PADDINGTON RECREATION GROUND

England & Wales · Charity number 295449

Details

Status	Registered
Legal form	Other
Registered	1986-11-26
Register	View on the Charity Commission register

Contact

Address	City of Westminster Westminster City Hall 64 Victoria Street London SW1E 6QP
Phone	02076415885
Website	www.westminster.gov.uk

Activities

Objects: A PUBLIC RECREATION GROUND.

Activities: The activities carried on by the Trust can be found in the Management Plan. Paddington Recreation Ground has been awarded the Civic Trusts Green Flag Award for the past 9 years. This is a national standard for parks that meet high operational and maintenance standards which are assessed annually by judges appointed by the Civic Trust.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Amateur Sport
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** PADDINGTON
- City Of Westminster

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£977,489	£965,116	£5,330,902	0
2024-03-31	£1,300,565	£812,593	£5,318,529	0
2023-03-31	£426,551	£643,017	-	-
2022-03-31	£984,715	£540,543	£4,986,054	0
2021-03-31	£1,753,998	£695,605	£4,541,882	0

Trustees

Name	Role	Appointed
WESTMINSTER CITY COUNCIL- MEMBERS		

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PADDINGTON RECREATION GROUND

England & Wales - Charity number 295449

Accounts



PADDINGTON RECREATION GROUND CHARITABLE TRUST

Report and Financial Statements

Year Ended: 31 March 2025

Charity Number: 295449

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ACTIVE WESTMINSTER | City of Westminster

Trustees' Report

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their report along with the financial statements of the Trust for the year ended 31 March 2025. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable (FRS 102) in the UK and Republic of Ireland effective from January 1 2019. The accounts as presented give a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

OBJECTIVES AND ACTIVITIES

The purpose of the charity is set out in Section 10 of the Paddington Recreation Ground Act 1893, which stipulated that:

"The Vestry of Paddington shall maintain and preserve in perpetuity the land acquired by them under this Act for the purposes of a recreation ground open to the public free of charge for admission to any part thereof and so that portions of the said grounds may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling, or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes and apply all moneys received in respect of such charges towards the cost of maintenance of the said recreation ground or as the said Vestry shall otherwise determine".

Westminster City Council (WCC), as successor to the Vestry of Paddington, continues to maintain Paddington Recreation Ground in accordance with the objectives set out above. The entire facility is maintained, managed, and operated under contract with Westminster City Council, by Sports and Leisure Management Limited (from 1 July 2016). All expenditure, income and funding bids are conducted through the Council.

AIMS

The main aims of the Trust are:

- Aim 1 - To increase the number of visitors to the Ground and enhance the visitor experience.
- Aim 2 - To provide high quality, cost effective and customer responsive leisure and horticultural features.
- Aim 3 - To ensure equality of access to sporting and recreational opportunities for all people, in particular, removing barriers that prevent participation.
- Aim 4 - To continue to ensure the park remains safe, clean, and aesthetically pleasing for users.
- Aim 5 - To increase the Ground's designation from a Site of Local Importance to a Site of Borough Importance for Nature Conservation.

ACHIEVEMENTS AND PERFORMANCE

Paddington Recreation Ground was once again awarded the Green Flag Award for 2024/25. This is a national standard for parks that means the site meets the highest operational and maintenance standards and is assessed annually by judges appointed by the Green Flag Awards & Keep Britain Tidy organisations. Paddington Recreation ground was also successful in retaining the QUEST Excellent award an industry specific National award, as well as achieving the London in Bloom awards once again, where the site retained Gold.

The site was busy once again with Capital improvement works for 2024/25 which consisted of: commissioning of an air source heat pump as we seek to reduce our carbon footprint, refurbishment and redecoration of toilets and changing rooms, the continuation of a rolling bench replace and repair programme, the repair of the cast iron vehicle entrance gates from Carlton Vale, finalised pathway works, including improved accessibility from the carpark and started the full replacement of all park signage, completed in 2025/26.

FUTURE PLANS

The Trust plans continued capital investment and improvement of the structure and facilities to increase usage at Paddington Recreation Ground. This includes the introduction of an allotments/community garden facility where the bowls green is, looking into the feasibility; demand and management options for Padel Tennis, Village Green renewal, Cricket Nets renewal (with additional cover), staff toilets refurb, replacement of Café and Pavilion doors to automated DDA compliant.

DEVELOPMENTS AND ACTIVITIES

A number of improvements have been delivered across the site in 2024/2025. These include:

- The replacement of the heating system in the Pavilion Building with a new air-source heat pump, a continuation of initiative to decarbonise the estate.
- Works were undertaken to replace the gates at the Carlton Vale entrance.
- Benches in the park were repaired and reinstalled as part of a rolling programme to maintain the quality of the space.
- A continuation of the programme of refurbishment and redecoration of toilets and changing room including the PRG staff toilets.
- Fire safety improvements were carried out on site including a new fire alarm system.
- Improved ventilation in the gym changing room and Pavilion public toilets.
- Additional investment in the environmental areas of the park.

STATEMENT OF PUBLIC BENEFIT

The activities of the Trust deliver significant public benefit in terms of providing free to access and low-cost facilities for rest and relaxation, to aid mental health, as well as opportunities for casual and organised play, physical activity, leisure and/or sport. Trust activities are supported by the Park Management Plan, which is part of an annual management process and is updated each year to reflect that year's priorities and Westminster City Council policies.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. We are confident that Paddington Recreation Ground Charitable Trust meets the public benefit requirement.

RISK MANAGEMENT

The Trustees have examined the major strategic, business, and operational risks the Trust faces which include:

- Service user injury/fatality during a service activity.
- Breach of Child Protection and Vulnerable Adult Procedures/an occurrence of a safeguarding issue.
- Failure to meet the ActiveWestminster strategy and service plan priorities, including capital improvement works.
- Financial performance of the service and failure to maintain/develop income streams.

The Trust confirms that systems have been established to mitigate these risks. These procedures are periodically reviewed to ensure they continue to meet the needs of the Trust. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

Monthly contracts meetings interrogate any RIDDOR incidents and continue to monitor accidents and security incidents regularly.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Paddington Recreation Ground Charitable Trust is an unincorporated charitable trust set up under the Paddington Recreation Ground Act 1893 registered with the Charity Commission. Section 10 of the Act provided for the Vestry of Paddington to maintain and preserve in perpetuity the land acquired for the Vestry for use as a recreation ground open to the public free of charge for admission to any parts thereof and *"so that portions of the said ground may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes".*

Trusteeship of the charity is vested in Westminster City Council under the London Government Act 1899. Members of the Council are trustees of the Trust. The last Council-wide election took place on 5 May 2022 and the next is due in May 2026. The names of the members of Westminster City Council at the present time, are listed in the table over the page.

KEY MANAGEMENT PERSONNEL

The Trustees received no remuneration during the year relating to matters of the trust (2023/24 - £nil). The Trust does not employ any staff directly.

TRUSTEE RECRUITMENT

Trustees are elected members of Westminster City Council referred to as Councillors and are Trustees by virtue of that fact. Once an individual ceases to be a Westminster Ward Councillor they cease to be a Trustee of the Charity and will be replaced by the new Ward Councillor.

RELATED PARTIES

None of the Councillors in their role as trustees received any remuneration or expenses during the year (2023/24: £nil). Westminster City Council administers the Trust on behalf of the Trustees but makes no charge for the service.

