


King George's Field Trust Board Meeting 26 October 2022	 TOWER HAMLETS
Report of: James Thomas, Corporate Director Children and Culture	Classification: [Unrestricted]
Finance and Activity Update 2022/2023, King George's Field Trust (KGFT)	

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	[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 an update on the audited accounts submission, the current financial position for King George's Field Trust (KGFT) and an update on the charitable activities carried out to date this year. The report also provides an update on grant funding from Fields in Trust.

Recommendations:

The Board is recommended to:

1. Note the submission of the audited accounts 2020/21 and annual report 2020/21 to the Charity Commission
2. Note the forecasted financial position of King George's Fields Trust for 2022/23
3. Note the 2022 activity programme update
4. Approve the transfer of funds from Fields in Trust (as a grant) to King George's Fields Trust to support the maintenance, equipping and improvement of, or the provision of facilities in Stepney Green Park or Mile End Park.

1 REASONS FOR THE DECISIONS

- 1.1 The King Georges Fields charity is registered with the Charity Commission as King Georges Field, Mile End Charity, registered number 1077859.
- 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 A decision to accept the transfer of funds via a grant from Fields in Trust is required from the KGFT Board.

2 ALTERNATIVE OPTIONS

- 2.1 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.
- 2.2 Not agree in principle to the grant 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 2020/21, which were independently audited by Arnold Hill & Co LLP in line with the requirements of the Charity Commission for organisations with a turnover of over £1million, were published on 11/08/2022.
- 3.2 The Charity Commission returns for King George's Field Trust Mile End Charity and Stepney (Tredegar) are currently up to date.
- 3.3 Appendix 1 provides an overview of the forecasted financial position for financial year April 2022 to March 2023. The headline figure is a surplus of £42,505. These figures are subject to change and based on current bookings and known expenditure. It should be noted that the volatility of energy prices may impact the final position, however the expected expenditure for services has been increased to allow for higher costs.
- 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.

Source of income	Current £	Forecasted income 2022/23 £	Comment
Commercial Retail units	£244,909	£500,000	Forecast based on rental fees that form part of the tenant lease agreement.
Astro-turf pitch bookings	£64,634	£130,000	Forecast based on usage patterns.
Arts and Ecology Pavilions	£101,429	£270,000	Forecast based on known bookings.

- 3.5 Current projections outlined in Table 1 above are based on bookings up until 31 March 2023.

- 3.6 King George's Field Tredegar Square charity (registered number 1088999) is on course to be balanced.
- 3.7 Staff deliver a range of activities throughout the year for children, young people, and their families. The Whitehorse Adventure playground programme is targeted at children aged 8 plus and welcomes young people up to the age of 25 (with special educational needs or disabilities). Younger children (0 to 5 years) and their parent(s)/guardian(s) are engaged through activities at the Mile End Stay and Play provision.
- 3.8 In addition to the regular provision outlined in 3.7, this year the Parks team and third sector partners are delivering an enhanced programme of activities and events during the school holidays. To date over 11,000 people (mainly children, young people, and families) have participated in free activities provided through 169 sessions and events. Appendix 2 provides an overview of the activities delivered to date.
- 3.9 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").
- 3.10 Fields in Trust, as Trustee of the "Charity" referenced in 3.9, 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. It has been proposed by Fields in Trust that the entire fund is transferred as a grant to KGFT.
- 3.11 The development of two new five a side astroturf pitches was put forward to Fields in Trust (the "Trustee") to benefit from this funding. However, the KGFT Board can look to utilise this grant for an alternative project, which would need to be agreed with Fields in Trust. The grant can only be used to support the maintenance, equipping and improvement of, or the provision of facilities that are situated in the London Borough of Tower Hamlets and styled 'King George's Field' with a preference for playing fields situated in Stepney. The grant value (linked to the market indices) is approximately £265,000, which is to be used as a contribution towards the cost of this scheme.
- 3.12 Fields in Trust held a public consultation and exceptional board meeting in July 2022 regarding giving a grant to KGFT. All Trustees presents were in favour of the resolution being submitted to lift the restriction on the endowment and permit the King George's Field Stepney Charity to grant the fund in full to London Borough of Tower Hamlets. Fields in Trust will make a submission to the Charity Commission pending the outcome of the KGFT Board meeting. Fields in Trust will need to allow three months from the point

of submission for a response from the Charity Commission before the transfer can be administered.

- 3.13 In order to receive the grant, the KGFT Board must approve the transfer of funds from Fields in Trust. The transfer of the grant to KGFT will be accompanied by a grant agreement, outlining the purpose of the grant and the required evidence of completion.

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 The report recommends the board to note the submission of the audited accounts 2020/21 and annual report 2020/21 to the Charity Commission. At the 1st April 2022, the KGFT had a brought forward usable reserves amounting to £77,287.
- 6.2 The report provides an overview of the forecasted financial position for the financial year April 2022 to March 2023 (Appendix 1) - the headline figure is a forecast in-year surplus of £42,505, which once added to the brought forward surplus, will result in forecast carry-forward KGFT usable reserves of £119,792 at 31st March 2023. These figures are subject to change and based on current bookings and known expenditure. It should be noted that the volatility of energy prices may impact the final position, however the expected expenditure for services has been increased to allow for higher costs.
- 6.3 If the board Approves the transfer of funds (£265k) from Fields in Trust (as a grant) to King George's Fields Trust to support the maintenance, equipping and improvement of, or the provision of facilities in Stepney Green Park or Mile End Park, the funds will be held within the KGFT accounts dependent on the conditions of the grant.

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

- NONE

Appendices

- Appendix 1 – KGFT Financial Forecast 2022/23
- Appendix 2 – KGFT Activities Update

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

- None

Officer contact details for documents:

Catherine Boyd, Head of Arts Parks, and Events