds and it is clearly important to continue this work as it will minimise the cost to the Council of running the Farm. It is estimated that this will require approximately half a day per week which will be supported from within existing Council staffing resources.

4.5 Day to day running cost of Farm

4.5.1 Although all the people running the Farm are volunteers there are external costs which need to be met. These include for example the utilities bills, animal feed, equipment and some administration costs. The consultant estimates these to be in the region of £20,000 over a 12 month period, and although it may be possible to obtain charitable grants to offset these costs, the Board need to ensure that a contingency budget is made available for this purpose.

4.6 Amendment of the consultant's terms of reference

4.6.1 As stated at the last meeting, the responsibilities of the existing consultant Mike Daligan already include securing the reconfiguration of Stepping Stones Farm on the reduced site and ensuring that the Farm remains a viable operation. However, this responsibility needs to be modified slightly to make it clear that the consultant will be the "single point of contact" between Crossrail, the Farm and the Council. In addition the Consultant has responsibility to ensure that the Farm becomes a fit organisation capable of running a farm as a viable business. However, the responsibility for ensuring that the Farm is run in a proper manner on behalf of the Council would also require an amendment to the Consultants terms of reference.

4.6.2. The amended brief is set out below:-

- Secure the reconfiguration of Stepping Stones Farm on the reduced site available during the Crossrail construction works in advance of Crossrail requiring possession of part of the site and act as the single point of contact between Crossrail, the Farm and the Council.
- Work with Stepping Stones Farm to develop a management structure and business plan which complies with the objectives of the City Farm movement and is a sufficiently "fit organisation" for the granting of a formal lease.
- Ensure that the Farm is managed on behalf of the Council in a proper manner in accordance with the rules and requirements for City Farms and in accordance with all relevant statutory legislation.

4.6.3. Council officers will monitor Mr Daligan's work to ensure that he acts properly having regard to the amended brief. Reports will be made to update the Board at appropriate intervals.

4.7. Resource Implications

- 4.7.1. As noted above Crossrail have agreed to finance the Consultants costs in respect of the supervision of the mitigation works of Stepping Stones Farm. The cost of ensuring that the Farm Company becomes a fit organisation will be met from within the Council's staffing budgets. However resources are required to finance the day to day running costs of the City Farm which it has indicated above could amount to £20,000 over a 12 month period. Although the Consultant will attempt to secure Grant Aid it is suggested that the Council is approached to underwrite this expenditure since otherwise the Farm would have to close.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 This report outlines the implications for the Stepping Stones Farm of the on-going Crossrail project.
- 5.2 All costs associated with the reconfiguration of the farm to accommodate the construction works, and any necessary reinstatement to the farm on completion of the works will be fully funded by Crossrail. (Paragraphs 3.2 and 4.2.1).
- 5.3 Officers of the Council are involved in the overall management of the farm, and in addition are assisting in capacity building the farm staff and its proposed establishment as a charity. The resources required to undertake these activities are staffing related which are being met from within the resources of the Council's Development and Renewal Directorate.
- 5.4 The report also requests that in addition to staffing support, the Council are approached to provide or seek funding to underwrite the day to day running costs of the farm (estimated at £20,000 per annum). The availability of this funding will be a matter for the Council to determine, but it is recommended that the Board continue to seek alternative funding sources for these costs. ...

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 The Board is asked to agree the involvement of a consultant as set out in 4.6.2 of the report. As advised previously, it is legally accepted that Trustees may not always be able to discharge their duties personally and they can appoint persons to act on their behalf. It is clear that arrangements for the future management of this site need to be formalised and it would be appropriate for the Board to request that Council officers act on its behalf and that a consultant may be engaged to assist where additional expertise is required. Decisions will always have to be made by the Board based on recommendations made to it by officers of the Council.

- 6.2 The report provides an update on the Crossrail project. This was the subject of advice in the report of 14 October 2009, at which time the Board delegated power to officers to negotiate a licence with Crossrail. Further advice is not required based on the update. It will be for officers to ensure that the Board is kept informed and that decisions concerning the project are brought forward to the Board as appropriate.
- 6.3 It is proposed that the Board request that a budget be set up to cover day to day running costs. It is appropriate for the Board to request funds from the Council in order to discharge the trustee function.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 The Council's role as trustee of the charities referred to in paragraph 4.5 and 6.1 of this report must be exercised having regard to the objects, powers and limitations in the governing documents, which are described in this report. The Council is not, in exercising the functions of trustee, necessarily free to pursue its own partnership goals expressed in the Community Plan. That said, it seems clear that the discharge of the trustee duties, which involve the maintenance of playing fields and a public garden in perpetuity, will contribute to one of the key themes in the Community Plan: A Great Place to Live. The priorities for achieving a great place to live include supporting vibrant town centres and a cleaner safer public realm by supporting and improving open spaces

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 As stated in paragraphs 4.5 and 6.1, the Council's role as trustee of the charities referred to in this report must be exercised having regard to the objects, powers and limitations in the governing documents. The Council is not, in exercising the functions of trustee, necessarily free to pursue its own goals for sustainable action, whether expressed in the Community Plan, or otherwise. The Council's discharge of its trustee duties may incidentally, and perhaps will likely, contribute to sustainable action for a greener environment through the maintenance of the allotments in perpetuity.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 It is important that the Council carries out its role as trustee of the charities according to law. Failure to do so may result in legal action or public criticism. That risk is assessed as low, but the purpose of this and related reports is to ensure that the Board is aware of its obligations in carrying out the Council's trustee function and is satisfied that the function is being properly exercised.