TRUSTEE TRAINING

In their role as Trustees of the Charity, all Members of the Council are required to attend a comprehensive induction programme covering all aspects of the Council and its services, including charity trusteeship. Bespoke training is also provided for Members for specialist functions and services. Training provided is regularly monitored by the Council's Standards Committee to ensure its effectiveness.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Hannah Galley Alan Mendoza Caroline Sargent	Marylebone	Barbara Arzymanow Ian Rowley Karen Scarborough
Bayswater	Maggie Carman James Small-Edwards Max Sullivan	Pimlico North	Jim Glen Ed Pitt Ford Jacqui Wilkinson
Church Street	Aicha Less Matt Noble Aziz Toki	Pimlico South	Liza Begum Robert Eagleton Jason Williams
Harrow Road	Ruth Bush Concia Albert Regan Hook	Queen's Park	Cara Sanquest Patricia McAllister Hamza Taouzzale
Hyde Park	Md Shamsed Chowdhury Paul Dimoldenberg Judith Southern	Regent's Park	Ralu Oteh-Osoka Robert Rigby Paul Swaddle
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	St James's	Louise Hyams Tim Mitchell Mark Shearer
Lancaster Gate	Laila Cunningham Ryan Jude Ellie Ormsby	Vincent Square	Martin Hayes David Harvey Selina Short
Little Venice	Melvyn Caplan Lorraine Dean Sara Hassan	Westbourne	David Boothroyd Adam Hug Angela Piddock
Maida Vale	Geoff Barraclough Iman Less Nafsika Butler-Thalassis	West End	Tim Barnes Paul Fisher Patrick Lilley

FINANCIAL REVIEW

The Trust's financial position was a surplus of £12,373 in 2024/25 (£487,972 surplus in 2023/24).

The Trust relies entirely on Westminster City Council for on-going financial support under the terms of the Act establishing the Trust.

Since 2023-24 Sports and Leisure Management Limited (SLM) receive a contribution towards central costs and a share of the surplus whilst offering Westminster City Council a minimum income guarantee in exchange for supporting and running Paddington Recreation Ground (and other leisure sites) on behalf of Westminster City Council. This will change to a principal/ agency model during 2025/26.

RESERVES POLICY

The Trust holds restricted reserves of £712,000 representing the value of the land of the Recreation Ground (£712,000 in 2023/24), and 4,618,902 of unrestricted reserves (£4,606,529 in 2023/24). The Trust holds no investments nor liquid revenue reserves. Funding from Westminster City Council to the Trust is adjusted during the financial year in line with the projected outturn figures so there is no need for the Trust to hold any revenue reserves or cash, as any expenditure not met by the charity's direct income is covered Westminster City Council.

Reference and administrative details:	
Registered Name:	Paddington Recreation Ground Charitable Trust
Registered Charity Number:	295449
Principal Office:	Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Custodian Trustee:	Westminster City Council
Chief Executive:	Stuart Love (Chief Executive of Westminster City Council)
Solicitor:	Parveen Akhtar, Director of Law, Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Auditor:	Sumer Audit, Statutory Auditor Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex, PO19 8FX

Statement of Trustees' responsibilities for the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements the trustees are 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 UK 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 Trust will continue in operation.

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

Approved by the trustees and signed on their behalf by:



Councillor Cara Sanquest,
Cabinet Member for Communities
Westminster City Council

Date: 5 December 2025

Independent Auditor's Report to the Trustees of Paddington Recreation Ground Charitable Trust

OPINION

We have audited the financial statements of Paddington Recreation Ground Charitable Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2025 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 Report and Financial Statements 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 where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; 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 set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or 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 144 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.

IDENTIFICATION AND ASSESSMENT OF IRREGULARITIES INCLUDING FRAUD

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 were capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud; and
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the charity and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the trust for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety, and compliance with the Charities SORP (FRS 102) and Charites Act 2011.

AUDIT RESPONSE TO THE RISK OF IRREGULARITIES INCLUDING FRAUD

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Reading correspondence with regulators where applicable;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation of tangible fixed assets; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

CONCLUSIONS REGARDING THE RISKS OF IRREGULARITIES INCLUDING FRAUD

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

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 auditor's 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.

Sumer Audit

Sumer Audit, Statutory Auditor

Piper House, 4 Dukes Court, Bognor Road, Chichester,

West Sussex, PO19 8FX

Date: 10 December 2025

Sumer Audit is the trading name of Sumer Auditco Limited

Sumer Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

(Including Income and Expenditure Account)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds	Restricted Funds	2024/25 Total	Unrestricted Funds	Restricted Funds	2023/24 Total
		£	£	£	£	£	£
Income							
Charitable activities	2	977,489	-	977,489	1,300,565	-	1,300,565
Total		**977,489**	**-**	**977,489**	**1,300,565**	**-**	**1,300,565**
Expenditure							
Charitable activities	3	(965,116)	-	(965,116)	(812,593)	-	(812,593)
Total		**(965,116)**	**-**	**(965,116)**	**(812,593)**	**-**	**(812,593)**
Net Income/(Expenditure)		**12,373**	**-**	**12,373**	**487,972**	**-**	**487,972**
Net movement in funds		**12,373**	**-**	**12,373**	**487,972**	**-**	**487,972**
Reconciliation of funds							
Funds b/f	9	4,606,529	712,000	5,318,529	4,118,557	712,000	4,830,557
Funds c/f		**4,618,902**	**712,000**	**5,330,902**	**4,606,529**	**712,000**	**5,318,529**

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 16 to 25 form part of these financial statements (Note 1 to Note 12)

Balance Sheet

CHARITY BALANCE SHEET AS AT 31 MARCH 2025

	Notes	31 March 2025	31 March 2024
		£	£
Fixed assets			
Tangible assets	5	5,330,902	5,318,529
Current Assets			
Cash		-	-
Debtors	6	25,879	44,815
Liabilities			
Creditors due within one year	7	(25,879)	(44,815)
Net current Assets/(Liabilities)		-	-
Total assets less current liabilities		**5,330,902**	**5,318,529**
Total net assets		**5,330,902**	**5,318,529**
The funds of the charity:			
Restricted income funds	10	712,000	712,000
Unrestricted income funds	10	4,618,902	4,606,529
Total reserves		**5,330,902**	**5,318,529**

The notes on pages 16 to 25 form part of these financial statements (Note 1 to Note 12)

The financial statements were approved by:

Gerald Almeroth
Executive Director of Finance & Resources
Westminster City Council
Responsible Officer

The financial statements were authorised for issue on 5 December 2025 by the Trustees and signed on their behalf, by:

Councillor Cara Sanquest
Cabinet Member Communities
Westminster City Council
Trustee

Cash Flow Statement

STATEMENT OF CASHFLOWS AT 31 MARCH 2025

	Notes	2024/25	2023/24
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	12	513,068	983,080
Cash flows from investing activities:			
Purchase of property, plant and equipment	5	(513,068)	(983,080)
Cash flows from financing activities:		-	-
Change in cash & cash equivalents in the reporting period		-	-
Cash & cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		**-**	**-**

The notes on pages 16 to 25 form part of these financial statements (Note 1 to Note 12)

Note 1 Accounting policies

CHARITY INFORMATION

Paddington Recreation Ground Charitable Trust is a charity registered in England governed by its trust deed "Paddington Recreation Ground Act 1893". Its Principal address is Westminster City Hall, 64 Victoria Street, London, SW1E 6QP.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

A) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2019, 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 Audit) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019 rather than the version of the Statement of Recommended Practice, which is referred to in the regulation, but which has since been withdrawn.

The financial statements are prepared in sterling, which is the financial currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The Trust constitutes a public benefit entity as defined by FRS102.

B) GOING CONCERN

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Having reviewed the circumstances of the Trust it is considered that adequate resources are available to fund the activities of the Trust for the foreseeable future.

The Trust relies entirely on the Westminster City Council for ongoing support under the terms of the Paddington Recreation Ground Act 1893.

The Trustees have reviewed the financial conditions of the charity. Based on this review the Trustees have a reasonable expectation that the Charity has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Statement of accounts has been prepared on a "going concern" basis on the assumption that given the Paddington Recreation Ground Act 1893 Westminster City Council or any successor authority will continue to support the Charity. The City Council is currently solvent with significant General fund reserves of £59.67m excluding earmarked and school reserves (£59.67m in 2023/24).

