


| | |
|---|---|
| <p align="center">King George's Field Charity Board</p> <p align="center">9th January 2018</p> |  |
| Report of: Debbie Jones Corporate Director of Children's | Classification: Unrestricted |
| King George's Fields Charitable Trust Annual Report and Accounts, 2016/2017 | |

| | |
|-------------------------------|--|
| Lead Member | Councillor Abdul Mukit, Cabinet Member for Culture and Youth |
| Originating Officer(s) | Stephen Murray –Head of Arts, Parks and Events Stephen Adams – Finance Business Partner |
| Wards affected | Mile End |
| Key Decision? | No |
| Community Plan Theme | A great place to live |

Executive Summary

This report provides details of the annual report and accounts of the King George's Field Mile End and King George's Field Tredegar Square charities for the 2016/2017 financial year.

Recommendations:

The King George's Field Charity Board is recommended to:

1. Approve the annual report and accounts for the King George's Field, Mile End Charity (registered number 1077859) for the 2016/2017 financial year set out in Appendix 1.
2. Approve the accounts for the King George's Field Tredegar Square charity (registered number 1088999) for the 2016/2017 financial year set out in Appendix 2.
3. Subject to approval of 1 and 2, authorise the signing of the 2016/17 annual report and accounts for submission to the Charity Commission by 31st January 2018.

1. REASONS FOR THE DECISIONS

- 1.1. The King George's Fields charity is registered with the Charity Commission as The King George's Field, Mile End charity, registered number 1077859 ("the Mile End charity").
- 1.2. The Council is the trustee of the charity and the Council is the freehold owner of the land which is the subject of this report.
- 1.3. The King George's Fields Charity Board ("the Board") is an executive decision making body referred to at paragraph 1.4 of the Council's Constitution, which gives the Board the following function of

Administering the affairs of the King George's Fields Charity and discharging all duties of the Council as sole trustee of the Charity.

- 1.4. The resolution of the board is required before the Council can put into effect the recommendations contained within this report.

2. ALTERNATIVE OPTIONS

- 2.1 There are no alternative options

3. DETAILS OF REPORT

- 3.1 The annual report provides details of the activities undertaken throughout 2016/17 financial year as set out in Appendix 1. This will form the annual trustees report as part of the annual submission to the Charity Commission.
- 3.2 The report and accounts relate to the King George's Field, Mile End charity (registered number 1077859) which includes Stepney Green and Whitehorse Road Open Space and King George's Field Tredegar Square charity (registered number 1088999). From the accounts attached in the appendices, the Board will see that King George's Field Mile End produced a surplus of £26,943 and that King George's Field Tredegar Square achieved a balanced position. The reserve balance now stands at £169,335.
- 3.3 The variations in both the sources of income and variations in expenditure are analysed in more detail in paragraphs 3.6 & 3.7.
- 3.4 The accounts are prepared from the information contained in the Council's accounts for the same year r 2016/2017.
- 3.5 The major items of income and expenditure are outlined within the account as follows:
 - Income-

The major income items are commercial rents generated from shop lettings at Mile End Park and hire of the Arts and Ecology Pavilions.

- Salaries-

This covers the cost of the Parks Service staffs who manage the facilities.

- Repairs and Maintenance-

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

- 3.6 The major variations in income, for King George's Field, Mile End, between 2015/2016 and 2016/2017, are shown in the table below, together with a brief explanation of the major changes. The figures referred to below are shown on page 9 of the Appendix 1 notes to the accounts of King George's Field Mile End.

| Source of Income | 2016/17 | 2015/16 | Variance | Comment |
|--------------------|---------|---------|-----------|---|
| | £ | £ | £ | |
| Rentals | 607,783 | 512,293 | 95,490 | All units fully occupied and rent reviews currently underway.. |
| Other Lettings | 222,677 | 208,732 | 13,945 | Increase in lettings activity from the Arts and Ecology Pavilion |
| Multi-Pitch Income | 73,277 | 67,649 | 5,628 | Income from the new Astro Turf at Stepney Green |
| Other Income | 133,566 | 251,600 | (116,033) | Additional one off contribution made in previous year from 1) use of land by Crossrail shaft, 2)additional filming income and 3)insurance payment |