10. EFFICIENCY STATEMENT

- 10.1 It is important that the Council carries out its role as trustee of the charities according to law. This is not directly a matter of efficiency, having regard to the Council's duty as a best value authority under the Local Government Act 1999. That said, it is likely that review of the governance arrangements will aid the efficient management of the charities. Examples of possible efficiency gains are: (a) it may be easier for the Board and officers to manage the lands the subject of the charities if the delegation to council officers takes place as is recommended in the report; (b) Once the interim works are completed and the transfer of responsibility to CLC takes place this should allow for the most appropriately qualified officers to manage and support the farm.

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Agenda Item 5.2

Committee: King George's Fields Charity Board	Date: 6 th January, 2010	Classification: Unrestricted	Report No. (KGFCB/06/ 089)	Agenda Item No.
Report of: Corporate Director, Communities, Localities & Culture			Title: King George's Fields Charitable Trust Annual Accounts 2008/2009	
Originating Officer: Luke Cully			Wards affected: All Wards	

1. SUMMARY

1.1 This report provides details of the annual accounts for the King George's Field Mile End and King George's Field Tredegar Square charities for the 2008/2009 financial year.

2. RECOMMENDATIONS

King George's Fields Charity Board is recommended to:

2.1 Agree the annual report and accounts for the King George's Field, Mile End charity (registered number 1077859) for the 2008/2009 financial year set out at Appendix 1.

2.2 Agree the annual report and accounts for the King George's Field Tredegar Square charity (registered number 1088999) for the 2008/2009 financial year set out at Appendix 2.

2.3 Authorise the Chair of the Board to sign the annual reports and accounts for submission to the Charity Commission.

3. BACKGROUND

3.1 There are duties under the Charities Act 1993 for charities, with some exceptions not relevant to these circumstances, to prepare annual reports and accounts and submit them to the Charity Commission. The annual report and accounts must be endorsed by the Trustees, and submitted to the Charity Commission within 10 months of the end of the charity's financial year.

3.2 The accounts relate to the King George's Field, Mile End charity (registered number 1077859) (which includes Stepney Green and Whitehorse Road Open Space) and the King George's Field Tredegar Square charity (registered number 1088999). From the accounts attached in the appendices, members will see that King George's Field Mile End produced a surplus of £28,380, and that King George's Field Tredegar Square Gardens achieved a balanced position. The major expenditures and incomes as outlined within the account are as follows

Salaries-

These relate to the Director of Mile End Park and Park Ranger staff who assist in managing the facilities.

Employee Related Expenditure-

This relates to insurance of staff engaged in the activity of managing the facilities, recruitment, and training.

Repairs and Maintenance-

This includes all repairs to buildings, trees and fences, and grounds maintenance costs.

Energy and Water-

This relates to electricity, gas and water services.

Other Services-

This relates to refuse collection and disposal, transport, printing and cleaning.

Communications-

This relates principally to telephones and mobile phones.

Stock and Equipment-

This relates to the purchase of equipment and materials.

Fees and Insurance-

This relates to the insurance of the park buildings and fees payable to consultants.

Advertising and Publicity-

This relates to the costs of advertising and publicity for events.

Receipts-

The major income items are commercial rents generated from shop lettings at Mile End Park, railway arch rentals, and a contribution from the Council's General Fund Public Realm budget.

3.3 Conclusion

The outturn position for King George's Field Mile End Park was a surplus of £28,380 and King George's Field Tredegar Square recorded a break even position. To comply with the Charity Commission's requirements, the Board are asked to note and endorse these accounts, and agree their submission to the Charity Commission.

4. COMMENTS OF THE CHIEF FINANCIAL OFFICER

4.1 The comments of the Chief Financial Officer have been incorporated into this report.

5. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

5.1 The Council is the trustee for both charities the subject of this report. The Council's trustee functions are discharged by the Board pursuant to the Council's Constitution. These matters were dealt with in a report to the Board on 15 April 2009.

