

Date

Arnold Hill & Co LLP
Craven House
16 Northumberland Avenue
London
WC2N 5AP

Dear Sirs

King George's Field, Mile End

During the course of your audit of our financial statements for the period ending 31 March 2021, the following representations were made to you by the councillors of London Borough of Tower Hamlets ("management") on behalf of London Borough of Tower Hamlets, the charity's trustee.

1. We confirm that the trustee has fulfilled its responsibilities under the Charities Act 2011 for preparing financial statements, in accordance with the applicable financial reporting framework FRS 102 and for making accurate representations to you as auditors.

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We confirm that significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
4. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework (FRS 102).
5. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
6. We confirm that all related party relationships and transactions have been accounted for and disclosed and we are not aware of further related party matters that require disclosure.
7. We confirm that the charity has had, at no time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the company) for the trustee, nor to provide guarantees of any kind on behalf of the trustee.
8. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
9. Except for the breach of charity filing deadlines, we confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity operates and which are central to the charity's ability to operate.

10. We acknowledge responsibility for the design and implementation of controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the charity.
11. We confirm that there have been no actual or suspected instances of fraud involving management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by former employees, regulators or others.
12. We confirm that, having considered our expectations and intentions for the next twelve months and the availability of working capital, the charity is a going concern.
13. We confirm that in our opinion the effects of unadjusted misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
14. We confirm that, except for as already provided for, all debtors are deemed to be recoverable.
15. We confirm that a donation in the amount of £390,000 was provided to the charity by London Borough of Tower Hamlets in recognition of lost income during the COVID-19 pandemic.
16. We acknowledge the legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as management is aware, there is no relevant audit information of which you as auditors are unaware; and
 - management has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that you are aware of that information.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and expertise (and, where appropriate of supporting documentation) sufficient to satisfy ourselves that we can properly make these representations to you and that to the best of our knowledge and belief they accurately reflect the representations made to you by management during the course of your audit.

Yours faithfully

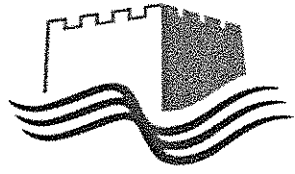
Signed on behalf of the trustee by:



in my capacity as

Date 6/7/22

Agenda Item 4.1

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

Lead Member	Cllr Iqbal Hossain, Cabinet Member for Culture and Recreation
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 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.

Source of income	Average Income £	2020/21 Income £	Variance £	Comment
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

KING GEORGE'S FIELD, MILE END
Audited Financial Statements
for the year ended 31 March 2021

KING GEORGE'S FIELD, MILE END

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KING GEORGE'S FIELD, MILE END

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustee London Borough of Tower Hamlets

Principal Office: London Borough of Tower Hamlets
Mulberry Place
5 Clove Crescent
London
E14 2BG

Auditors: Arnold Hill & Co LLP
Craven House
16 Northumberland Avenue
London
WC2N 5AP

Charity Number: 1077859

REPORT OF THE TRUSTEE

For the Year Ended 31 March 2021

The trustee presents its report and the financial statements for the year ended 31 March 2021.

Explanatory Note:

King George's Field, Mile End is a registered charity. It is referred to throughout this report as the "Charity" or "King George's Field".

1. Structure, Governance and Management

The King George's Field charity is registered with the Charity Commission as King George's Field, Mile End, registered number 1077859.

The King George's Field, Mile End charity is governed by a Trust Deed. The King George's Field, Mile End charity is unincorporated, and the charitable trust is established by a Scheme of the Charity Commission dated 28th February 2000.

The London Borough of Tower Hamlets Council (the "Council") as Trustee holds the freehold land referred to in this report on behalf of the Charity.

The King George's Field, Mile End Charity Board (which sits as a committee) was established by section 3.3.12 of the Council's Constitution, which gives it the following functions:

- To administer the affairs of the King George's Field charity and discharge all the duties of the Council as sole trustee of the Charity
- To administer the affairs and discharge the duties of trustee of such other charities controlled by the Council as the Executive might authorise. The Executive function is to discharge all functions not specified as the responsibility of the full Council or of any other Committee, where the Mayor has delegated his powers to the Cabinet as set out in the Executive Scheme of Delegation.

For Mile End Park and Stepney Green Park annual Management Plans are produced, which are geared to the annual Green Flag campaign, and looks at the park for the period January to December.

The Parks Service within Tower Hamlets Council was restructured into the Arts, Parks and Events Service during 2012/2013. Key responsibility for this service rests with the Head of Arts, Parks and Events. Mile End Park is managed by the Parks Manager and the day to day running of Mile End Park is delegated to the Parks Development Officer (Community); Parks Development Officer (Infrastructure) and Parks Community Involvement Officer (Young People).

The original Trust Deed, and the subsequent variations, which are referred to below, also dealt with the use of other open space and park areas, within what is now the London Borough of Tower Hamlets. These other areas are managed by other Council employees.

2. Objectives and Activities

The Charity's objectives are set out in the Trust Deed, dated 9th November 1965, and a Deed of Variation, date 9th January 1997. They are as follows:

- To preserve in perpetuity the covenanted land and to apply the land to such charitable purposes as are set out in the Recreational Charities Act 1958, including the construction of indoor recreational facilities, subject to the approval of the National Playing Fields Association and the Charity Commission in respect of any additional purposes.

