

Committee/Meeting: King George's Fields Charity Board	Date: 12/1/2016	Classification: Unrestricted	Report No:
Report of: Corporate Director, Communities, Localities & Culture Originating officers: Stephen Murray Head of Arts Parks and Events and Stephen Adams CLC Finance Business Partner		Title: King George's Fields Charitable Trust Annual Accounts, 2014/2015 Wards Affected: All Wards	

1. **SUMMARY**

- 1.1 This report provides details of the annual accounts of the King George's Field Mile End and King George's Field Tredegar Square charities for the 2014/2015 financial year.

2. **DECISIONS REQUIRED**

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 2014/2015 financial year set out in Appendix 1.
- 2.2 Agree the annual report and accounts for the King George's Field Tredegar Square charity (registered number 1088999) for the 2014/2015 financial year set out in Appendix 2.
- 2.3 Subject to approval of 2.1 and 2.2, authorise the Chair of the Board to sign the annual reports and accounts for submission to the Charity Commission for 2014/15

3. **BODY OF REPORT**

- 3.1 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 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 deficit of £19,572 after adjustments were made for accruals and that King George's Field Tredegar Square achieved a balanced position. The deficit of £19,572

was compensated by the Mile End Park (MEP) Reserve. The reserve balance now stands £20,000.

- 3.2 The Board will note that no general revenue contribution was made to King George's Field Mile End in 2014/15. The variations in both the sources of income and variations in expenditure are analysed in more detail in paragraphs 3.5 & 3.6.
- 3.3 The accounts are prepared from the information contained in the Council's accounts for 2014/2015.
- 3.4 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-

These relate to the Parks Service and support staff that assist in managing the facilities.

Employee Related Expenditure-

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

Repairs and Maintenance-

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

- 3.5 The major variations in income, for King George's Field, Mile End, between 2013/2014 and 2014/2015, are shown in the table below, together with a brief explanation of the major changes. The figures referred to below are shown on page 7 of the report on King George's Field Mile End (Appendix 1).

Source of Income	2014/2015 Actual £	2013/2014 Actual £	Variance £	Changes
Rentals	562,591	531,351	+31,240	Full year occupation of shop tenants
Other Lettings	96,986	65,123	+31,863	Increase in income from the rental of the Arts Pavilion
Sponsorship & Donations	27,210	5,200	+22,010	Increase in Corporate Volunteer activity and donations at MEP

Other Income	139,475	6,693	+132,782	Increase in licensing income for use of MEP land (£30k); Other Parks funding (£40k); insurance income for Green Bridge (£47k); and filming income for the use of MEP (£16k)
Revenue Contribution	0	111,767	- 111,767	No general revenue contribution was made.

3.6 The major variations in expenditure, for King George's Field, Mile End, between 2013/2014 and 2014/2015, are shown in the table below, together with a brief explanation of the major changes. The figures referred to below are shown on page 7 of the report.

Type of Expenditure	2014/2015 Actual £	2013/2014 Actual £	Variance £	Changes
Repairs & Maintenance	439,577	386,984	+52,594	One-off remedial works at Nando's (£31k), waterproofing systems (£4k); infrastructure improvement works (£12k); and Stepney Green Astro-turf works (£6k)
Other Services	78,121	50,011	+28,110	Security costs at Stepney Green due to sports pitch re-opening (£17k) and one-off event supplies related to park events (£11k)
Stock & Equipment	57,856	36,080	+21,776	Chairs and tables (11k), off-set by letting income; increase in costs relating to volunteer events (£11k) offset by donation income.
Fees & Insurance	34,882	3,394	+31,488	One-off public liability insurance excess (£30k)

3.7 The outturn position for King George's Field Mile End showed a deficit of £36,931 before adjustments for accruals. Two debtor amounts that total £61,439 were raised at the end of the financial year for; sponsorship income due from local businesses of £13,475 and an estimate of £47,964 was made for the cost of repairs as part of the insurance claim for water ingress at the Green Bridge. Creditors totalling £44,080 were also raised for amounts owed for a salary payment of £80 and £44,000 for income received in advance. The

net balance after adjusting for accruals was then offset from the contribution made from the balance in the MEP Reserve of £19,572.

3.8 King George's Field Tredegar square recorded a breakeven position. The 10k of expenditure for Repairs and Maintenance related to grounds maintenance work.

3.9 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.

3.10 Mile End Stadium Lease

The Mile End Park Leisure Centre site is located on land which is held on Trust by the King George's Field Mile End Charity. However, The Leisure centre is operated by Greenwich Leisure following a procurement process which was undertaken in 2004 and approved by the Council. The Board will be asked to consider the arrangements for the use of the land in a future report to the Board and this may have some revenue implications for the Trust.

4. **COMMENTS OF THE CHIEF FINANCIAL OFFICER**

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

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 comply with the requirements of the Charities Act 2011 and the Statement of Recommended Practice- Accounting and Reporting by Charities, and the Charities (Accounts and Reports) Regulations 2008.

6. **SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

6.1 There are no direct sustainability implications in this report.

7. RISK MANAGEMENT IMPLICATIONS

- 7.1 Managing financial risk is of critical importance to the Council as Trustee 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.

8. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 8.1 There are no direct crime and disorder reduction implications in the report.

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.

10. BEST VALUE STATEMENT

- 10.1 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, informed by consideration of economy, efficiency and effectiveness.

11. 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

Appendices should not contain electronic watermarks. Excel documents and pictures (.jpg; .tif; .gif etc) should all be converted to .pdf format

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.
--	---

File of working papers	Aziz Ali ext. 3768
-------------------------------	---------------------------

Report authors should refer to the section of the report writing guide which relates to Background Papers when completing this section. Please note that any documents

listed in this section may be disclosed for public inspection. Report authors must check with Legal Services before listing any document as 'background papers'.