5.2 The Council as trustee is required under section 42 of the Charities Act 1993 to prepare an annual statement of accounts for each of the charities and is required under section 45 of the Charities Act to prepare an annual report for each charity. In each instance the statement of accounts and the annual report must comply with the requirements of the Charities (Accounts and Reports) Regulations 2008. The reports state that they are in compliance with these Regulations and this appears to be the case.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 One Tower Hamlets' considerations have been taken into account in the Directorate's service improvement proposals.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

7.1 There are no direct sustainability implications in this report

8. RISK MANAGEMENT IMPLICATIONS

8.1 Managing financial risk is of critical importance to the Directorate and maintaining financial health is essential to sustaining and improving service performance. Specific risks are project managed, recorded and progress is monitored through the directorate risk register process.

9. EFFICIENCY STATEMENT

9.1 Efficiency improvements inform the ethos of the Mile End Park Annual Management Plan, and the running of the other parks and open spaces that form part of King George's Fields.

Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report

<i>Brief description of “back ground papers”</i>	<i>Name and telephone number of holder and address where open to inspection.</i>
<i>King George’s Field, 2008/2009- General File</i>	<i>Luke Cully, (Tel 020-7364-5221) Finance Manager, Directorate of Communities, Localities & Culture, Anchorage House</i>

10. APPENDICES

Appendix 1 – Annual Report and Accounts, King George’s Field
Mile End charity

Appendix 2 – Annual Report and Accounts, King George’s Field
Tredegar Square charity

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**KING GEORGE'S FIELD, MILE END
CHARITY NO 1077859****REPORT OF THE TRUSTEES
For The Year Ended 31 March 2009**

The trustees present their report and the financial statements for the year ended 31 March 2009. The financial statements are subject to audit, and are shown on pages 7 to 9 of this report.

The legal and financial information set out below forms part of this report. The financial statements comply with current statutory requirements, the constitution, and the Statement of Recommended Practice-Accounting and Reporting by Charities, as published by the Charities Commission in March, 2005, and the Charities (Accounts and Reports) Regulations 2008 (S.I. No 629, 2008).

EXPLANATORY NOTE

King George's Field Mile End is a registered charity. It is referred to throughout this report as the "Charity".

STRUCTURE, GOVERNANCE AND MANAGEMENT

The sole trustee of the Charity is the London Borough of Tower Hamlets, which delegates its responsibilities to a Committee called the King George's Field Trust Charity Board which directs the affairs of the Charity and acts as the Charity's trustees. The affairs of the Charity are directed by the Board of Trustees. The trustees meet formally annually or as and when strategic direction is required. For Mile End Park, the original master plan, directed by the Trustees, is in the final stages of implementation. There is a formal agenda for meetings which is agreed in advance between the Chair of the Trustees and the Chair of the Mile End Park Partnership Board that meets quarterly. The day to day running of Mile End Park is delegated to the Director of the Mile End Park. The Mile End Park Partnership comprises two other bodies and the local authority. That board meets quarterly, and examines the progress made in the park. For Mile End Park, an Annual Management Plan is produced, which is geared to the annual Green Flag competition, and looks at the park for the period January to December. The Annual Management Plan is marked by independent Green Flag assessors. For the last four years, the Plan has been assessed as being in the upper quartile of all the plans that have been reviewed. The Annual Management Plan is published on the Parks section of the Council's website.

The original Trust Deed, and the subsequent variations, which are referred to below, also dealt with the use of other open space and park areas, within what is now the London Borough of Tower Hamlets. These other areas are managed by other Council employees.

The members of the King George's Fields Trust Charity Board are also those Councillors who are, for the time being, the Cabinet members of the London Borough of Tower Hamlets.

RISK ASSESSMENT

Mile End Park has its own Annual Service Plan that covers, amongst other matters, the major strategic, business and operational risks. The Service Plan covers the period April to March, and is used to inform the overall Communities, Localities & Culture Directorate plan and individual performance targets. In practice, there is an overlap between this and the Annual Management Plan, but the emphasis and content may vary. The Service Plan is peer-reviewed triannually, and was initially published on the Council's web-site during 2008/2009. In respect of the other park and open space areas, the Council has similar strategies to deal with business and operational risks. The Charity Board is satisfied that systems are in place to monitor and control all areas where there is an identifiable risk with financial, operational, or reputational implications.

OBJECTIVES AND ACTIVITY

The Charity's objectives are set out in the Trust Deed, dated 9th November, 1965, and a Deed of Variation dated 29th January, 1997. They are as follows:

To preserve in perpetuity the covenanted land and to apply the land to such charitable purposes as are set out in the Recreational Charities Act 1958, including the construction of indoor recreational facilities, subject to the approval of the National Playing Fields Association and the Charity Commission in respect of any additional purposes.

Generally, the Charity maintains the area of Mile End Park as a park and open space for the recreation of the general public, including but not limited to the inhabitants of the London Borough of Tower Hamlets. The other park and open space areas are managed to achieve similar objectives

In detail, the following activities were carried out in Mile End Park during the year ending 31 March 2009, which also include references to the plans for future periods.