Generally, the Charity maintains the area of Mile End Park, and the other open spaces within King George's Field, Mile End, for the recreation of the general public, including but not limited to the inhabitants of the London Borough of Tower Hamlets. The other park and open space areas are managed to achieve similar objectives.

The land is managed by Tower Hamlets Parks and Open Spaces whose service priorities are as follows:

- Strives to make all parks and open spaces within Tower Hamlets places where people feel safe, secure, and that visiting such green spaces is an enjoyable experience.
- Recognises the importance of parks and green spaces as major community assets.
- Fully recognises the importance and benefits of parks and open spaces as places for recreation, leisure and play for all communities within Tower Hamlets.
- Recognises the importance of the Borough's parks and open spaces and ensures that all of our wide-ranging communities and partners have equal opportunities to use them.
- Encourages the historical heritage of many of Tower Hamlets parks and open spaces and works closely with colleagues and partners alike to protect such cultural assets.
- Manages and maintains the Borough's parks and open spaces on behalf of the communities we serve.

The key landscape design aims for all Tower Hamlets parks and open spaces will inform any future developments in Mile End Park:

- Retain the open, green aspect of the park
- Retain and enhance the main desire lines but avoid criss-crossing the park with paths
- Enhance the public's feelings of security
- Enhance nature conservation and biodiversity
- Enhance and manage boundary and other planting
- Provide public art features that increase the visual interest and identity of the site and involve the community
- Enhance the attractiveness of the park
- Establish a positive site identity that is clear from within and outside the park
- Focus formal design and ensure that this sight line remains open for all time

London Borough of Tower Hamlets, as Corporate Trustee, is aware of the Charity Commission's guidance on Public Benefit and believes this has been followed as outlined below.

Compliance with Public Benefit Requirements:

The Charity has maintained the lands within Mile End Park and other King George's Field charity sites to an acceptable standard with ongoing improvements implemented listed in the investments section below. The parks continue to be well used supporting as they do a number of key facilities:

- Mile End Leisure Centre
- Stepney Green artificial football pitch
- Playgrounds
- Outdoor activities centre including BMX track
- Various water features
- Areas of biodiversity
- Pavilions with free activity

- Outdoor gym equipment
- Programme of events and workshops
- Variety of spaces for walks and informal sports activity

3. Achievements and Performance

General:

- Both Mile End and Stepney Green Park retained their Green Flag status for 2020.
- No events or workshops were delivered due to the Coronavirus pandemic that made it unviable for the Charity to deliver activities to the public.
- In addition, as a result of the pandemic no volunteering programmes were delivered.
- The Arts and Ecology Pavilions were utilised by the NHS Trust to support the response to the pandemic.
- Installation of heritage information panel in Stepney Green Park.
- Installation of dog exercise equipment within the allocated dog area.

Events and Activities in Mile End Park Arts and Ecology Pavilions:

The Arts and Ecology Pavilions hosted a number of free to access days for the public and commercial bookings across the year to support community engagement and income generation. A summary of the bookings is provided in Table 1, below.

Table 1: Summary of bookings

	Arts Pavilion (number of days)	Eco Pavilion (number of days)
Private	1	7
Exhibition (including set up)	0	0
Community	0	20
Closed for works	28	25
COVID-19 Test Centre	154	101
COVID-29 Vaccine Centre	22	0
Total Occupancy	205	153

Pavilion highlights:

- 10 blood donor sessions
- 6 filming days
- 2 wedding ceremonies (maximum occupation 30 people, in line with COVID-19 regulations and guidance)
- 3 food distribution days organised by a local charity who used the space to co-ordinate collection and distribution of food to residents as part of a food bank scheme
- 3 internal meeting events
- Community theatre rehearsal space (delivered in line with COVID-19 regulations and guidance)
- Tower Hamlets Sings rehearsals (delivered in line with COVID-19 regulations and guidance)
- Department of Health and Social Care run Test Centre
- NHS run Vaccine centre

Stepney Green Astro-turf bookings:

From April 2020 to March 2021 there were 603 bookings taken for the Astro-turf pitches in Stepney Green. It should be noted that throughout the year the pitches were closed for extended periods of time in line with the government's COVID-19 regulations and guidance.

Improvement works:

A new ventilation system was installed in both pavilions.

Mile End Park Friends Group:

Rangers continue to work with and support the Friends of Mile End Park who organise events and act as a critical friend regarding development of plans and priorities.

Other community engagement schemes:

Across the park and pavilions a range of community engagement schemes are supported including:

- Volunteer schemes
- Community Garden schemes
- Tower Hamlets in Bloom-annual Garden competition
- Community arts exhibitions

Biodiversity Activities and Achievements:

In 2020/21 we achieved the following improvements towards biodiversity:

- A mixed native hedge in Mile End Park.
- The Council's Arboriculture Team, working with the Parks Service, planted 11 native trees to extend Haverfield Woodland Walk in Mile End Park as part of the Woodland Trust' "Big Climate Fightback".
- Several black poplar trees and an orchard were planted in Mile End Park.
- Volunteer planting of 200 metres of mixed whips along Stepway Way and 5000 naturalised spring bulbs.