C) FUNDS STRUCTURE

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Unrestricted income funds comprise of those funds, which the trustees are free to use for any purpose in furtherance of the charitable objectives.

D) INCOME

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

E) EXPENDITURE

Expenditure is recognised when there is a legal or constructive obligation to make a payment. Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Trust.

Support costs have been allocated to each charitable expenditure category on the basis of staff utilisation or on an activity basis of total direct expenditure.

Governance costs relate to expenditure incurred in the management of the Trust's assets, organisation administration and compliance with constitutional and statutory requirements.

There were no Trustee expenses incurred during the year (2023/24 – £nil).

F) FINANCIAL INSTRUMENTS

Financial instruments are financial assets such as cash, cash equivalents and debtors, and financial liabilities such as creditors. Financial instruments are recognised when the Trust becomes party to the contractual provisions of the instrument.

G) TANGIBLE FIXED ASSETS

Legal ownership of the land and buildings and other assets at the Paddington Recreation Ground resides with Westminster City Council. The Paddington Recreation Ground Charitable Trust has use of the assets in perpetuity to utilise to carry out its charitable objectives. Accordingly, the Trust has capitalised the assets within its financial statements reflecting the position whereby the Trust holds the risks and rewards of those assets over the whole of their useful economic life.

All tangible fixed assets are accounted for on a depreciated historic cost basis, where a full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation is charged on a straight-line basis for all assets over the following useful economic lives, as per the valuation inspection undertaken in December 2015:

Land	Not depreciated
Buildings / Improvements	15 years
Outdoor recreational installations	15 years
Fixtures, fittings and equipment	15 years
Motor vehicles	5 Years

H) DEBTORS

Debtors are recognised where the Trust provided a good, service or benefit but where the associated income was not received by 31st March.

I) CREDITORS

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts due.

J) JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended, when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. (See Note 5 for the carrying amount of the property plant and equipment and Note 1 G) for the useful economic lives for each class of assets).

Note 2 Income from charitable activities

The primary source of income for charitable activities reported is the financial support from Westminster City Council to the Trust for the 2024/25 financial year of £925,315 (£1,241,840 in 2023/24). The only other income received in year was from Forest School £28,973 (£27,387 in 2023/24) and SLM under the Minimum Income Guarantee £23,201 (£31,338 in 2023/24). Overall, total income of £977,489 (£1,300,565 in 2023/24). The total income represents the cost of operating the Recreation Ground, together with the cost of capital investment incurred in the year, excluding depreciation. Income is unrestricted in nature in both periods.

Note 3 Charitable activities

All expenditure on charitable activities is unrestricted in both periods.

Reconciliation – Costs of Operation and SoFA Expenditure on Charitable Activities	Note	2024/25	2023/24
		£	£
SoFA – Expenditure on Charitable Activities		965,116	812,593
Cost of operation	3a	835,730	726,066
Management fees	3b	-	-
Governance costs	3c	129,386	86,527
Total		**965,116**	**812,593**

A) COSTS OF OPERATION

	2024/25	2023/24
	£	£
Maintenance – Building works	62,832	31,160
Maintenance – Grounds other	19,379	-
Maintenance - Tree works	21,601	18,439
Contractor Support Services	-	4,444
Rents	-	25,426
Service charges – Repairs and maintenance	-	4,331
Facilities Management	77,627	-
Security & Marketing	-	10,551
Forest School	115,256	92,157
Capital charges – Depreciation	492,687	459,098
Project Delivery	38,340	20,433
Fixed Assets – loss on disposal	8,008	36,010
Additional Works	-	24,017
Total	**835,730**	**726,066**

B) MANAGEMENT FEES

No Management Fees were paid to SLM during 2024/25 (£nil in 2023/24).

The contractor's obligations include the management and delivery of parks, sport, catering and leisure services and associated site security, administration, and bookings. The contractor is also responsible for site marketing and promotion of the facilities and collects and retains all income from users of the facilities.

C) GOVERNANCE COSTS

Governance costs totalled £129,387 (£86,527 in 2023/24). Apportioned costs of the SL&AC (Sports, Leisure & Physical Activity) Client Team, based on the estimated time that they spent on overseeing the activities of the Trust, account for £45,041 (£28,919 in 2023/24). The role of the Client Team is primarily contract monitoring and management of capital and revenue improvements/maintenance works. The balance of £83,346 (£57,608 in 2023/24) relates to other support costs, mainly from central departments £56,401 (£40,415 in 2023/24), in overseeing the activities of the Trust. A breakdown of the governance costs is shown below.

	2024/25	2023/24
	£	£
Client Team – Staff costs	45,041	28,919
Client Team – Other running costs	-	-
Audit Fees	10,480	8,086
Planned Preventative Maintenance	-	5,519
Maintenance - Compliance	7,644	-
Departmental Support – Other	66,221	44,003
Total	**129,386**	**86,527**

Note: Westminster City Council have adopted a commissioning model for running the Council. This means that some of the Leisure Team costs are now reported as Departmental support.

D) STAFFING COSTS AND TRUSTEE REMUNERATION AND EXPENSES

The Trustees received no remuneration during the year (2023/24 - £nil). The Trust does not employ any staff directly. No Trustee expenses have been incurred during the year (2023/24 - £nil).

Note 4 Net income for the year

Net income for the year is stated after charging the amounts detailed below.

	2024/25	2023/24
	£	£
Auditor's remuneration	10,480	8,086
Depreciation	492,687	459,098
Loss on disposal of assets	8,008	36,010
Total	**511,175**	**503,194**

Note 5 Fixed assets

	Land	Building	Motor Vehicles	Outdoor Recreational Installations	Fixtures, Fittings and Equipment	Total
	£	£	£	£	£	£
Cost						
Balance b/f at 1 April 2024	2,000,000	7,034,436	10,000	4,535,332	781,621	14,361,389
Re-categorisation		115,276			(115,276)	-
Additions in the year	-	464,516	-	-	48,552	513,068
Disposals	-	-	(10,000)	-	(9,240)	(19,240)
Balance c/f at 31 March 2025	2,000,000	7,614,228	-	4,535,332	705,657	14,855,217
Depreciation						
Balance b/f at 1 April 2024	(1,288,000)	(5,721,987)	(10,000)	(1,566,208)	(456,665)	(9,042,860)
Re-categorisation		(24,189)			24,189	
Depreciation charge in year	-	(182,986)	-	(278,934)	(30,767)	(492,687)
Disposals	-	-	10,000	-	1,232	11,232
Balance c/f at 31 March 2025	(1,288,000)	(5,929,162)	-	(1,845,142)	(462,011)	(9,524,315)
Net book value						
at 1 April 2024	712,000	1,312,449	-	2,969,124	324,956	5,318,529
at 31 March 2025	**712,000**	**1,685,066**	**-**	**2,690,190**	**243,646**	**5,330,902**

Note 6 Debtors

	2024/25	2023/24
	£	£
Prepayments and Accrued Income	3,000	10,093
WCC debtor	22,879	34,722
Total	**25,879**	**44,815**

Note 7 Creditors due within one year

	2024/25	2022/23
	£	£
Accruals	25,879	34,722
WCC creditor	-	10,093
Total	**25,879**	**44,815**

Note 8 Capital Commitments

The Trust had no capital commitments at 31 March 2025 (None in 2023/24).

