

King George's Field Trust Board Meeting 6 <sup>th</sup> July 2022	 <b>TOWER HAMLETS</b>
<b>Report of:</b> James Thomas, Corporate Director Children and Culture	<b>Classification:</b> [Unrestricted]
<b>2020/21 End of Year Accounts Approval, King George's Field Trust (KGFT)</b>	

<b>Lead Member</b>	Cllr Iqbal Hossain, Cabinet Member for Culture and Recreation
<b>Originating Officer(s)</b>	Catherine Boyd, Interim Head of Arts Parks and Events
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Reason for Key Decision</b>	This report has been reviewed as not meeting the Key Decision criteria.
<b>Forward Plan Notice Published</b>	[Insert date notice was published – see <a href="#">forthcoming decisions webpage</a> ]
<b>Strategic Plan Priority / Outcome</b>	[State Priority and/or Outcome from the <a href="#">Strategic Plan 2020-23</a> ]

## Executive Summary

This report seeks approval of the audited accounts for 2020/21 and the annual report for 2020/21. Approval is needed in order for the accounts and report to be submitted to the Charity Commission, a legal duty for organisations with a turnover of more than £1million.

## **Recommendations:**

The Board is recommended to:

1. Approve the audited accounts 2020/21 for submission to the Charity Commission
2. Approve the annual report for 2020/21 for submission to the Charity Commission

### **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. These are now overdue and require Board approval in order to be submitted.

### **2 ALTERNATIVE OPTIONS**

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

### **3 DETAILS OF THE REPORT**

- 3.1 The accounts for 2020/21 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. (Appendix 1)
- 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. From the accounts attached in Appendix 1, the Board will see that King George's Field Mile End had a revenue surplus for the year amounting £79,000, resulting in a carry-forward cumulative unrestricted revenue reserve of £77,000.
- 3.3 The variations in both the sources of income and variations in expenditure are analysed in more detail in paragraph 3.5 and of this report.
- 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 the hire of the Arts and Ecology Pavilions. Additional income is generated through Stepney Green Astro-turf 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.

3.5 Income from the KGFT’s main assets was significantly impacted due to the impact of COVID-19 restrictions. The variations to income are shown in the table below as an average of income achieved in 2018/19 and 2019/20 against what was achieved in 2020/21.

<b>Source of income</b>	<b>Average Income £</b>	<b>2020/21 Income £</b>	<b>Variance £</b>	<b>Comment</b>
Commercial Retail units	£520,759	£501,487	£19,272	Variance due to back dated rent in 2019/20 for one commercial unit
Other lettings	£83,087	£83,087	£0	Agreed via leases so no change to rental fees
Astro-turf pitch bookings and Arts and Ecology Pavilion Hires	£331,300	£78,600	£252,700	Restricted periods of hire due to COVID-19 restrictions and guidance. Reduced income from hire of venues to NHS as COVID-19 testing and vaccination centres.
Corporate volunteer programme	£33,600	£0	£33,600	Unable to operate due to COVID-19 restrictions and guidance

3.6 King George’s Field Tredegar Square charity (registered number 1088999) achieved a balanced position. There was £10,000 of expenditure for Repairs and Maintenance related to grounds maintenance.

3.7 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 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 As this report is primarily a financial report, all financial details are contained within the Statement of Accounts attached.

#### **7 COMMENTS OF LEGAL SERVICES**

- 7.1 The London Borough of Tower Hamlets is the corporate trustee of the King George's Field Trust ("the Charity"). Decisions of the Council as trustee are made by the King George Trust Board. When Councillors are sitting as Board members they must act in the Charity's best interests and manage the Charity's resources responsibly and ensure that the Charity complies with its legal obligations.
- 7.2 The Charity Commission framework for accounting by charities imposes a legal duty on the Charity to submit annual reports, accounts and returns.

### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- List any linked reports
- State NONE if none.

#### **Appendices**

- Appendix 1 – Audited Accounts and Annual Report 2021
- Appendix 2 – Letter of Representation 2021

#### **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