

<p style="text-align: center;">King George's Field Trust Board Meeting 13 March 2024</p>	
<p>Report of: Simon Baxter, Corporate Director Communities</p>	<p>Classification: [Unrestricted]</p>
<p>King George's Field Trust audited accounts, management recommendations and governance update, current financial position, activity update and allocation of Fields in Trust grant funding</p>	

Lead Member	Cllr Iqbal Hossain, Cabinet Member for Culture and Recreation
Originating Officer(s)	Catherine Boyd, Head of Arts Parks and Events
Wards affected	All wards
Key Decision?	No
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Forward Plan Notice Published	N/A
Strategic Plan Priority / Outcome	N/A

Executive Summary

This report provides an update on the submission of the trust's audited accounts and annual report to the Charity Commission.

An update on the current financial position and activities delivered by the trust this financial year (2023/24) is provided as part of this report. A governance update is also provided as part of this report.

In addition, this report seeks a decision from the Board on the allocation of grant funding from Fields in Trust.

Recommendations:

The Board is recommended to:

1. Note the update on audited accounts and annual reports to the Charity Commission.
2. Review the forecasted financial position for 2023/24. (Appendix 1)
3. Review the activities update for 2023/24. (Appendix 2)
4. Note the Governance update.
5. Review the options and take a decision on the allocation of Fields in Trust funding. (Appendix 3)
6. Note, and have regard to, the Charity Commission's Public Benefit Guidance (Appendix 4)

1 REASONS FOR THE DECISIONS

- 1.1 The King George's Field Trust (KGFT) board is required to submit audited accounts to the Charity Commission for England and Wales.
- 1.2 The Council is the trustee of the Charity, and the Council is the freehold owner of the land which is subject to this report.
- 1.3 The King Georges Fields Charity Board (the Board) is established by section 3.3.12 of the Council's Constitution, which gives the Board the following functions:
 - 3.2.1 *To administer the affairs of the King Georges Fields Charity and discharge all the duties of the Council as sole trustee of the Charity;*
 - 3.2.2 *To administer the affairs and discharge the duties of trustee of such other charities controlled by the Council as the Cabinet might authorise by resolution.*
- 1.4 The Board is required to take a decision on how the funds from Fields in Trust are utilised to further support the King George's Fields Trust charitable objectives.

2 ALTERNATIVE OPTIONS

- 2.1 There are no alternatives as KGFT is a registered charity and bound by the legislation for charities to submit independently audited accounts.

- 2.2 The alternative would be not to take regular updates to the Board for consideration, however this would go against the expectations of the Charity Commission.
- 2.3 Decide not to use the grant funding from Fields in Trust. This would remove an opportunity to improve to use the funds for the maintenance, equipping and improvement of, or the provision of facilities for, any playing field situated in the London Borough of Tower Hamlets and styled “King George’s Fields”.

3 DETAILS OF THE REPORT

- 3.1 The accounts for King George’s Field, Mile End Charity (registered number 1077859) for 2021/22 have been independently audited by Arnold Hill & Co LLP in line with the requirements of the Charity Commission for organisations with a turnover of over £1million to publish audited accounts. The accounts are accompanied by an annual report, in keeping with the requirements of the Charity Commission for organisations with a turnover of over £1million.
- 3.2 The annual accounts and report for King Goerge’s Mile End Charity for 2021/22 have been submitted to the Charity Commission. The 2022/23 accounts and annual report are in the process of being audited by Arnold Hill & Co LLP and will be brought to the board for approval on 17 April 2024.
- 3.3 Audited accounts are not required for King George’s Field – Stepney (Tredegar Square Bow), registered number 108899, as the value is under £1 million.
- 3.4 The accounts for King George’s Field – Stepney (Tredegar Square Bow) are up to date with the Charity Commission, including for 2022/23.
- 3.5 At the 22 November 2023 Board meeting Catherine Boyd (Tower Hamlets Council officer) was nominated as the Charity Account representative. Access to the Charity Commission portal to the nominated charity contact has been processed.
- 3.6 **Appendix 1** provides an overview of the forecasted and current financial position for financial year 2023/24. The Charity’s finances are on course to be balanced. It should be noted that the cost-of-living crisis and increasing costs for goods and services may impact income and expenditure.
- 3.7 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 the hire of the Arts and Ecology Pavilions. Additional income is generated through Stepney Green astroturf pitch bookings and a corporate volunteer programme.
 - Expenditure – the main expenditure items relate to:

(a) Salaries – this covers the cost of the Parks Service staff who manage the facilities and provide activities.