Note 9 Analysis of net assets between funds

				2024/25
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	(25,879)	25,879	4,618,902	4,618,902
Restricted funds	-	-	712,000	712,000
Net assets	**(25,879)**	**25,879**	**5,330,902**	**5,330,902**

				2023/24
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	(44,815)	44,815	4,606,529	4,606,529
Restricted funds	-	-	712,000	712,000
Net assets	**(44,815)**	**44,815**	**5,318,529**	**5,318,529**

Note 10 Movement in funds

2024/25	Fund at 1 April 2024	Income	Expenditure	Fund at 31 March 2025
	£	£	£	£
Unrestricted funds - General Fund	4,606,529	977,489	(965,116)	4,618,902
Restricted funds	712,000	-	-	712,000
Total Charity funds	**5,318,529**	**977,489**	**(965,116)**	**5,330,902**

2023/24	Fund at 1 April 2023	Income	Expenditure	Fund at 31 March 2024
	£	£	£	£
Unrestricted funds - General Fund	4,118,557	1,300,565	(812,593)	4,606,529
Restricted funds	712,000	-	-	712,000
Total Charity funds	**4,830,557**	**1,300,565**	**(812,593)**	**5,318,529**

Restricted funds are made up of a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Note 11 Ultimate controlling party and related party transactions

Westminster City Council members are the Trustees and are deemed the ultimate controlling party of the charity. Income from the Council of £925,315 (2023/24: £1,241,840) was received as disclosed in Note 2 and expenditure was recharged from the Council of £234,162 (2023/24: £169,523), relating to staff costs, central support functions, and other expenditure. The contribution towards staffing costs amounted to £151,588 (2023/24: £118,458). As at 31 March 2025, balances owed from the Council are included in debtors of £22,879 (2023/24: £34,721) and balances due to the Council are included in creditors of £nil (2023/24: £10,093). There are no further related party transactions to disclose.

Note 12 Reconciliation of net movement in funds to net cashflow from operating activities

	Notes	2024/25	2023/24
		£	£
Net income		12,373	487,972
Adjustments for:			
Depreciation charges	5	492,687	459,098
(Decrease)/Increase in creditors	7	(18,936)	(77,647)
Decrease/ (Increase) in debtors	6	18,936	77,647
Loss on Disposal of Assets		8,008	36,010
Net cash provided by operating activities		**513,068**	**983,080**

PADDINGTON RECREATION GROUND

England & Wales - Charity number 295449

Accounts



PADDINGTON RECREATION GROUND CHARITABLE TRUST

Report and Financial Statements

Year Ended: 31 March 2024

Charity Number: 295449

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ACTIVE WESTMINSTER | City of Westminster

Trustees' Report

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report along with the financial statements of the Trust for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable (FRS 102) in the UK and Republic of Ireland effective from January 1 2019. The accounts as presented give a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

OBJECTIVES AND ACTIVITIES

The purpose of the charity is set out in Section 10 of the Paddington Recreation Ground Act 1893, which stipulated that:

"The Vestry of Paddington shall maintain and preserve in perpetuity the land acquired by them under this Act for the purposes of a recreation ground open to the public free of charge for admission to any part thereof and so that portions of the said grounds may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling, or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes and apply all moneys received in respect of such charges towards the cost of maintenance of the said recreation ground or as the said Vestry shall otherwise determine".

Westminster City Council (WCC), as successor to the Vestry of Paddington, continues to maintain Paddington Recreation Ground in accordance with the objectives set out above. The entire facility is maintained, managed, and operated under contract with Westminster City Council, by Sports and Leisure Management Limited (from 1 July 2016). All expenditure, income and funding bids are conducted through the Council.

AIMS

The main aims of the Trust are:

- Aim 1 - To increase the number of visitors to the Ground and enhance the visitor experience.
- Aim 2 - To provide high quality, cost effective and customer responsive leisure and horticultural features.
- Aim 3 - To ensure equality of access to sporting and recreational opportunities for all people, in particular, removing barriers that prevent participation.
- Aim 4 - To continue to ensure the park remains safe, clean, and aesthetically pleasing for users.
- Aim 5 - To increase the Ground's designation from a Site of Local Importance to a Site of Borough Importance for Nature Conservation.

ACHIEVEMENTS AND PERFORMANCE

Paddington Recreation Ground was once again awarded the Green Flag Award for 2023/24. This is a national standard for parks that means the site meets the highest operational and maintenance standards and is assessed annually by judges appointed by the Green Flag Awards & Keep Britain Tidy organisations. Paddington Recreation ground was also successful in retaining the QUEST Excellent award an industry specific National award, as well as achieving its highest ever score in the London in Bloom awards, where the site retained Gold.

Capital works for 2023/24 consisted of: further improvements to the Wildlife Garden (formerly known as the environmental area), improvements and extension in the Forest Garden (formerly known as the Bluebell Glade) including extension of the hugely successful Forest School offer, pitch fencing works, resurfacing of synthetic tennis courts, refurbishment of pavilion changing rooms, pathway works replacement including improved accessibility from carpark, playground safety surfacing and additional accessible equipment, repaired benches added changing places facility, repair and renewal of Park gates and an upgrade to all park signage (expected to be complete in March 2025).

FUTURE PLANS

The Trust plans continued capital investment and improvement of the structure and facilities to increase usage at Paddington Recreation Ground. This includes the introduction of an allotments/community garden facility where the bowls green is, looking into the feasibility; demand and management options for Padel Tennis, Village Green renewal, Cricket Nets renewal (with additional cover), staff toilets refurb, replacement of Café and Pavilion doors to automated DDA compliant.

DEVELOPMENTS AND ACTIVITIES

A number of improvements have been delivered across the site in 2023/2024. These include:

- Tennis Courts 8-13 Synthetic Courts resurfacing was undertaken across 2023/24
- Full Path replacement programme was initiated renewing all major arterial pathways on site, improving accessibility for people with disabilities and those with children in prams. Disability access from the car park was also made safer.
- Improvement works to the Wildlife Garden and the Forest Garden – to allow for the expansion of the hugely successful Forest School programme. This included the installation of a new classroom, recycled from and old bike store from another site.
- Benches in the park were repaired and reinstalled to maintain the quality of the space.
- Accessible access to changing facilities implemented through the addition of a new changing places facility. A toilet designed for those with the most profound disabilities.
- Numbers of users and customers continues to increase.
- Playground safety surfacing was renewed as well as the addition of some accessible playground equipment
- Replacement and repair of Park entrance gates, as well as closers on the internal quiet gardens gates was carried out.

STATEMENT OF PUBLIC BENEFIT

The activities of the Trust deliver significant public benefit in terms of providing free to access and low-cost facilities for rest and relaxation as well as opportunities for casual and organised play, physical activity, leisure and/or sport. Trust activities are supported by the Park Management Plan, which is part of an annual management process and is updated each year to reflect that year's priorities and Westminster City Council policies.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. We are confident that Paddington Recreation Ground Charitable Trust meets the public benefit requirement.

RISK MANAGEMENT

The Trustees have examined the major strategic, business, and operational risks the Trust faces which include:

- Service user injury/fatality during a service activity.
- Breach of Child Protection and Vulnerable Adult Procedures/an occurrence of a safeguarding issue.
- Failure to meet the ActiveWestminster strategy and service plan priorities, including capital improvement works.
- Financial performance of the service and failure to maintain/develop income streams.

The Trust confirms that systems have been established to mitigate these risks. These procedures are periodically reviewed to ensure they continue to meet the needs of the Trust. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

Monthly contracts meetings interrogate any RIDDOR incidents and continue to monitor accidents and security incidents regularly.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Paddington Recreation Ground Charitable Trust is an unincorporated charitable trust set up under the Paddington Recreation Ground Act 1893 registered with the Charity Commission. Section 10 of the Act provided for the Vestry of Paddington to maintain and preserve in perpetuity the land acquired for the Vestry for use as a recreation ground open to the public free of charge for admission to any parts thereof and *"so that portions of the said ground may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes"*.

Trusteeship of the charity is vested in Westminster City Council under the London Government Act 1899. Members of the Council are trustees of the Trust. The last Council-wide election took place on 5 May 2022 and the next is due in May 2026. The names of the members of Westminster City Council at the present time, are listed in the table over the page.

KEY MANAGEMENT PERSONNEL

The Trustees received no remuneration during the year (2022/23 - £nil). The Trust does not employ any staff directly.

TRUSTEE RECRUITMENT

Trustees are elected members of Westminster City Council referred to as Councillors and are Trustees by virtue of that fact. Once an individual ceases to be a Westminster Ward Councillor they cease to be a Trustee of the Charity and will be replaced by the new Ward Councillor.