Investments made:

In addition to the usual repairs and maintenance regime monies were invested in the following:

- New ventilation system in the Arts and Ecology Pavilions
- A new outdoor gym in Mile End Park
- Refurbishment of the two multi-use games areas in Mile End Park

4. Financial Review

The full year's accounts are attached to this annual report.

All income generated within the King George's Field charity lands go to the charity's accounts to support the public access to good quality sports and leisure facilities.

The Charity generates income to fund the maintenance of the park and its programme of activities. This income is generated through:

- Rentals of shop/restaurant units plus climbing wall centre. These properties are managed by Council's Asset Management team. They have outsourced the management of the shop units under the Green Bridge. The external company collect rents and service charges, reviews leases and find tenants for any vacant lots.
- Operation of car parking spaces, these being in Haverfield Road and Lawton Road (by Green Bridge). These are managed by the Council's parking services.

- Corporate volunteer schemes. Managed by the Parks Team these provide a useful volunteer work force for maintenance of the park and also income from a fee per participant.
- Hire of artificial football pitch at Stepney Green. Managed by the Parks Team. The site does generate a small surplus and the majority of the teams using the facility are local to Tower Hamlets and the fees are amongst the cheapest in London.
- Hire of pavilions for weddings, private parties and exhibitions. Bookings are managed and staffed by parks personnel, including a pool of casual events staff. Facilities Management manage the utility bills, cleaning and maintenance.
- Commercial activity such as fairgrounds and film locations. These are managed by the Council's Festivals and Events team with the income coming to the Charity.

The Charity's financial position at the end of 2020/21 shows an small increase in net assets of £1,146 to £16,009,019 (2019/20: £16,007,873) driven largely by an increase within our unrestricted revenue funds of £79,038 and decreases in Endowment funds of £77,892.

The Charity's endowment funds totalling £15,931,732 (2019/20: £16,009,624), include tangible and investment fixed assets. Tangible fixed assets totalling £9,867,210 (2019/20: £9,919,035), support the public access to good quality sports and leisure facilities, including Mile End and Stepney Green Park as well as the pavilions and football pitches on park lands. Investment assets totalling £6,155,800 (2019/20: £6,155,800), are held to generate rental income to further support the charitable objects of the Charity.

The Charity's unrestricted fund totalling a surplus of £77,287 (2019/20: £1,751 deficit) comprises the cumulative remaining surpluses at the year-end. All rental income arising from investment assets held in the endowment fund is credited directly to this fund. The unrestricted fund is available to use in carrying out the charitable objects of the Charity.

The Charity currently does not have a policy on level of reserves since the sole Trustee is the London Borough of Tower Hamlets, which meets in full the Charity's net expenditure, so the Charity's funding is secured. The Trust Charity Board therefore has not set up any financial reserves to protect against any unforeseen fluctuations in income or expenditure.

The UK Government imposed coronavirus (Covid-19) lockdown measures in England on 26 March 2020 and subsequently revised and extended them. As a result, many workers were furloughed and many venues, facilities and amenities were closed. After this lockdown was lifted, various other restrictions were in place throughout 2020 and a second lockdown was implemented from the 5 November 2020. This had a detrimental effect to the Trusts financial position during the 2020/21 financial year. However, the London Borough of Tower Hamlets has contributed £390,000 of covid relief funding to the Charity to mitigate against the impacts of Covid-19 in 2020/21 to ensure that at the reporting date and moving forward the Charity would be able to continue as a going concern.

Risk Management:

The key risks to the Charity include financial, reputational and public safety risks.

Income generation

The Park management team, on behalf of the Charity, acts to create a sustainable income stream to support the maintenance of the park and its infrastructure.

The Green Bridge rental units provide a significant contribution to the Charity's income stream.

In relation to this property rental income stream we have identified the following risks:

- Non-payment of rent/arrears

- Tenants vacating/serving Notice
- Breaches of leases

To mitigate against the above risks a competent lettings agent, appointed by the Council, manages the tenancy arrangements for the Green Bridge rental units to ensure best value and good management of tenants.

Rental arrears

The lettings agent takes a proactive approach to monitoring rental income and take early intervention if there are any issues identified with a tenant. If required, the Council can undertake debt recovery action ensuring rent is received and arrears are managed.

Tenants vacating/serving Notice

Historically the rental units have been fully occupied with a low turnover of tenants. Some of the units have been occupied by the same tenants for over ten years and during the pandemic only one tenant ceased to trade, and they easily assigned their lease, showing the resilience of the location. The location is attractive to a wide range of businesses due to its proximity to Mile End tube station, a nearby university and residential areas that provide a high level of footfall.

With a large number of the tenants benefitting from Security of Tenure under the Landlord and Tenant Act 1954, they would have to serve notice on the landlord to leave. As a result, there will be at least a 3-month notice period, which will assist in the marketing of the unit and would hopefully mitigate the risk of a void period and loss of income. In the event of a unit being vacant for a period of time the Charity could utilise the council's Meanwhile Use programme to temporarily occupy a vacant unit with a 'pop-up' shop, thereby maintaining the vitality of the location. It also has the impact of maintaining occupation, and therefore mitigates void costs, as well as the risk of squatters.