THE DEVELOPMENT OF MILE END PARK

This has been another year of challenge, when Mile End Park sought to be an exemplar of good practice in general, and inclusivity in particular. The year 2008/2009 was another year of achievement, and saw the park awarded its fifth consecutive Green Flag.

The latest project, an older people's garden, was launched in December, 2008. This is a section of the park where older people can work or relax in their own piece of the Park. In an area, where over 80% of the population have no access to a private garden, this is undoubtedly a timely idea.

The year 2008/2009 also saw the introduction of enabling maps which offer people with disability pictorial maps showing step-free access to the various sections of the Park. It is hoped that these will be added to each year. Inclusive play sessions continue, and the appointment of a Play Co-ordinator, funded by the Big Lottery (Play Matters), has allowed the development of after school clubs and activities.

Play in Mile End Park also received a boost from the Pathfinder funding stream which has allowed it to develop two “Liminal Play Spaces”, in the north of the park, together with major improvements in play in the Play Park itself. This is a way of giving children the type of play where imagination is the key ingredient.

Art continues to flourish, and 2008 saw several big exhibitions which received London-wide, and, in some cases, national coverage. It is hoped that some of the organisations that exhibited in the park, in 2008, will return in 2009. The Park celebrated the annual “Love Parks” week, with the second big land draw to be held in the Park. This year, the artist chose a dragonfly to capture the imagination of young and old alike. Natural materials were used to create the 30m x 25m giant dragonfly. This is now becoming a much looked forward to event, by the local community.

A new wild meadow area was sown on Kirk’s Place so that the magnificent show of thousands of daffodils will be replaced by the colour from thousands of wild flowers, mainly poppies.

The work on bio-diversity continues to pay dividends, and the latest monitoring results reveal that the number of species of spider has risen from 133 to 137, and beetles from 158 to 179 in the space of a single year. In terms of bio-diversity, the arrival of ant hills at the entrance to the Art Park is a significant indicator that the grassland management regime is working, and the spiders that prey on ants should be the next new visitors to the Park. The grassland management of the park also contributed to the increase in sightings of sparrows, following a report on hedge sparrows which identified a lack of summer insects (needed for the diet of the young) as the cause for their decline. Mile End Park is leading the way by ensuring that it has 60% of the Park managed as wild flower areas which in turn provide a rich population of insects and other invertebrates providing a food source for the sparrow.

Capital Works

The second phase of the Skateboard Park was finally completed in March, 2009, with an official opening taking place in April, 2009. The bad weather experienced during the winter delayed the construction programme, and therefore the opening. The site is constructed of polished concrete and contains elements that are suitable to all abilities from the amateur to the professional. The site will be available to those on bikes and skates, as well as the traditional skateboarder.

An improved and wider footpath was introduced to the area occupied by Connexions to allow for the transportation of canoes and other heavy items of equipment. The cost of the work was about £7,000.

Due to the Pathfinder funding, it was possible to provide lights in the trees to provide winter play, for children, in the area away from the building, together with an outdoor musical area and an outdoor theatre area. It was also possible to provide totem poles with tepees. A series of multi-swings for people with disabilities was installed. Inside the Pavilion, lights were introduced into the fantasy room, the bare walls were covered in a woodland mural, and the supporting structures were modified to appear as trees.

An Adizone/Outdoor Gym has been donated to each of the Olympic Boroughs, and the one donated to Tower Hamlets was installed in the Wennington Green area of the park. A large Space Net was installed in the Youth Park. It is still hoped that the project to erect a solar canopy above the Go Kart track will go ahead, but this is unlikely to happen until the overall economic position improves.

The capital expenditure was funded by the London Borough of Tower Hamlets. For other funding streams, the Council acts as the manager of the capital programme. The work was supervised by Council staff and private consultants, and carried out by private contractors. As such, the expenditure is shown in the Council's accounts.

Resolving Design Issues

The establishment of algae in the Ecology Lake and the Art Lake continues to be a major battle. This has continued to be tackled with the application of barley straw. This is a long-term solution. In 2008/2009, volunteer labour was used to clear weed on monthly basis, as recommended by a consultant.

Landscape Work

Landscape work continues on the entrance to Rhodeswell Road and in the Art Park in 2007, as part of a multi-phased scheme. These phases are being implemented as and when funding can be identified.

Forums

The three forums (Art, Ecology and Play) continue to flourish and make a significant contribution to the park. The Friends Of Mile End Park are also represented on each forum. The original Art Forum has disbanded, as it was felt that the members had contributed a huge amount of time and expertise. Fortunately, a new forum has been recruited and has re-energised the project with new ideas. The Play Forum too has had a new intake of members who have fitted in well with those remaining of the original group. The forums continue to work well producing innovative ideas for the further development of the park.

Transforming The Park Into A Community Resource

The rangers continue to be a key component in the success of the park, and the team has grown to include three additional playworkers funded from the Big Lottery. The team continue to improve the service that they deliver to users of the park.