RELATED PARTIES

None of the Councillors in their role as trustees received any remuneration or expenses during the year (2022/23: £nil). Westminster City Council administers the Trust on behalf of the Trustees but makes no charge for the service.

TRUSTEE TRAINING

In their role as Trustees of the Charity, all Members of the Council are required to attend a comprehensive induction programme covering all aspects of the Council and its services, including charity trusteeship. Bespoke training is also provided for Members for specialist functions and services. Training provided is regularly monitored by the Council's Standards Committee to ensure its effectiveness.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Hannah Galley Alan Mendoza Caroline Sargent	Marylebone	Barbara Arzymanow Ian Rowley Karen Scarborough
Bayswater	Maggie Carman James Small-Edwards Max Sullivan	Pimlico North	Jim Glen Ed Pitt Ford Jacqui Wilkinson
Church Street	Aicha Less Matt Noble Aziz Toki	Pimlico South	Liza Begum Robert Eagleton Jason Williams
Harrow Road	Ruth Bush Concia Albert Regan Hook	Queen's Park	Cara Sanquest Patricia McAllister Hamza Taouzzale
Hyde Park	Md Shamsed Chowdhury Paul Dimoldenberg Judith Southern	Regent's Park	Ralu Oteh-Osoka Robert Rigby Paul Swaddle
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	St James's	Louise Hyams Tim Mitchell Mark Shearer
Lancaster Gate	Laila Cunningham Ryan Jude Ellie Ormsby	Vincent Square	Vacant David Harvey Selina Short
Little Venice	Melvyn Caplan Lorraine Dean Sara Hassan	Westbourne	David Boothroyd Adam Hug Angela Piddock
Maida Vale	Geoff Barraclough Iman Less Nafsika Butler-Thalassis	West End	Tim Barnes Paul Fisher Patrick Lilley

FINANCIAL REVIEW

The Trust's financial position was a surplus of £487,972 in 2023/24 (£188,804 deficit in 2022/23 restated from £216,466).

The Trust relies entirely on Westminster City Council for on-going financial support under the terms of the Act establishing the Trust.

Since 2023-24 Sports and Leisure Management Limited (SLM) receive a contribution towards central costs and a share of the surplus whilst offering Westminster City Council a minimum income guarantee in exchange for supporting and running Paddington Recreation Ground (and other leisure sites) on behalf of Westminster City Council.

RESERVES POLICY

The Trust holds restricted reserves of £712,000 representing the value of the land of the Recreation Ground, and £4,606,529 of unrestricted reserves. The Trust holds no investments nor liquid revenue reserves. Funding from Westminster City Council to the Trust is adjusted during the financial year in line with the projected outturn figures so there is no need for the Trust to hold any revenue reserves or cash, as any expenditure not met by the charity's direct income is covered Westminster City Council.

Reference and administrative details:	
Registered Name:	Paddington Recreation Ground Charitable Trust
Registered Charity Number:	295449
Principal Office:	Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Custodian Trustee:	Westminster City Council
Chief Executive:	Stuart Love (Chief Executive of Westminster City Council)
Solicitor:	Parveen Akhtar, Director of Law, Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Auditor:	Sumer Audit, Statutory Auditor Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex, PO19 8FX

Statement of Trustees' responsibilities for the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements the trustees are 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 UK 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 Trust will continue in operation.

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

Approved by the trustees and signed on their behalf by:



Councillor Cara Sanquest,
Cabinet Member for Communities
Westminster City Council

Date: 18/2/2025

Independent Auditor's Report to the Trustees of Paddington Recreation Ground Charitable Trust

OPINION

We have audited the financial statements of Paddington Recreation Ground Charitable Trust (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2024 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 Report and Financial Statements 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 where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; 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 set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.

IDENTIFICATION AND ASSESSMENT OF IRREGULARITIES INCLUDING FRAUD

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 were capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the charity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud; and
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the charity and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the trust for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety, employment law and compliance with the Charities SORP (FRS 102).

AUDIT RESPONSE TO THE RISK OF IRREGULARITIES INCLUDING FRAUD

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Reading correspondence with regulators;
- Challenging assumptions and judgements made by management in their significant accounting estimates relating to depreciation of tangible fixed assets; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

CONCLUSIONS REGARDING THE RISKS OF IRREGULARITIES INCLUDING FRAUD

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

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 auditor's 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.

Sumer Audit

Sumer Audit, Statutory Auditor
Piper House, 4 Dukes Court, Bognor Road, Chichester,
West Sussex, PO19 8FX
Date:24/02/2025

Sumer Audit is the trading name of Sumer Auditco Limited

Sumer Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

(Including Income and Expenditure Account)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds	Restricted Funds	2023/24 Total	Unrestricted Funds As Restated	Restricted Funds	2022/23 Total As Restated
		£	£	£	£	£	£
Income							
Charitable activities	2	1,300,565	-	1,300,565	461,504	-	461,504
Total		1,300,565	-	1,300,565	461,504	-	461,504
Expenditure							
Charitable activities	3	(812,593)	-	(812,593)	(650,308)	-	(650,308)
Total		(812,593)	-	(812,593)	(650,308)	-	(650,308)
Net Income/(Expenditure)		487,972	-	487,972	(188,804)	-	(188,804)
Net movement in funds		487,972	-	487,972	(188,804)	-	(188,804)
Reconciliation of funds							
Funds b/f	9	4,118,557	712,000	4,830,557	4,307,361	712,000	5,019,361
Funds c/f		4,606,529	712,000	5,318,529	4,118,557	712,000	4,830,557

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 16 to 28 form part of these financial statements (Note 1 to Note 13)

Balance Sheet

CHARITY BALANCE SHEET AS AT 31 MARCH 2024

	Notes	31 March 2024	31 March 2023 As Restated
		£	£
Fixed assets			
Tangible assets	5	5,318,529	4,830,557
Current Assets			
Cash		-	-
Debtors	6	44,815	122,462
Liabilities			
Creditors due within one year	7	(44,815)	(122,462)
Net current Assets/(Liabilities)		-	-
Total assets less current liabilities		5,318,529	4,830,557
Total net assets		5,318,529	4,830,557
The funds of the charity:			
Restricted income funds	10	712,000	712,000
Unrestricted income funds	10	4,606,529	4,118,557
Total reserves		5,318,529	4,830,557

The notes on pages 16 to 28 form part of these financial statements (Note 1 to Note 13)

The financial statements were approved by:

Gerald Almeroth
Executive Director of Finance & Resources
Westminster City Council
Responsible Officer

The financial statements were authorised for issue on 18/2/2025 by the Trustees and signed on their behalf, by:

Councillor Cara Sanquest
Cabinet Member Communities
Westminster City Council
Trustee

Cash Flow Statement

STATEMENT OF CASHFLOWS AT 31 MARCH 2024

	Notes	2023/24	2022/23 As restated
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	12	983,080	205,980
Cash flows from investing activities:			
Purchase of property, plant and equipment	5	(983,080)	(205,980)
Cash flows from financing activities:		-	-
Change in cash & cash equivalents in the reporting period		-	-
Cash & cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		-	-

The notes on pages 16 to 28 form part of these financial statements (Note 1 to Note 13)

Note 1 Accounting policies

CHARITY INFORMATION

Paddington Recreation Ground Charitable Trust is a charity registered in England governed by its trust deed "Paddington Recreation Ground Act 1893". Its Principal address is Westminster City Hall, 64 Victoria Street, London, SW1E 6QP.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

A) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2019, 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 Audit) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019 rather than the version of the Statement of Recommended Practice, which is referred to in the regulation, but which has since been withdrawn.

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

The Trust constitutes a public benefit entity as defined by FRS102.

B) GOING CONCERN

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Having reviewed the circumstances of the Trust it is considered that adequate resources are available to fund the activities of the Trust for the foreseeable future.