Breaches of leases

Leases are monitored by the letting agent and the Park management team with support from the Council's enforcement and legal teams if required. This approach enables any breaches or compliancy issues to be resolved as quickly as possible.

In addition to rental income, the Charity also relies on income generated through the venue hire of the Arts and Ecology Pavilions. The Park management team promotes and manages bookings for the pavilions, which are now well-established venues for weddings, private, commercial and corporate events that generate income. Improvements include setting up an Instagram account, which has helped to increase the number of enquiries and bookings. Although there are peak periods for hirers (spring to autumn), the Park management team continue to diversity the range of clients and adapt to changing market considerations.

Costs of Repairs and Maintenance

The Park management team operates a comprehensive inspection and repair regime for the Charity's land and facilities. In addition, the Charity reinvests some of the income generated through hires to upgrade facilities and equipment to ensure its open spaces and buildings are safe and welcoming places for the public and commercial tenants and venue hirers.

In addition, the council's Facilities Management team undertake regular preventative maintenance and surveys. This overall approach of maintaining and investing reduces the risk of significant building/facility failures that could lead to larger and unplanned for repairs and/or replacement costs.

Reputational and Safety Risks

As outlined above, income from tenancies and hires is utilised to undertake repairs and maintenance of the Charity's assets. This approach enables the Charity to ensure Health and Safety legislation is complied with and that the buildings remain in a good state of repair. As the venues are hired out regularly, it is important both operationally and reputationally that the buildings are well maintained.

The Parks management team implements safe practices for the parks and amenities including regular patrols by Park Rangers with any issues recorded and reported to management. There are operational procedures for the regular inspection and maintenance of play and gym equipment by trained park staff and independent play inspectors. These operating procedures have been developed in line with the relevant guidance and reviewed by the Council's Corporate Health and Safety team.

Additional monitoring and maintenance of the Charity's park lands is undertaken by the Council's Green Team who ensure that the land is well maintained. The combination of regular Park patrols and Green Team maintenance helps to ensure that the Charity's land is well maintained and a safe environment for people to visit.

5. Reference and Administrative details

Charity Name: The King George's, Field Mile End

Other name the charity uses: King George's Fields Stepney (Previous name)

Registered charity number: 1077859

Principal Address:

London Borough of Tower Hamlets
Mulberry Place
5 Clove Crescent
London
E14 2BG

Auditors:

Arnold Hill & Co LLP
Craven House
16 Northumberland Avenue
London
United Kingdom
WC2N 5AP

Bankers:

RBS

Solicitors:

The Charity's solicitors are the Legal Service of the London Borough of Tower Hamlets.


The King George's Field Charity Board:

The Board consisted of the Cabinet with the following members for the financial year 2020/21 until present. Changes to the Cabinet's composition can be made by the Mayor at any time and any such changes in this period were reflected concurrently in the Board's membership.

2020-21 to present	Appointed	Retired
Mayor John Biggs	Prior to start of period	NA
Councillor Sirajul Islam	Prior to start of period	NA
Councillor Rachel Blake	Prior to start of period	NA
Councillor Asma Begum	Prior to start of period	NA
Councillor Amina Ali	Prior to start of period	03/06/20
Councillor David Edgar	Prior to start of period	03/06/20
Councillor Danny Hassell	Prior to start of period	NA
Councillor Candida Ronald	Prior to start of period	NA
Councillor Motin Uz-Zaman	Prior to start of period	NA
Councillor Dan Tomlinson	03/06/20	01/09/21
Councillor Eve McQuillan	03/06/20	01/09/21
Councillor Asma Islam	03/06/20	NA
Councillor Kahar Chowdhury	01/09/21	NA
Councillor Mufedah Bustin	03/06/20	NA
Councillor Sabina Akhtar	Prior to start of period	NA

The Chair of the King George's Fields' Charity Board on behalf of the trustee (London Borough of Tower Hamlets):

Date:



6/7/22

**REPORT OF THE TRUSTEE
For the Year Ended 31 March 2021**

STATEMENT OF TRUSTEE RESPONSIBILITIES

The trustee is responsible for preparing the Trustee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the incoming resources and application of the resources of the charity during the year and of its state of affairs at the end of the year. In preparing these financial statements the trustee is required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;

The trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPOINTMENT OF AUDITORS

In line with the requirements of the Charity Commission, the trustee appointed Arnold Hill & Co LLP (Chartered Accountants) as the auditors of the charity.

The Chair of the King George's Fields' Charity Board on behalf of the trustee (London Borough of Tower Hamlets):

Date:

Handwritten signature and date. The signature is a stylized cursive script. Below it, the date is written as '6/7/22'.

KING GEORGE'S FIELD, MILE END
AUDITOR'S REPORT TO THE MEMBERS OF KING GEORGE'S FIELD, MILE END

Opinion

We have audited the financial statements of King George's Field, Mile End (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Detection of fraud and breaches of regulations

To identify risks of material misstatement due to fraud, we considered events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to do so. Our approach included:

- using analytical procedures to identify unusual relationships;
- reading minutes of trustee meetings;
- discussing charity policies and procedures on fraud detection and prevention with trustees, and enquiring about any knowledge of actual, alleged or suspected fraud.

We communicated identified fraud risks throughout our team and remained alert to any indications of fraud throughout the audit.