In 2008/2009, there were over 800 corporate volunteers. In many cases, their employers have continued to make a financial contribution. It is unclear how the recession will impact on the number of corporate volunteers. To date, one of the Park's regular clients has gone out of business and a second has cancelled its planned activity.

FINANCIAL RESULTS

The net incoming resources for the year totalled £897,974, (£827,029 in 2007/2008). This included a contribution from the London Borough of Tower Hamlets of £340,768 (£283,104 in 2007/2008). There was a surplus of £28,380 for 2008/2009.

The Charity continued to rely on a number of sources for its income, in addition to the financial contribution from the London Borough of Tower Hamlets. Within Mile End Park, these included Commercial Rents from properties located in the Green Bridge shops, and fees and charges from the letting of other facilities in the park, e.g. Connexions, Electric Go-Karts, and the hire of pavilions. The sources of income are shown in more detail in the attached financial report. There are no Restricted Funds or Endowment Funds, as defined within the Statement of Recommended Practice, 2005.

The Charity is grateful to all who provided it with funds to enable it to carry out its work within the London Borough of Tower Hamlets.

The largest items of expenditure continue to be the cost of staff salaries, and the work of maintaining the park areas and buildings within them. Staff salaries accounted for £297,157 in 2008/2009 (34% of total resources expended, compared with £261,441 in 2007/2008 or 31%). Repairs and maintenance accounted for £307,176 (35% of total resources expended, compared with £325,028 in 2007/2008, or 38%).

Full details of the Charity's revenue income and expenditure are given in the accompanying financial statements.

INVESTMENT POLICY AND PERFORMANCE

The Charity has no investments.

RESERVES POLICY

Since the sole trustee is the London Borough of Tower Hamlets, which meets in full the Charity's net expenditure, the Charity's funding is secured. In previous years, the Trust Charity Board has therefore not needed to set up any financial reserves to protect against any unforeseen fluctuations in income or expenditure. There is a balance of £55,346, which will be carried forward from 2008/2009.

RESPONSIBILITIES OF THE TRUSTEES

The Trust Charity Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure for the year then ended.

In preparing those financial statements which give a true and fair view, the Board should follow best practice and

- (a) select suitable accounting policies and then apply them consistently
- (b) make judgments and estimates that are reasonable and prudent
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue on that basis

The Board is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity, and to ensure that the financial statements comply with the relevant statutory requirements.

The Board is also responsible for safeguarding the assets of the Charity, and are hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE CHARITY TRUST BOARD

The board consisted of the following Councillors who served during the 2008/2009 year:

Councillor Lutfur Rahman (Chair)	Leader of the Council
Councillor Sirajul Islam (Vice-Chair)	Deputy Leader of the Council
Councillor Ohid Ahmed	Lead Member, Regeneration, Localisation and Community Partnerships
Councillor Rofique U Ahmed	Lead Member, Culture and Leisure
Councillor Anwara Ali	Lead Member, Health & Wellbeing
Councillor Alibor Choudhury	Lead Member, Employment Skills
Councillor Marc Francis	Lead Member, Housing and Development
Councillor Clair Hawkins	Lead Member, Childrens Services
Councillor Joshua Peck	Lead Member, Resources and Performance
Councillor Abdal Ullah	Lead Member, Cleaner, Safer, Greener

However, when they meet as the Board, their key decision-making must, as trustees, be in the best interests of the park and open space areas, within King George’s Field.

AUDITORS

The accounts for 2008/2009 are subject to audit. The Charity’s auditors will be the Council’s External Auditors, which is the Audit Commission.

BANKERS

The Charity’s bankers are the bankers for the London Borough of Tower Hamlets, which is the Co-operative Bank,

SOLICITORS.

The Charity’s solicitors are the Legal Service of the London Borough of Tower Hamlets.

PRINCIPAL ADDRESS

The principal address of the Charity is the Council’s address:
Tower Hamlets Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

**KING GEORGE'S FIELD, MILE END
CHARITY NO 1077859
STATEMENT OF FINANCIAL ACTIVITIES
(Including an Income & Expenditure Account)
For the year ended 31 March, 2009**

	UNRESTRICTED FUNDS	
	<u>2008/09</u>	<u>2007/08</u>
<u>INCOMING RESOURCES</u>	<u>£</u>	<u>£</u>
Railway Arch Rentals	75,198	106,598
Other Rentals	368,372	364,799
Other Lettings	17,581	31,270
Sponsorship & Donations	76,960	3,656
Multi-Pitch Income	14,490	32,639
Other Income	4,604	4,964
Cultural Services Revenue Contribution	340,768	283,104
Total Incoming Resources	<u>897,974</u>	<u>827,029</u>
<u>RESOURCES EXPENDED</u>		
Salaries	297,157	261,441
Employee Related Expenditure	9,826	8,012
Repairs & Maintenance	307,176	325,028
Energy and water	41,763	54,582
Other Services	95,505	89,114
Communications	2,161	2,105
Stock & Equipment	46,945	40,070
Fees & Insurance	65,475	64,223
Advertising & Publicity	3,585	3,491
Total Resources Expended	<u>869,594</u>	<u>848,066</u>
Net Incoming/(Outgoing) Resources	<u>28,380</u>	<u>(21,037)</u>
Net Movement in Funds	<u>28,380</u>	<u>(21,037)</u>
<u>RECONCILIATION OF FUNDS</u>		
Total Funds Brought Forward	26,966	48,003
Total Funds Carried Forward	55,346	26,966