The Trust relies entirely on the Westminster City Council for ongoing support under the terms of the Paddington Recreation Ground Act 1893.

The Trustees have reviewed the financial conditions of the charity. Based on this review the Trustees have a reasonable expectation that the Charity has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Statement of accounts has been prepared on a "going concern" basis on the assumption that given the Paddington Recreation Ground Act 1893 Westminster City Council or any successor authority will continue to support the Charity. The City Council is currently solvent with significant General fund reserves of £59.6m excluding earmarked and school reserves.

C) FUNDS STRUCTURE

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Unrestricted income funds comprise of those funds, which the trustees are free to use for any purpose in furtherance of the charitable objectives.

D) INCOME

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Note 1 Accounting policies (continued)

E) EXPENDITURE

Expenditure is recognised when there is a legal or constructive obligation to make a payment. Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Trust.

Support costs have been allocated to each charitable expenditure category on the basis of staff utilisation or on an activity basis of total direct expenditure.

Governance costs relate to expenditure incurred in the management of the Trust's assets, organisation administration and compliance with constitutional and statutory requirements.

There were no Trustee expenses incurred during the year (2022/23 – £nil).

F) FINANCIAL INSTRUMENTS

Financial instruments are financial assets such as cash, cash equivalents and debtors, and financial liabilities such as creditors. Financial instruments are recognised when the Trust becomes party to the contractual provisions of the instrument.

G) TANGIBLE FIXED ASSETS

Legal ownership of the land and buildings and other assets at the Paddington Recreation Ground resides with Westminster City Council. The Paddington Recreation Ground Charitable Trust has use of the assets in perpetuity to utilise to carry out its charitable objectives. Accordingly, the Trust has capitalised the assets within its financial statements reflecting the position whereby the Trust holds the risks and rewards of those assets over the whole of their useful economic life.

All tangible fixed assets are accounted for on a depreciated historic cost basis, where a full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation is charged on a straight-line basis for all assets over the following useful economic lives, as per the valuation inspection undertaken in December 2015:

Land	Not depreciated
Buildings / Improvements	15 years
Outdoor recreational installations	15 years
Fixtures, fittings and equipment	15 years
Motor vehicles	5 Years

H) DEBTORS

Debtors are recognised where the Trust provided a good, service or benefit but where the associated income was not received by 31st March.

I) CREDITORS

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts due.

J) JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended, when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. (See Note 5 for the carrying amount of the property plant and equipment and Note 1 G) for the useful economic lives for each class of assets).

Note 2 Income from charitable activities

The primary source of income for charitable activities reported is the financial support from Westminster City Council to the Trust for the 2023/24 financial year of £1,241,840 (£401,867 in 2022/23 restated from £426,551). The only other income received in year was from Forest School £27,387 (£27,381 in 2022/23) and SLM under the Minimum Income Guarantee £31,338 (£32,256 in 2022/23). Overall, total income of £1,300,565 (£461,054 in 2022/23 restated from £426,551). The total income represents the cost of operating the Recreation Ground, **excluding** depreciation, together with the cost of capital investment incurred in the year. Income is unrestricted in nature in both periods.

Note 3 Charitable activities

All expenditure on charitable activities is unrestricted in both periods.

Reconciliation – Costs of Operation and SoFA Expenditure on Charitable Activities	Note	2023/24	Restated 2022/23
		£	£
SoFA – Expenditure on Charitable Activities		812,593	650,308
Cost of operation	3a	726,066	535,486
Management fees	3b	-	52,005
Governance costs	3c	86,527	62,817
Total		812,593	650,308

A) COSTS OF OPERATION

	2023/24	Restated 2022/23
	£	£
Maintenance – Building works	31,158	2,245
Maintenance – Grounds other	-	18,396
Maintenance - Tree works	18,439	14,645
Contractor Support Services	4,444	-
Rents	25,426	12,211
Service charges – Repairs and maintenance	4,331	2,900
Insurance	-	4,015
Security & Marketing	10,551	7,059
Forest School	92,157	79,231
Capital charges – Depreciation	459,098	394,784
Project Delivery	20,433	-
Fixed Assets – loss on disposal	36,010	-
Additional Works	24,017	-
Total	726,066	535,486

B) MANAGEMENT FEES

No Management Fees were paid to SLM during 2023/24 (£52,005 in 2022/23).

The contractor's obligations include the management and delivery of parks, sport, catering and leisure services and associated site security, administration, and bookings. The contractor is also responsible for site marketing and promotion of the facilities and collects and retains all income from users of the facilities.

C) GOVERNANCE COSTS

Governance costs totalled £86,527 (£62,817 in 2022/23). Apportioned costs of the SL&AC (Sports, Leisure & Physical Activity) Client Team, based on the estimated time that they spent on overseeing the activities of the Trust, account for £28,919 (£30,917 in 2022/23). The role of the Client Team is primarily contract monitoring and management of capital and revenue improvements/maintenance works. The balance of £57,608 (£31,900 in 2022/23) relates to other support costs, mainly from central departments, in overseeing the activities of the Trust. A breakdown of the governance costs is shown below.

	2023/24	2022/23
	£	£
Client Team – Staff costs	28,919	25,142
Client Team – Other running costs	-	5,775
Audit Fees	8,086	6,600
Planned Preventative Maintenance	5,519	-
Departmental Support – Other	44,003	25,300
Total	**86,527**	**62,817**

Note: Westminster City Council have adopted a commissioning model for running the Council. This means that some of the Leisure Team costs are now reported as Departmental support.

The audit fees cost shown above of £8,086 represents the 2023/24 fee for Sumer Auditco Ltd, formerly, Jones Avens Ltd of £6,885, plus non-recoverable VAT from prior years of £1,201 settled in 2023/24, (£6,600), incurred by the end of the financial year (31 March 2024).

D) STAFFING COSTS AND TRUSTEE REMUNERATION AND EXPENSES

The Trustees received no remuneration during the year (2022/23 - £nil). The Trust does not employ any staff directly. No Trustee expenses have been incurred during the year (2022/23 - £nil).

Note 4 Net income for the year

Net income for the year is stated after charging the amounts detailed below.

	2023/24	2022/23
	£	£
Auditor's remuneration	8,086	6,600
Depreciation	459,098	394,784
Loss on disposal of assets	36,010	-
Total	503,194	401,384

Note 5 Fixed assets

	Land	Building As restated	Motor Vehicles	Outdoor Recreational Installations	Fixtures, Fittings and Equipment	Total As restated
	£	£	£	£	£	£
Cost (Restated)						
Balance b/f at 1 April 2023 (Restated)	2,000,000	6,701,507	10,000	3,959,542	781,122	13,452,170
Additions in the year	-	360,368	-	622,212	500	983,080
Disposals	-	(27,439)	-	(46,422)	-	(73,861)
Balance c/f at 31 March 2024	2,000,000	7,034,436	10,000	4,535,332	781,621	14,361,389
Depreciation (Restated)						
Balance b/f at 1 April 2023 (Restated)	(1,288,000)	(5,577,654)	(10,000)	(1,325,126)	(420,833)	(8,621,613)
Depreciation charge in year	-	(144,333)	-	(278,933)	(35,832)	(459,098)
Disposals	-	-	-	37,851	-	37,851
Balance c/f at 31 March 2024	(1,288,000)	(5,721,987)	(10,000)	(1,566,208)	(456,665)	(9,042,860)
Net book value						
at 1 April 2023 (Restated)	712,000	1,123,853	-	2,634,416	360,288	4,830,557
at 31 March 2024	**712,000**	**1,312,449**	**-**	**2,969,124**	**324,956**	**5,318,529**

Note 6 Debtors

	2023/24	Restated 2022/23
	£	£
Prepayments and Accrued Income	10,093	63,856
WCC debtor	34,722	58,606
Total	44,815	122,462

Note 7 Creditors due within one year

	2023/24	Restated 2022/23
	£	£
Accruals	34,722	58,606
WCC creditor	10,093	63,856
Total	44,815	122,462

Note 8 Capital Commitments

The Trust had no capital commitments at 31 March 2024 (None in 2022/23).