(b) Repairs and maintenance – including the cost of all repairs to buildings, trees and fences, and grounds maintenance costs.

3.8 The variations to income are shown in the table below between what was in achieved 2021/22 against financial year 2022/23.

Source of income	2021/22 Income £	2022/23 Income £	Variance £	Comment
Commercial Retail units (Green Bridge retail units)	£497,951	£489,954	-£7,997	
Astro-turf pitch bookings and Arts and Ecology Pavilion Hires	£253,881	£389,679	£135,798	Increased bookings across facilities including expanding corporate and private hires programme at the pavilions.

3.9 Table 2 below provides an estimated year end (2023/24) position in relation to income against the projections provided to the board in November 2023.

Table 2:

Source of income	Forecasted income 2023/24 (November 2023) £	Forecasted income 2023/24 (as of February 2024) £	Comment
Commercial Retail units	£490,000	£490,000	Forecast based on rental fees that form part of the tenant lease agreement.
Astro-turf pitch bookings	£128,000	£130,000	Forecast based on usage patterns.
Arts and Ecology Pavilions	£292,000	£292,000	On course to meet target.

3.10 King George's Field Tredegar Square charity (registered number 1088999) achieved a balanced position. There was £10,200 of expenditure for Repairs and Maintenance related to grounds maintenance.

- 3.11 **Appendix 2** provides an overview of the activities undertaken by the Charity from 1 April 2023 to 31 January 2024.
- 3.12 Stepney Green astro turf has had 2,380 bookings to date with 53,100 participants 1 April 2023 and 31 January 2024.
- 3.13 **Governance update:** as part of the external audit, the independent auditors noted that the title deeds for many of the charity's fixed assets do not reflect the charity as legal owner. Work on this matter is continuing with legal investigating historical records and documentation. Contact has been made with the Land Registry regarding a simplified approach to reregistration as numerous titles are involved.
- 3.14 At the 26 October 2022 KGFT Board meeting, the Board agreed to accept the funding from Fields in Trust to invest in improving facilities and increase use of the parks space by the public. A report with options for how the funds could be used to help the charity fulfil its charitable objectives was reviewed by the Board at the 22 November 2023 meeting. Officers were asked to review the options with Board members.
- 3.15 King George's Fields Stepney (charity number 1001827) (the "Charity") is a charity that manages a fund (the "Fund") which was established to make grants for the maintenance, equipping and improvement of, or the provision of facilities for, any playing field situated in the London Borough of Tower Hamlets and styled "King George's Fields", with a preference to be given to such playing fields situated in Stepney. Fields in Trust (charity number 306070) is the sole trustee of the King George's Fields Stepney Charity (the "Trustee").
- 3.16 Fields in Trust, as Trustee of the "Charity" referenced in 3.14, have been administering an endowment for a number of years on behalf of London Borough Tower Hamlets, which they are no longer able to continue to do. Fields in Trust have proposed and confirmed with the Charity Commission that the entire fund can be transferred as a grant to KGFT.
- 3.17 The transfer of the grant from Fields in Trust to KGFT will be accompanied by a grant agreement, outlining the purpose of the grant and the required evidence of completion.
- 3.18 Officers have provided a range of options for how the funding of an estimated £265,000 could be allocated. Should the Board approve one or a combination of the options proposed, final approval would be required from Fields in Trust. **Appendix 3** provides an overview of options and estimated costs.

4 EQUALITIES IMPLICATIONS

- 4.1 The King George's Field Trust manages lands and facilities which are open to all. Where charges have to be made, such as artificial football pitches, charges are kept at affordable levels for the local community.

5 OTHER STATUTORY IMPLICATIONS

5.1 There are no further statutory implications.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

6.1 This report provides an update on the submission of the King George's Field Trust's audited accounts and annual report to the Charity Commission along with details of its current financial position. The financial implications are detailed throughout the report.

7 COMMENTS OF LEGAL SERVICES

7.1 As trustee, the Board must act in the Charity's best interests and manage the Charity's resources responsibly.

7.2 The framework for accounting by charities imposes on charities a legal duty to submit to the Commission annual reports, accounts and returns.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE.

Appendices

- Appendix 1 – Financial forecast (2023-24)
- Appendix 2 – Activity update (2023-24)
- Appendix 3 – Fields in Trust allocation of grant options
- Appendix 4 - Public Benefit Guidance

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

Officer contact details for documents:

Catherine Boyd, Head of Arts Parks and Events