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**KING GEORGE'S FIELD, MILE END
CHARITY NO 1077859
BALANCE SHEET**

As at 31 March, 2009

	UNRESTRICTED FUNDS			
	<u>2008/2009</u>		<u>2007/2008</u>	
	£	£	£	£
Current Assets				
Debtors & Payments In Advance		151,281		149,643
Creditors: amounts falling due within one year	10,126		19,793	
Receipts In Advance: falling due within one year	85,809	95,935	102,884	122,677
Net Current Assets		<u>55,346</u>		<u>26,966</u>
Funds		<u>55,346</u>		<u>26,966</u>

The figure for Debtors & Payments In Advance, of £151,281 represents:

(a) £34,449 due from an external organisation; £4,651 payments in advance

(b) funding by the Council of the Creditors (£10,126) and Receipts In Advance (£85,809.), less the Debtors and Payments In Advance, referred to in paragraph (a); and

(c) the funding by the Council of the net surplus carried forward of £55,346.

All transactions pass through the Council's accounts.

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**KING GEORGE'S FIELD, MILE END
CHARITY NO 1077859
CASH FLOW STATEMENT
For The Year Ended 31 March,2009**

	UNRESTRICTED FUNDS	
	<u>2008/2009</u>	<u>2007/2008</u>
	<u>£</u>	<u>£</u>
Net Cash Flow From Operating Activities	<u>-</u>	<u>-</u>
 <u>Reconciliation of net incoming/(outgoing) resources to net cash flow</u>		
	<u>£</u>	<u>£</u>
Net Incoming/(Outgoing) resources for the year	28,380	(21,037)
(Increase)/Decrease in Debtors	(1,638)	59,932
Increase/(Decrease) in Creditors & Receipts in Advance	(26,742)	(38,895)
Net Cash Flow From Operating Activities	<u>-</u>	<u>-</u>

**KING GEORGE'S FIELD, MILE END
CHARITY NO 1077859**

**Notes to the financial statements
For the year ended 31 March 2009**

1 Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with appropriate accounting standards. They follow the recommendations in the Statement of Recommended Practice-Accounting and Reporting by Charities, issued in March, 2005 (the SORP), as amended in 2007.
- b) Income is recognised in full in the Statement of Financial Activities in the year in which it is receivable. Fees, charges and rents are accounted for as income at the date the Charity provides the relevant services.
- c) There are no restricted funds, within the definition contained in the 2005 SORP. Incoming resources are therefore used for any of the Charity's purposes.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended exclude VAT which is recoverable by the London Borough of Tower Hamlets.
- e) Where income or expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet.
- f) Employees working in the Mile End Park and at other parks and open spaces are Council employees. They are eligible to join the Local Government Pension Scheme administered by the London Borough of Tower Hamlets.

2 Staff Costs and Numbers

Staff costs were as follows:	2007/2008	2007/2008
Salaries	£247,634	£219,457
National Insurance	£21,262	£19,428
Pension Contributions	£28,261	£22,556
Total	£297,157	£261,441

One employee received more than £60,000 during the year (2007/2008 one employee)

The average weekly number of employees during the year was as follows (full-time equivalents)

2007/2008	2007/2008
7.18	6.38

3 Taxation.

The Charity does not pay any tax on its activities, and statutory requirements relating to the payment of tax are not applicable.

4 Fixed Assets.

No fixed assets are shown in the Charity's accounts. Any capital expenditure on the construction and improvement of assets in Mile End Park or the other parks and open spaces is shown in the accounts of the London Borough of Tower Hamlets, together with the financing of those construction and improvement works.

5 Creditors.

Amounts Falling Due Within One Year:

	2008/2009	2007/2008
Trade Creditors	£10,126	£19,793
Receipts In Advance	£85,809	£102,884
Total	£95,935	£122,677

6 Debtors

	2008/2009	2007/2008
Rentals and Payments In Advance	£39,100	£15,000
Other	£112,181	£134,643
Total	£151,281	£149,643

In 2008/2009, Other Debtors represent the Council's funding of

- (a) the creditors and receipts in advance, totalling £95,935 (less the £39,100 due for rentals and payments in advance), net £56,835; and
- (b) the net surplus carried forward £55,346.