Note 9 Analysis of net assets between funds

				2023/24
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	(44,815)	44,815	4,606,529	4,606,529
Restricted funds	-	-	712,000	712,000
Net assets	**(44,815)**	**44,815**	**5,318,529**	**5,318,529**

				Restated 2022/23
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	(122,462)	122,462	4,118,557	4,118,557
Restricted funds	-	-	712,000	712,000
Net assets	**(122,462)**	**122,462**	**4,830,557**	**4,830,557**

Note 10 Movement in funds

2023/24	Fund at 1 April 2023	Income	Expenditure	Fund at 31 March 2024
	£	£	£	£
Unrestricted funds - General Fund	4,118,557	1,300,565	(812,593)	4,606,529
Restricted funds	712,000	-	-	712,000
Total Charity funds	**4,830,557**	**1,300,565**	**(812,593)**	**5,318,529**

2022/23 Restated	Fund at 1 April 2022 As Restated	Income As Restated	Expenditure As Restated	Fund at 31 March 2024 As Restated
	£	£	£	£
Unrestricted funds - General Fund	4,307,361	461,504	(650,308)	4,118,557
Restricted funds	712,000	-	-	712,000
Total Charity funds	**5,019,361**	**461,504**	**(650,308)**	**4,830,557**

Note 11 Ultimate controlling party and related party transactions

Westminster City Council members are the Trustees and are deemed the ultimate controlling party of the charity. Income from the Council of £1,241,840 (2022/23: £401,867) was received as disclosed in Note 2 and expenditure was recharged from the Council of £169,523 (2022/23: £135,448), relating to staff costs, central support functions, IT and the cost of the Leisure Strategy. As at 31 March 2024, balances owed from the Council are included in debtors of £34,722 (2022/23: £58,606) and balances due to the Council are included in creditors of £10,093 (2022/23: £63,856). There are no further related party transactions to disclose.

Note 12 Reconciliation of net movement in funds to net cashflow from operating activities

	Notes	2023/24	Restated 2022/23
		£	£
Net income		487,972	(188,804)
Adjustments for:			
Depreciation charges	5	459,098	394,784
(Decrease)/Increase in creditors	7	(77,647)	90,861
Decrease/ (Increase) in debtors	6	77,647	(90,861)
Loss on Disposal of Assets		36,010	-
Net cash provided by operating activities		**983,080**	**205,980**

Note 13 Prior year adjustments

Further investigation during 2023/24 highlighted the need for a number of prior year adjustments relating to the treatment of payments by Westminster City Council (WCC) on behalf of Paddington Recreation Ground Charitable Trust and receipts by WCC. A number of these payment and receipts were finalised during 2022/23, but related to 2021/22 relating to the contract with Senior Leisure Management (SLM).

In additional, capital expenditure was identified from 2021/22 and 2022/23 relating to Carbon Management Projects that were delivered on Site by Corporate Property rather than Sports and Leisure.

The prior year adjustments are reflected in the schedules below reflecting the changes between the original balances previously reported in the 2022/23 financial statements.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023 PRIOR TO RESTATEMENT

	Notes	Unrestricted Funds Before Restatement	Restricted Funds	2022/23 Total	Unrestricted Funds As Restated	Restricted Funds	2022/23 Restated Total
		£	£	£	£	£	£
Income							
Charitable activities	2	426,551	-	426,551	461,504	-	461,504
Total		426,551	-	426,551	461,504	-	461,504
Expenditure							
Charitable activities	3	(643,017)	-	(643,017)	(650,308)	-	(650,308)
Total		(643,017)	-	(643,017)	(650,308)	-	(650,308)
Net Income/(Expenditure)		(216,466)	-	(216,466)	(188,804)	-	(188,804)
Net movement in funds		(216,466)	-	(216,466)	(188,804)	-	(188,804)
Reconciliation of funds							
Funds b/f	9	4,274,054	712,000	4,986,054	4,307,361	712,000	5,019,361
Funds c/f		4,057,588	712,000	4,769,588	4,118,557	712,000	4,830,557

Restatements adjusted for:

Income from Charitable activities: The balance is higher due to the treatment of Forest School Income, which had been netted off within the WCC contribution, rather than being presented gross as income of £27,381, plus Carbon Management capital additions covered by WCC contribution of £39,828 incurred by Corporate Property, less SLM contributions to leisure overheads at Paddington Recreation Ground Charitable Trust of £32,256. Overall net impact to income was an increase of £34,953.

Expenditure from Charitable activities: The balance is higher due to depreciation on the adjusted capital additions in 2021/22 and 2022/23 totalling £7,291.

Funds brought forward: Increase in unrestricted and total funds brought forward, due to capital additions of £69,545 covered by a WCC contribution, gross up SLM income of £31,601, less depreciation of £4,637, recognised for the same reason as above in 2022/23. Overall increase in reserves brought forward of £33,307.

CHARITY BALANCE SHEET AS AT 31 MARCH 2023 PRIOR TO RESTATEMENT

	Notes	31 March 2023	31 March 2023 Restated	Reason for Statement
		£	£	
Fixed assets				
Tangible assets	5	4,733,112	4,830,557	Carbon Management capital additions in 2021/22 and 2022/23 totalling £109,373 undertaken by WCC Property less accumulated depreciation £11,928.
Current Assets				
Cash		-	-	
Debtors	6	88,481	122,462	Increase in WCC Debtor £33,981 to offset the charity's creditor to cover monies outstanding relating to audit fees and SLM overheads that will be covered by WCC under their obligation to meet the charity expenditure.
Liabilities				
Creditors due within one year	7	(52,005)	(122,462)	Recognised a £63,856 WCC Creditor to offset the charity's accrued income relating to SLM income that will be received by WCC on the charity's behalf, and the audit fee of 2022/23 not paid at year-end.
Net current Assets/(Liabilities)		36,476	-	
Total assets less current liabilities		4,769,588	4,830,557	
Total net assets		4,769,588	4,830,557	
The funds of the charity:				
Restricted income funds	10	712,000	712,000	
Unrestricted income funds	10	4,057,588	4,118,557	
Total reserves		4,769,588	4,830,557	

PADDINGTON RECREATION GROUND

England & Wales - Charity number 295449

Accounts



PADDINGTON RECREATION GROUND CHARITABLE TRUST

Report and Financial Statements

Year Ended: 31 March 2023

Charity Number: 295449

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ACTIVE WESTMINSTER | City of Westminster

Trustees' Report

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report along with the financial statements of the Trust for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable (FRS 102) in the UK and Republic of Ireland effective from January 1 2019. The accounts as presented give a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

OBJECTIVES AND ACTIVITIES

The purpose of the charity is set out in Section 10 of the Paddington Recreation Ground Act 1893, which stipulated that:

"The Vestry of Paddington shall maintain and preserve in perpetuity the land acquired by them under this Act for the purposes of a recreation ground open to the public free of charge for admission to any part thereof and so that portions of the said grounds may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling, or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes and apply all moneys received in respect of such charges towards the cost of maintenance of the said recreation ground or as the said Vestry shall otherwise determine".

Westminster City Council, as successor to the Vestry of Paddington, continues to maintain Paddington Recreation Ground in accordance with the objectives set out above. The entire facility is maintained, managed, and operated under contract with Westminster City Council, by Sports and Leisure Management Limited (from 1 July 2016). All expenditure, income and funding bids are conducted through the Council.

AIMS

The main aims of the Trust are:

- Aim 1 - To increase the number of visitors to the Ground and enhance the visitor experience.
- Aim 2 - To provide high quality, cost effective and customer responsive leisure and horticultural features.
- Aim 3 - To ensure equality of access to sporting and recreational opportunities for all people, in particular, removing barriers that prevent participation.
- Aim 4 - To continue to ensure the park remains safe, clean, and aesthetically pleasing for users.
- Aim 5 - To increase the Ground's designation from a Site of Local Importance to a Site of Borough Importance for Nature Conservation.