To identify risks of material misstatement due to non-compliance with laws and regulations, our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general charity experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations;
- We considered the nature of the industry, the control environment and charity's performance.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. We also performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risks that revenue is recorded in the wrong period and that management may be in a position to make inappropriate accounting entries. Our procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiries of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding non-detection of fraud rather than error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephanie Evans (Senior Statutory Auditor)
for and on behalf of Arnold Hill & Co LLP

03/08/2022

Chartered Accountants
Statutory Auditor

Craven House
16 Northumberland Avenue
London
United Kingdom
WC2N 5AP

Arnold Hill & Co LLP is eligible for appointment as auditor of King George's Field, Mile End by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

KING GEORGE'S FIELD, MILE END
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Current year Unrestricted Funds 2021 £	Current year Endowment Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Income & Endowments from:					
Donations	3	588,809	-	588,809	203,440
Charitable activities	4	88,318	-	88,318	390,095
Other trading activities	5	24,239	-	24,239	23,754
Investments	6	481,487	-	481,487	520,759
Total income	A	1,182,853	-	1,182,853	1,138,048
Expenditure on:					
Charitable activities	7	1,103,815	77,892	1,181,707	1,500,944
Total expenditure	B	1,103,815	77,892	1,181,707	1,500,944
Net gains / (losses) on investments	C	-	-	-	(25,300)
Net Surplus/(Deficit) for the year (A-B-C)		79,038	(77,892)	1,146	(388,196)
Net movement in funds		79,038	(77,892)	1,146	(388,196)
Reconciliation of funds:-	E				
Total funds brought forward		(1,751)	16,009,624	16,007,873	16,396,069
Total funds carried forward		77,287	15,931,732	16,009,019	16,007,873

The Statement of Financial Activities includes all gains and losses recognised in the year. All activities are derived from continuing operations.

KING GEORGE'S FIELD, MILE END - Analysis of prior year (2019/20)

		Prior Year Unrestricted Funds 2020 £	Prior Year Endowment Funds 2020 £	Prior Year Total Funds 2020 £
Income & Endowments from:				
Donations		203,440	-	203,440
Charitable activities		390,095	-	390,095
Other trading activities		23,754	-	23,754
Investments		520,759	-	520,759
Other		-	-	-
Total income	A	1,138,048	-	1,138,048
Expenditure on:				
Charitable activities		1,423,052	77,892	1,500,944
Total expenditure	B	1,423,052	77,892	1,500,944
Net gains / (losses) on investments		-	(25,300)	(25,300)
Net Surplus/(Deficit) for the year (A-B-C)		(285,004)	(103,192)	(388,196)
Net movement in funds		(285,004)	(103,192)	(388,196)
Reconciliation of funds:-	E			
Total funds brought forward		283,253	16,112,816	16,396,069
Total funds carried forward		(1,751)	16,009,624	16,007,873

The Statement of Financial Activities includes all gains and losses recognised in the year. All activities are derived from continuing operations.

KING GEORGE'S FIELD, MILE END - Resources applied in the year ended 31 March 2021 towards fixed assets for Charity use:-

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	1,146	(388,196)
Resources applied on functional fixed assets	(45,962)	(29,568)
Net resources available to fund charitable activities	(44,816)	(417,764)

Movements in revenue and capital funds for the year ended 31 March 2021

Revenue accumulated funds

	Current year Unrestricted Funds 2021	Last year Unrestricted Funds 2020
	£	£
Accumulated funds brought forward	(1,751)	283,253
Recognised gains and losses before transfers	79,038	(285,004)
	<u>77,287</u>	<u>(1,751)</u>
Closing unrestricted funds at 31st March	<u>77,287</u>	<u>(1,751)</u>

	Current year Endowment Funds 2021	Last year Endowment Funds 2020
	£	£
At 1 April	16,009,624	16,112,816
Transfer (to)/from revenue funds	(77,892)	(103,192)
Closing endowment funds at 31st March	<u>15,931,732</u>	<u>16,009,624</u>

Summary of funds	Total Funds 2021	Last Year Total Funds 2020
	£	£
Revenue accumulated funds	77,287	(1,751)
Fixed asset funds	15,931,732	16,009,624
Total funds	<u>16,009,019</u>	<u>16,007,873</u>

**KING GEORGE'S FIELD, MILE END
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	8	9,867,210	9,919,035
Investments held as fixed assets	9	6,155,800	6,155,800
Total fixed assets		<u>16,023,010</u>	<u>16,074,835</u>
Current assets			
Debtors	10	455,573	161,556
Total current assets		<u>455,573</u>	<u>161,556</u>
Creditors: amounts falling due within one year	11	<u>(469,564)</u>	<u>(228,518)</u>
Net current assets		(13,991)	(66,962)
The total net assets of the charity		<u>16,009,019</u>	<u>16,007,873</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Endowment funds

Endowment Investment & Fixed Asset Funds	12	15,931,732	16,009,624
		15,931,732	16,009,624

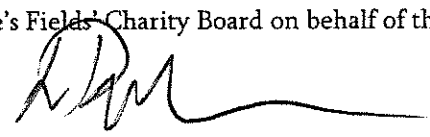
Unrestricted Funds

Unrestricted Revenue Funds	12	77,287	(1,751)
		77,287	(1,751)
Total charity funds		<u>16,009,019</u>	<u>16,007,873</u>