**KING GEORGE'S FIELD, STEPNEY (TREDEGAR SQUARE,
BOW)
CHARITY NO 1088999**

**REPORT OF THE TRUSTEES
For The Year Ended 31 March 2009**

The trustees present their report and the financial statements for the year ended 31 March 2009. The financial statements are subject to audit, and are shown on pages 4 to 8 of this report.

The legal and financial information set out below forms part of this report. The financial statements comply with current statutory requirements, the constitution, and the Statement of Recommended Practice-Accounting and Reporting by Charities, as published by the Charities Commission in March, 2005, and the Charities (Accounts and Reports) Regulations 2008 (S.I. No 629, 2008).

EXPLANATORY NOTE

King George's Field, Stepney (Tredegar Square, Bow) is a registered charity. It is referred to throughout this report as the "Charity".

STRUCTURE, GOVERNANCE AND MANAGEMENT

The sole trustee of the Charity is the London Borough of Tower Hamlets, which delegates its responsibilities to a Committee of the Council called the King George's Fields Trust Charity Board which directs the affairs of the Charity and acts as the Charity's trustees. The affairs of the Charity are directed by the Board of Trustees. The trustees meet formally annually or as and when strategic direction is required. The Square is managed by Council employees of the London Borough of Tower Hamlets.

The members of the King George's Fields Trust Charity Board are also those Councillors who are, for the time being, the Cabinet members of the London Borough of Tower Hamlets.

RISK ASSESSMENT

The Council has strategies to deal with business and operational risks. The Charity Board is satisfied that systems are in place to monitor and control all areas where there is an identifiable risk with financial, operational, or reputational implications.

OBJECTIVES AND ACTIVITY

Tredegar Square Gardens is located in the Bow West Ward of the London Borough of Tower Hamlets. The gardens and surrounding area are a designated Conservation Area for planning and development purposes.

The object of the Charity is the maintenance of the gardens for the use and enjoyment of the public.

The gardens are approximately 0.5 hectares in area, and are formally laid out to grass, shrub beds, hedges and rose beds.

The gardens are maintained by the London Borough of Tower Hamlets. Horticultural maintenance is carried out regularly to an annual programme of works, and includes the pruning of shrubs, roses and hedges, weed control on beds and paths, grass cutting and maintenance of tree bases. Arboricultural work is carried out on an as required basis with the health and safety of the trees given a high priority. Bins and benches are provided for use by visitors and cleansing takes place frequently; normally daily.

The gardens are open during daylight hours. Park rangers and security staff patrol, lock and unlock the gardens throughout the year.

FINANCIAL RESULTS

The net incoming resources for the year totalled £12,212 (£23,244 in 2007/2008). This represented the revenue contribution from the London Borough of Tower Hamlets equal to the costs incurred. As a result of this contribution, the Charity made neither a surplus nor a deficit for the financial year.

Full details of the Charity's revenue income and expenditure are given in the accompanying financial statements.

INVESTMENT POLICY AND PERFORMANCE

The Charity has no investments, since there are no surplus funds.

RESERVES POLICY

Since the sole trustee is the London Borough of Tower Hamlets, which meets in full the Charity's net expenditure, the Charity's funding is secured. The Trust Charity Board therefore does not need to set up any financial reserves to protect against any unforeseen fluctuations in income or expenditure.

RESPONSIBILITIES OF THE TRUSTEES

The Trust Charity Board are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure for the year then ended.

In preparing those financial statements which give a true and fair view, the Board should follow best practice and

- (a) select suitable accounting policies and then apply them consistently
- (b) make judgments and estimates that are reasonable and prudent
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

(d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue on that basis

The Board is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity, and to ensure that the financial statements comply with the relevant statutory requirements.

The Board is also responsible for safeguarding the assets of the Charity, and are hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE CHARITY TRUST BOARD

The board consisted of the following Councillors who served during the 2007/2008 year:

Councillor Denise Jones	Leader of the Council
Councillor Sirajul Islam	Deputy Leader of the Council
Councillor Ohid Ahmed	Lead Member, Regeneration, Localisation and Community Partnerships
Councillor Abdul Asad	Lead Member, Employment and Skills
Councillor Shafiqul Haque	Lead Member, Development
Councillor Clair Hawkins	Lead Member, Children's Services
Councillor Shiria Khatun	Lead Member, Culture
Councillor Joshua Peck	Lead Member, Resources and Performance
Councillor Abdal Ullah	Lead Member, Cleaner, Safer, Greener
Councillor Motin Uz-Zaman	Lead Member, Health and Wellbeing

However, when they meet as the Board, their key decision-making must, as trustees, be in the best interests of the park area, within King George's Field.

AUDITORS

The accounts for 2008/2009 are subject to audit. The Charity's auditors will be the Council's External Auditors, the auditors appointed by the Audit Commission, which is the District Audit service.

BANKERS.

The Charity's bankers are the bankers for the London Borough of Tower Hamlets, which is the Co-operative Bank.

