

King George's Fields Trust Board Meeting 15 December 2021	 TOWER HAMLETS
Report of: James Thomas, Corporate Director Children and Culture	Classification: [Unrestricted]
Updates for King George's Fields Trust (KGFT): December 2021	

Lead Member	Councillor Sabina Akhtar, Cabinet Member for Culture, Arts and Sports
Originating Officer(s)	Catherine Boyd, Interim 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	[Insert date notice was published – see forthcoming decisions webpage]
Strategic Plan Priority / Outcome	[State Priority and/or Outcome from the Strategic Plan 2020-23]

Executive Summary

This report provides Trustees with updates on the KGFT activities and financial information in accordance with the requirements of the Charity Commission. The report seeks permission for the current auditors to be appointed to audit the 2020-21 accounts. The report includes an update on the submission of the financial and annual reports to the Charity Commission. In addition, an update report for 2021-22 and financial overview for 2021-22 has been provided.

It also provides an update on the transfer of funds from Fields in Trust and permission to be granted from KGFT to the council and leaseholders for right of way road access from Haverfield Road to the Mile End Climbing Wall.

Recommendations:

The Board is recommended to:

1. Note the update on the submission of the audited accounts and annual reports for 2018-19 and 2019-20.
2. Grant permission to appoint Arnold Hill & Co LLP to audit the accounts for 2020-21

3. Note the update on the current financial position and activity update for 2021-22. [Appendices 1 and 2].
4. Note the update on transfer of funds from Fields in Trust to support new 5-a-side pitches and improvements in Stepney Green.
5. Grant permission for Tower Hamlets Council, and appointed leaseholders, to have right of way over the access road (Haverfield Road) to the Mile End Park Climbing Wall. A map of the access road is provided. [Appendix 3].

1 REASONS FOR THE DECISIONS

- 1.1 The King George's Fields Trust (KGFT) board is required to submit audited accounts to the Charity Commission for England and Wales.
- 1.2 Arnold Hill & Co LLP were appointed to audit the 2018-19 and 2019-20 accounts. For continuity, it is suggested that Arnold Hill & Co LLP are appointed to audit the 2020-21 accounts.
- 1.3 The King George's Fields Trust (KGFT) board is requested to give permission to the council for right of way over the access road to enable the council to give access to leaseholders occupying the council's premises (Mile End Climbing Wall). The council requires this permission in order to finalise a pending lease agreement.

2 ALTERNATIVE OPTIONS

- 2.1 There are no alternatives as KGFT is a registered charity and bound by the legislation for charities.
- 2.2 There are no other access routes to the Mile End Climbing wall, which is a well-used resource. Income generated from the lease supports the upkeep of Mile End Park.

3 DETAILS OF THE REPORT

- 3.1 **Update on the Submission of the Annual Accounts and Reports to the Charity Commission:** work has commenced on the audit of the King George's Field Trust accounts for the years ending March 2019 and March 2020. As it's the first time the external auditors are auditing the accounts, with the added complexity of restatement of prior year figures, there have been delays incurred at the planning stage to ensure the auditors understood and received the full set of required working papers and supporting documentation to ensure the audit could progress to the testing stage. The required working papers and supporting documentation have now been substantially provided to the Auditors, however, due to the additional time taken at the planning stage, this has had an impact on the original resource time the auditors allocated to the audit. The next available resource time the external auditors will have to re-commence the work will not be available until the start of

January 2022. With the necessary review processes for audit managers and partners to work through once the audit testing work has been completed, the Auditors are targeting a completion date in February 2022.

- 3.2 The annual reports are being produced in keeping with the requirements of the Charity Commission for organisations with a turnover of over £1million.
- 3.3 An update on the submission of the audited accounts and annual reports will be provided to the Charities Commission.
- 3.4 A forecast for the current financial year (2021-22) has been provided and an activity report.
- 3.5 **Note the update on transfer of funds from Fields in Trust to support new 5-a-side pitches and improvements in Stepney Green.** A mechanism for releasing the endowment funds (and interest) needs to be agreed by Fields in Trust and KGFT. The options for transferring the funds need to be approved in principle with the Charities Commission. A joint approach to the Charity Commission will be made by Fields in Trust and KGFT and the options for transferring will be provided at the next KGFT Board meeting.
- 3.6 **Permission for Tower Hamlets Council, and appointed leaseholders, to have right of way over the access road (Haverfield Road) to the Mile End Park Climbing Wall.** The Mile End Climbing Wall premises, owned by Tower Hamlets Council, require access via a section of road (Haverfield Road), which leads from Mile End Park to the premises.

4 EQUALITIES IMPLICATIONS

- 4.1 The King George's Fields 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 Financial details are included in the body of the report and the appendices. The forecast deficit position of £118k outlined in Appendix 1 relates to lost income due to both closures and the use of the Pavilions to support the programme of Covid vaccinations and testing. However, it is anticipated that the Council will allocate approximately £125k of non-ringfenced covid grant funding it has received to the trust, ensuring the trust does not bring forward a deficit into the 2022-23 Financial year.

7 COMMENTS OF LEGAL SERVICES

- 7.1 As trustee, the Board must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. Further, 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.
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Linked Reports, Appendices and Background Documents

Linked Report

- List any linked reports
- State NONE if none.

Appendices

- Appendix 1 Financial overview for 2021-2022
- Appendix 2 Update report for 2021-2022
- Appendix 3 Map of access road

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

- None

Officer contact details for documents:

Catherine Boyd, Interim Head of Arts Parks and Events.