The Chair of the King George's Fields' Charity Board on behalf of the trustee (London Borough of Tower Hamlets):

Date:

6/7/22



**KING GEORGE'S FIELD, MILE END
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Cash flows from operating activities		
Net cash provided by operating activities as shown below	A (785,432)	(971,514)
Cash flows from investing activities		
Other investment income, including rents from investments	481,487	520,759
Purchase of property, plant and equipment	(45,962)	(29,568)
Net cash provided by investing activities	B 435,525	491,191
Overall cash provided by all activities	A+B (349,907)	(480,323)
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 March	(349,907)	(480,323)
Cash and cash equivalents at 1 April	(20,109)	460,214
Cash at bank and in hand less overdrafts at 31 March	(370,016)	(20,109)
Reconciliation of net income to net cash flow from operating activities		
Net surplus / (deficit) as shown in the Statement of Financial Activities	1,146	(388,196)
Adjustments for :-		
Depreciation charges	97,787	87,496
Provision for bad and doubtful debts	31,793	-
Net unrealised losses on investment assets	-	25,300
Dividends, interest and rents from investments	(481,487)	(520,759)
(Increase) / Decrease in debtors	(325,810)	(39,731)
Increase / (Decrease) in creditors, excluding loans	(108,861)	(135,624)
Net cash provided by operating activities	A (785,432)	(971,514)

**KING GEORGE'S FIELD, MILE END
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) - Accounting and Reporting by Charities. Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 and the Charities Act 2011).

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

King George's Field, Mile End meet the definition of public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going Concern

The trustee has considered a period of at least 12 months from the date of signing these accounts and determined that there are no material uncertainties regarding the charity's ability to continue and to meet its on-going liabilities for the next 12 months. Therefore, the accounts are prepared on a going concern basis.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income can be measured reliably. The significant sources of income for the Trust relate to, donations received from the London Borough of Tower Hamlets (SOFA - Donations, Note 3), admissions fees for events and exhibitions and away days held at the park (SOFA - Charitable activities, Note 4) and rental income from retail units owned by the Trust (SOFA - Investment income, Note 6).

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. The charity's primary

activity is the maintenance of Mile End Park, and the other open spaces within King George's Field, Mile End, for the use and enjoyment of the public. All direct and support costs including central staff costs, and depreciation charges are allocated to this primary activity to further the charity's objective. Land and Buildings assets are subject to the de minimis for capitalisation of £50,000. Rentals payable from operating leases are charged to the Statement of Financial Activities (SOFA) to reflect the economic benefits consumed over the life of the lease.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets (Plant and Machinery) are initially recognised at cost. After recognition under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Tangible fixed assets (Land and Building) are valued on the basis of Existing Use Value (EUV) and recognised in the Balance sheet. Valuation of Land and Building has been carried out by qualified RICS valuers (Wilks, Head & Eve) on a rolling basis.

Depreciation is charged so as to allocate the cost of tangible fixed assets, less their residual value, over their useful economic lives on a straight-line basis.

Useful economic lives are assessed on the following basis:

Land and Building	- 26-54 years
Plant and Machinery	- 5 years

1.6 Investments held as Fixed Assets

Investment properties assets are initially recognised at cost. After recognition under cost model, they are revalued on a fair value basis at the reporting date. These assets are revalued annually and not subjected to depreciation. Gains or losses on revaluation are recognised in the Statement of Financial Activities (SOFA).

1.7 Debtors

Trade debtors are recognised at the settlement amount after any trade discount offered. Where debts may not be settled, the balance of debtors is written down and a charge made to unrestricted revenue for the income that might not be collected.

1.8 Cash at bank and in hand

The Trust does not hold a bank account of its own, the London Borough of Tower Hamlets holds cash on behalf of the Trust or the Trust owes cash to the London Borough of Tower Hamlets.

1.9 Financial instruments

As per FRS 102 Section 11, the charity makes use of only basic financial instruments which are initially recognised at transaction value and subsequently measured at settlement value. Financial instruments held by the entity comprise debtors, creditors and cash.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipated it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2. Fund Accounting

Unrestricted Funds: General funds are unrestricted funds which are available for use at the discretion of the trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment Funds: The charity has permanent endowments with no power to convert the capital into income. The charity has permanent endowments in the form of investments in fixed assets and tangible fixed assets (Land and Building). The income generated from these permanent endowments are unrestricted and used to further the charity objective.

3. Income from Donations

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Donations	588,809	203,440
Total Donations	588,809	203,440

All income from donations relate to unrestricted funds and none for endowment funds.

4. Income from Charitable Activities

Income from charitable activities - Trading Activities

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Admission fees	-	54,020
Hire of Premises	88,318	336,075
Total Income from charitable activities	88,318	390,095

All income from Charitable activities relate to unrestricted funds and none for endowment funds.

5. Income from Other Non-Charitable Activities

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Licence Fees	6,800	6,348
Car Park Income	17,439	17,406
Total from other non charitable activities	24,239	23,754

All income from other non-charitable activities relate to unrestricted funds and none for endowment funds.

6. Investment Income

The charity held in year, investment in fixed assets (shops), from which rental income was received and the proceeds have been used to further the charity's objective.