- 3.7 The major variations in expenditure, for King George's Field, Mile End, between 2015/2016 and 2016/2017, are shown in the table below, together with a brief explanation of the major changes. The figures referred to below are shown on page 9 of the Appendix 1 notes to the accounts of King George's Field Mile End.

| Type of Expenditure | 2016/2017 Actual £ | 2015/2016 Actual £ | Variance £ | Changes |
|------------------------------|--------------------|--------------------|------------|--|
| Employee Related | 197,318 | 186,840 | 10,470 | Pay and increments and additional costs for events |
| Employee Related Expenditure | 70,644 | 26,934 | 43,710 | Increase in casuals funded from events |
| Repairs & Maintenance | 543,375 | 459,474 | 83,901 | Corporate Landlord recharged costs which includes energy and water |

- 3.8 The outturn position for King George's Field Mile End was a surplus of £26,943. This has contributed to the reserve which has a balance of £169,335.
- 3.9 King George's Field Tredegar square recorded a breakeven position. The 10k of expenditure for Repairs and Maintenance related to grounds maintenance work.
- 3.10 To comply with the Charity Commission's requirements, the Board are asked to note and endorse the accounts, and agree their submission to the Charity Commission.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The report seeks the King George's Field Board approval of the annual report and accounts for 2016/17 financial year for both Mile End and Tredegar Square charities. The Board as Trustees of the Charity are responsible for the administering the affairs and discharging all duties of the Council. There is also the responsibility to ensure that sufficient income is generated to contribute towards sustaining the overall financial position of the park, and therefore it is essential that the income is maximised and costs managed.
- 4.2 The outturn for the financial year 2016/17 delivered a surplus of £26,943. The surplus has been transferred to the reserve for the King George's Field, Mile End which is increased to £169,335 at the 31st March 2017. The extent to which additional income continues to be generated through the activities of the Trust and used as a subsidy or, for maintaining the long term future of the park will need to be considered alongside the Council's Medium Term Financial Strategy as part of the budget process.

5. LEGAL COMMENTS

- 5.1 The Council is the Trustee of the Mile End Charity pursuant to the Governing Document which is a Scheme dated 28th February, 2000. The Council is also the Trustee for Tredegar Square with the Trust deeds. The Council's

constitution establishes the King George's Fields Charity Board to administer the charities affairs and discharge the Council's trustee functions.

- 5.2 The trustees have a duty to keep the accounting records and must prepare a statement of accounts in respect of each financial year. The attached statements of accounts are required to comply with the requirements of the Charities Act 2011 and the Statement of Recommended Practice- Accounting and Reporting by Charities 2015, and the Charities (Accounts and Reports) Regulations 2008.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 Mile End Park is an important community asset that is open to all. As the population of the borough increases it, along with other parks, becomes increasingly important as a facility for healthy living and community activity promoting community cohesion.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The King George's Fields Trust is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. The publication of the annual report and statement of accounts provides the evidence of the aims of the Trust to secured improvement in service delivery and use of resources. This enables benchmarking against similar facilities to be undertaken to ensure we remain competitive in the hire of our buildings and spaces and maintenance of the Park..

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 The management of Mile End Park is focussed on providing good quality green spaces in a sustainable way
- 8.2 The commercial aspects of the park directly link to supporting the maintenance of this key green space.
- 8.3 The park plays an important role in promoting bio diversity and educating the public on environmental issues.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 The Park management acts to create a sustainable income stream to support the maintenance of the park and its infrastructure.
- 9.2 There has been a recent review of operational inspections and maintenance procedures of play equipment in the park and changes, including use of specialist software on hand held tablets, are being embedded now. At the

same time all risk assessments have been reviewed for quality and implementation.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 Mile End Park forms part of the boroughs facilities that help to engage young people in healthy outdoor and indoor activity.

11. SAFEGUARDING IMPLICATIONS

- 11.1 No safeguarding risks or benefits have been identified.
-

Linked Reports, Appendices and Background Documents

Linked Reports

- None

Appendices

- Appendix 1 – Annual Report and Accounts, King George's Field Mile End Trust charity
 - Appendix 2 – Annual Report and Accounts, King George's Field Tredegar Square charity
-

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

N/A