SOLICITORS

The Charity's solicitors are the Legal Service of the London Borough of Tower Hamlets.

PRINCIPAL ADDRESS

The principal address of the Charity is the Council's address:
Tower Hamlets Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2 BG

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**KING GEORGE'S FIELD, STEPNEY (TREDEGAR SQUARE BOW)
 CHARITY NO 1088999
 STATEMENT OF FINANCIAL ACTIVITIES
 (Including an Income & Expenditure Account)
 For the year ended 31 March, 2009**

	See Note	UNRESTRICTED FUNDS	
		<u>2008/09</u>	<u>2007/08</u>
<u>INCOMING RESOURCES</u>		£	£
Public Realm Revenue Contribution		12,212	23,244
Total Incoming Resources		<u>12,212</u>	<u>23,244</u>
<u>RESOURCES EXPENDED</u>			
Salaries	1, 2	1,702	934
Repairs & Maintenance		9,539	22,310
Other Services		971	-
Total Resources Expended		<u>12,212</u>	<u>23,244</u>
Net Incoming/Outgoing Resources		<u>-</u>	<u>-</u>
Net Movement in Funds		<u>-</u>	<u>-</u>
<u>RECONCILIATION OF FUNDS</u>			
Total Funds Brought Forward		-	-
Total Funds Carried Forward		-	-

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**KING GEORGE'S FIELD, STEPNEY (TREDEGAR SQUARE BOW)
CHARITY NO 1088999
BALANCE SHEET**

As at 31 March, 2009

	See Note	UNRESTRICTED FUNDS	
		<u>2008/09</u>	<u>2007/08</u>
		<u>£</u>	<u>£</u>
Current Assets			
Debtors	1,6	-	362
Creditors: amounts falling due within one year	1,5	-	362
Net Current Assets		<u><u>-</u></u>	<u><u>-</u></u>

The figure for Debtors, of £362 represents funding by the Council of the Creditors.

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**KING GEORGE'S FIELD, STEPNEY (TREDEGAR SQUARE BOW)
 CHARITY NO 1088999
 CASH FLOW STATEMENT
 For The Year Ended 31 March,2009**

	UNRESTRICTED FUNDS	
	<u>2008/09</u>	<u>2007/08</u>
	<u>£</u>	<u>£</u>
Net Cash Flow From Operating Activities	<u>-</u>	<u>-</u>
 <u>Reconciliation of net incoming resources to net cash flow</u>		
	<u>£</u>	<u>£</u>
Net Incoming/Outgoing resources for the year	-	-
(Increase)/Decrease in Debtors	-	(362)
Increase/(Decrease) in Creditors	-	362
Net Cash Flow From Operating Activities	<u><u>-</u></u>	<u><u>-</u></u>

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**KING GEORGE'S FIELD, STEPNEY (TREDEGAR SQUARE, BOW)
CHARITY NO 1088999**

**Notes to the financial statements
For the year ended 31 March 2009**

1 Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with appropriate accounting standards. They follow the recommendations in the Statement of Recommended Practice-Accounting and Reporting by Charities, issued in March, 2005 (the SORP).
- b) Income is recognised in full in the Statement of Financial Activities in the year in which it is receivable.
- c) There are no restricted funds, within the definition contained in the 2005 SORP. Incoming resources are therefore used for any of the Charity's purposes.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended exclude VAT which is recoverable by the London Borough of Tower Hamlets.
- e) Where income or expenditure has been recognised but cash has not been received or paid, a debtor or creditor the relevant amount is recorded in the balance sheet.
- f) Employees working in Tredegar Square are Council employees. They are eligible to join the Local Government Pension Scheme administered by the London Borough of Tower Hamlets. The staff costs are the apportioned costs of several Council employees (including employer's National Insurance and pension fund contributions).

2 Staff Costs

Staff costs were as follows:	2008/2009	2007/2008
Total	£1,702	£934

These apportioned costs represent the small amounts of time spent by Council staff on duties connected with the maintenance and security of the park. No employee connected with this work received more that £60,000 in either 2008/2009 or 2007/2008.

3 Taxation.

The Charity does not pay any tax on its activities, since in any financial year, expenditure equals income, and statutory requirements relating to the payment of tax are not applicable.

4 Fixed Assets.

No fixed assets are shown in the Charity's accounts. Any capital expenditure on the construction and improvement of assets in Tredegar Square would be shown in the accounts of the London Borough of Tower Hamlets, together with the financing of those construction and improvement works.

5 Creditors.

Amounts Falling Due Within One Year:

	2008/2009	2007/2008
Trade Creditors	nil	£362
Receipts In Advance	nil	nil
Total	nil	£362

6 Debtors

	2008/2009	2007/2008
Commercial and other rentals	nil	nil
Other Debtors	nil	£362
Total	nil	£362

In 2007/2008, Other Debtors represented the Council's funding of the Trade Creditors of £362.