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Property Rental Income	481,487	520,759
Total investment income	481,487	520,759

All income from investment income relates to unrestricted funds and none for endowment funds.

7. Expenditure on charitable activities

	Unrestricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Direct Spending				
Gross wages and salaries - charitable activities	241,361	-	241,361	222,855
Employers' NI - Charitable activities	20,958	-	20,958	17,909
Defined benefit pension costs - charitable activities	33,978	-	33,978	25,463
Travel and Subsistence - Charitable Activities	19,948	-	19,948	17,249
Employee related expenses	6,166	-	6,166	58,344
Events and Exhibitions	180	-	180	56,127
Provision for Bad and Doubtful Debts	31,793	-	31,793	-
Total direct spending	354,384	-	354,384	397,947
Premises Expenses				
Rent payable under operating leases	89,617	-	89,617	29,523
Rates and water charges	88,324	-	88,324	46,315
Equipment, repairs, expenses and maintenance	449,371	-	449,371	735,632
Cleaning and waste management	47,095	-	47,095	72,704

Administrative overheads

Telephone, fax and internet	-	-	-	4,469
Postage	-	-	-	35
Stationery and printing	-	-	-	5,514
Equipment expenses	23,461	-	23,461	41,008
Insurance	5,277	-	5,277	3,400
Advertising and marketing	959	-	959	675
Subscriptions and Licences	643	-	643	352

Professional Services and Security Fees

Professional services and security fees	17,789	-	17,789	67,474
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Financial costs

Depreciation & Amortisation in total for the period	19,895	77,892	97,787	87,496
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Total support costs - Current Year	742,431	77,892	820,323	1,094,597
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All charitable expenditures in relation to prior year (2019/20) was on unrestricted funds, except for the support costs for depreciation charges (£77,892). This is relating to endowment tangible fixed assets – land and building, which was recorded against endowment funds.

Other Expenditure - Governance costs

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Auditor's fees	7,000	8,400
Total Governance costs	7,000	8,400

Total Charitable expenditure

	Unrestricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Total direct spending	354,384	-	354,384	397,947
Total support costs	742,431	77,892	820,323	1,094,597
Total Governance costs	7,000	-	7,000	8,400
Total charitable expenditure	1,103,815	77,892	1,181,707	1,500,944

Staff costs and emoluments

<i>Salary costs</i>	2021	2020
	£	£
Gross Salaries excluding trustees and key management personnel	241,361	222,855
Employer's National Insurance for all staff	20,958	17,909
Employer's contribution to defined benefit pension schemes	33,978	25,463
Total salaries, wages and related costs	296,297	266,227

The average number of staff employed in the year was **8** **7**

Employees working in the Mile End Park and other local parks and open spaces are London Borough of Tower Hamlets employees. No employee received more than £50,000 in either 2020/21 or 2019/20. They are eligible to join the Local Government Pension Scheme administered by the London Borough of Tower Hamlets. No remuneration costs of key management personnel is included within the Trust's accounts.

8. Tangible Fixed Assets

	Land and Buildings	Plant & Machinery	Total
	£	£	£
Cost			
At 1 April 2020	10,087,500	77,589	10,165,089
Additions	-	45,962	45,962
At 31 March 2021	10,087,500	123,551	10,211,051
Depreciation			
At 1 April 2020	233,676	12,378	246,054
Charge for the year	77,892	19,895	97,787
At 31 March 2021	311,568	32,273	343,841
Net book value			
At 31 March 2021	9,775,932	91,278	9,867,210
At 31 March 2020	9,853,824	65,211	9,919,035

<i>Prior Year</i>	Land and Buildings £	Plant & Machinery £	Total £
Cost			
01 April 2019	10,087,500	48,021	10,135,521
Additions	-	29,568	29,568
At 31 March 2020	<u>10,087,500</u>	<u>77,589</u>	<u>10,165,089</u>
Depreciation			
01 April 2019	155,784	2,774	158,558
Charge for the year	77,892	9,604	87,496
At 31 March 2020	<u>233,676</u>	<u>12,378</u>	<u>246,054</u>
Net book value			
At 31 March 2020	<u>9,853,824</u>	<u>65,211</u>	<u>9,919,035</u>
At 31 March 2019	<u>9,931,716</u>	<u>45,247</u>	<u>9,976,963</u>

9. Investment in fixed assets

2020/21	Investment Properties £	Total £
Cost		
B/fwd	6,155,800	6,155,800
Revaluations	-	-
C/fwd	<u>6,155,800</u>	<u>6,155,800</u>
2019/20	Investment Properties £	Total £
Cost		
B/fwd	6,181,100	6,181,100
Revaluations	(25,300)	(25,300)
C/fwd	<u>6,155,800</u>	<u>6,155,800</u>

The 2020/21 Historical cost of investment properties is £6,228,400. Valuation of investment properties is carried out on an annual basis by qualified Royal Institute of Chartered Surveyors (RICS) based on market value.

10. Debtors

	2021 £	2020 £
Trade debtors	391,073	161,556
Prepayments and accrued income	19,975	-
Other debtors	76,318	-
Provision for Bad and Doubtful Debts	(31,793)	-
	<u>455,573</u>	<u>161,556</u>

Included in other debtors is cash due to the Trust in relation to rent collected by the managing agent of £76,318 in 2020/21.

11. Creditors: amount falling due within one year

	2021 £	2020 £
Trade creditors	15,651	14,811
Other creditors	391,016	36,909
PAYE, NIC VAT and other taxes	8,443	8,045
Receipts in advance	54,454	168,753
	<u>469,564</u>	<u>228,518</u>

Included in other creditors is cash due to the London Borough of Tower Hamlets of £370,016 in 2020/21 and £20,109 in 2019/20.

12. Funds represented by assets and liabilities

Particulars of how particular funds are represented by assets and liabilities

At 31 March 2021	Unrestricted funds £	Endowment funds £	Total Funds £
Tangible Fixed Assets	91,278	9,775,932	9,867,210
Investment in Fixed Assets	-	6,155,800	6,155,800
Current Assets	455,573	-	455,573
Current Liabilities	(469,564)	-	(469,564)
	<u>77,287</u>	<u>15,931,732</u>	<u>16,009,019</u>
At 31 March 2020	Unrestricted funds £	Endowment funds £	Total Funds £
Tangible Fixed Assets	65,211	9,853,824	9,919,035
Investment in Fixed Assets	-	6,155,800	6,155,800
Current Assets	161,556	-	161,556
Current Liabilities	(228,518)	-	(228,518)
	<u>(1,751)</u>	<u>16,009,624</u>	<u>16,007,873</u>

13. Leases

The Trust leases in properties, with the duration on these leases expected to end in 2097. In line with lease terms, the rent is required to be reviewed on a periodic basis. Based on the most recent rent review undertaken (between 2013 and 2016), the future minimum lease payments due under these leases in the future years are:

	2021	Restated 2020
	£	£
Not later than one year	79,898	79,898
Later than one year and not later than 5 years	319,592	319,592
Later than 5 years	5,712,707	5,792,605
Total	<u>6,112,197</u>	<u>6,192,095</u>

14. Related Party Transactions

The London Borough of Tower Hamlets is the trustee of the King George's Fields Trust charity. There are substantial material related party transactions between London Borough of Tower Hamlets (LBTH) and the charity for the year ended 31st March 2021. Significant related party transactions included council donations of £588,809 of income in 2020/21 (£203,440 in 2019/20) to the Trust (of which £390,000 (£0 in 2019/20) related to a Covid-19 relief contribution), staffing related costs incurred by the Trust from the Council of £296,297 in 2020/21 (£266,227 in 2019/20) and grounds maintenance costs incurred by the Trust from the Council of £183,400 in 2020/21 (£183,420 in 2019/20). Cash owed to the London Borough of Tower Hamlets in regards to a cash overdraft on behalf of the Trust amounted to £370,016 (2019/20 - Cash owed to the London Borough of Tower Hamlets in regards to a cash overdraft on behalf of the Trust amounted to £20,109).

15. Post Balance Sheet Event

Since the Balance Sheet date of 31st March 2021, there has been no material events that would necessitate amendments to these accounts.

16. Trustee Remuneration

There were no trustee remuneration, expenses, or other benefits for the year ended 31st March 2021 and 31st March 2020.

17. Contingent Liability

There were no contingent liabilities for the year ended 31st March 2021 and 31st March 2020.

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Date

Arnold Hill & Co LLP
Craven House
16 Northumberland Avenue
London
WC2N 5AP

Dear Sirs

King George's Field, Mile End

During the course of your audit of our financial statements for the period ending 31 March 2021, the following representations were made to you by the councillors of London Borough of Tower Hamlets ("management") on behalf of London Borough of Tower Hamlets, the charity's trustee.

1. We confirm that the trustee has fulfilled its responsibilities under the Charities Act 2011 for preparing financial statements, in accordance with the applicable financial reporting framework FRS 102 and for making accurate representations to you as auditors.

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We confirm that significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
4. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework (FRS 102).
5. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
6. We confirm that all related party relationships and transactions have been accounted for and disclosed and we are not aware of further related party matters that require disclosure.
7. We confirm that the charity has had, at no time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the company) for the trustee, nor to provide guarantees of any kind on behalf of the trustee.
8. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
9. Except for the breach of charity filing deadlines, we confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity operates and which are central to the charity's ability to operate.

10. We acknowledge responsibility for the design and implementation of controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the charity.
11. We confirm that there have been no actual or suspected instances of fraud involving management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by former employees, regulators or others.
12. We confirm that, having considered our expectations and intentions for the next twelve months and the availability of working capital, the charity is a going concern.
13. We confirm that in our opinion the effects of unadjusted misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.
14. We confirm that, except for as already provided for, all debtors are deemed to be recoverable.
15. We confirm that a donation in the amount of £390,000 was provided to the charity by London Borough of Tower Hamlets in recognition of lost income during the COVID-19 pandemic.
16. We acknowledge the legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as management is aware, there is no relevant audit information of which you as auditors are unaware; and
 - management has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that you are aware of that information.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and expertise (and, where appropriate of supporting documentation) sufficient to satisfy ourselves that we can properly make these representations to you and that to the best of our knowledge and belief they accurately reflect the representations made to you by management during the course of your audit.

Yours faithfully

Signed on behalf of the trustee by:

in my capacity as

Date