ACHIEVEMENTS AND PERFORMANCE

Paddington Recreation Ground was once again awarded the Green Flag Award for 2022/23. This is a national standard for parks that means the site meets the highest operational and maintenance standards and is assessed annually by judges appointed by the Green Flag Awards and Keep Britain Tidy organisations. Other awards were London in Bloom, where the site achieved Gold level, and the site achieved an Excellent in the industry specific national Quest Awards.

Capital works for 2022/23 consisted of: tennis court 1-7 resurfacing, pathway patch repairs, replacement of petrol landscaping machinery to electric, repaired benches and changing places facility.

FUTURE PLANS

The Trust plans continued capital investment and improvement of the structure and facilities to increase usage at Paddington Recreation Ground. This includes further improvements to the environmental area Forest Garden, extension of Forest School in Blue Bell Glade, pitch fencing works, new bowls pavilion storage, resurfacing of synthetics tennis courts, refurbishment of pavilion changing rooms, pathway works improvement including improved accessibility from carpark, playground safety surfacing and additional accessible equipment, Splash Pad, Reverse Vending Machine to encourage recycling and an upgrade to park signage.

DEVELOPMENTS AND ACTIVITIES

A number of improvements have been delivered across the site in 2022/2023. These include:

- Tennis Courts 1-7 resurfacing was undertaken across 2021/2022 and finished in 2022/23, following a public consultation. The facility offers 4 new synthetic courts and 3 macadam courts which can also be used for netball.
- Ongoing path repairs as part of the planned maintenance improvement works are underway- providing more accessible paths and for reactional users, those with additional needs and runners alike.
- Contributing to the Westminster Fairer Environment there was a replacement of petrol landscaping machinery to electric.
- Benches in the park were repaired and reinstalled to maintain the quality of the space.
- Accessible access to changing facilities implemented through the addition of a new changing places facility.
- Numbers of users and customers continues to increase.

STATEMENT OF PUBLIC BENEFIT

The activities of the Trust deliver significant public benefit in terms of providing free to access and low-cost facilities for rest and relaxation as well as opportunities for casual and organised play, physical activity, leisure and/or sport. Trust activities are supported by the Park Management Plan, which is part of an annual management process and is updated each year to reflect that year's priorities and Westminster City Council policies.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. We are confident that Paddington Recreation Ground Charitable Trust meets the public benefit requirement.

RISK MANAGEMENT

The Trustees have examined the major strategic, business, and operational risks the Trust faces which include:

- Service user injury/fatality during a service activity.
- Breach of Child Protection and Vulnerable Adult Procedures/an occurrence of a safeguarding issue.
- Failure to meet the ActiveWestminster strategy and service plan priorities, including capital improvement works.
- Financial performance of the service and failure to maintain/develop income streams.

The Trust confirms that systems have been established to mitigate these risks. These procedures are periodically reviewed to ensure they continue to meet the needs of the Trust. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

While the COVID-19 pandemic had very significant effects on the Leisure industry as a whole, Paddington Recreation Ground was less affected as the majority of outdoor facilities continued to be available to the public. Indoor facilities were reopened for the majority of the 2021/22 financial year allowing Paddington Recreation Ground to once again deliver its full offer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Paddington Recreation Ground Charitable Trust is an unincorporated charitable trust set up under the Paddington Recreation Ground Act 1893 registered with the Charity Commission. Section 10 of the Act provided for the Vestry of Paddington to maintain and preserve in perpetuity the land acquired for the Vestry for use as a recreation ground open to the public free of charge for admission to any parts thereof and *"so that portions of the said ground may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes"*.

Trusteeship of the charity is vested in Westminster City Council under the London Government Act 1899. Members of the Council are trustees of the Trust. The last Council-wide election took place on 5 May 2022 and the next is due in May 2026. The names of the members of Westminster City Council at the present time, are listed in the table over the page.

KEY MANAGEMENT PERSONNEL

The Trustees received no remuneration during the year (2021/22 £nil). The Trust does not employ any staff directly.

RELATED PARTIES

None of the Councillors in their role as trustees received any remuneration or expenses during the year (2021/22: £nil). Westminster City Council administers the Trust on behalf of the Trustees but makes no charge for the service.

TRUSTEE TRAINING

In their role as Trustees of the Charity, all Members of the Council are required to attend a comprehensive induction programme covering all aspects of the Council and its services, including charity trusteeship. Bespoke training is also provided for Members for specialist functions and services. Training provided is regularly monitored by the Council's Standards Committee to ensure its effectiveness.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Amanda Langford Alan Mendoza Caroline Sargent	Marylebone	Barbara Arzymanow Ian Rowley Karen Scarborough
Bayswater	Maggie Carman James Small-Edwards Max Sullivan	Pimlico North	Jim Glen Ed Pitt Ford Jacqui Wilkinson
Church Street	Aicha Less Matt Noble Aziz Toki	Pimlico South	Liza Begum Robert Eagleton Jason Williams
Harrow Road	Ruth Bush Concia Albert Tim Roca	Queen's Park	Cara Sanquest Patricia McAllister Hamza Taouzzale
Hyde Park	Md Shamsed Chowdhury Paul Dimoldenberg Judith Southern	Regent's Park	Ralu Oteh-Osoka Robert Rigby Paul Swaddle
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	St James's	Louise Hyams Tim Mitchell Mark Shearer
Lancaster Gate	Laila Cunningham Ryan Jude Ellie Ormsby	Vincent Square	Gillian Arrindell David Harvey Selina Short
Little Venice	Melvyn Caplan Lorraine Dean Sara Hassan	Westbourne	David Boothroyd Adam Hug Angela Piddock
Maida Vale	Geoff Barraclough Iman Less Nafsika Butler-Thalassis	West End	Paul Fisher Patrick Lilley Jessica Toale

FINANCIAL REVIEW

The Trust's financial position was a deficit of £216,466 in 2022/23 (£444,172 surplus in 2021/22).

The Trust relies entirely on Westminster City Council for on-going financial support under the terms of the Act establishing the Trust.

Prior to the pandemic the largest item of revenue expenditure was the management fee paid to Sports and Leisure Management Limited (SLM Ltd) for supporting and running Paddington Recreation Ground on behalf of Westminster City Council. The effect of the pandemic on the Leisure industry resulted in that contract being varied such that exposure continued to be shared throughout 2022/23, although initial recovery was better than anticipated and the total expenditure for the year was £52,005 (2021/22 £12,136).

RESERVES POLICY

The Trust holds restricted reserves of £712,000 representing the value of the land of the Recreation Ground, and £4,057,588 of unrestricted reserves. The Trust holds no investments nor liquid revenue reserves. Funding from Westminster City Council to the Trust is adjusted during the financial year in line with the projected outturn figures so there is no need for the Trust to hold any revenue reserves or cash.

Reference and administrative details:	
Registered Name:	Paddington Recreation Ground Charitable Trust
Registered Charity Number:	295449
Principal Office:	Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Custodian Trustee:	Westminster City Council
Chief Executive:	Stuart Love (Chief Executive of Westminster City Council)
Solicitor:	Parveen Akhtar, Director of Law, Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Auditor:	Sumer Audit Co Limited, Chartered Accountants, Statutory Auditor, Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex, PO19 8FX

Statement of Trustees' responsibilities for the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements the trustees are 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 UK 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 Trust will continue in operation.

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

Approved by the trustees and signed on their behalf by:



Councillor Tim Roca,
Deputy Leader and Cabinet Member for Young People,
Culture and Learning,
Westminster City Council

Date: 26/01/24

Independent Auditor's Report to the Trustees of Paddington Recreation Ground Charitable Trust

OPINION

We have audited the financial statements of Paddington Recreation Ground Charitable Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 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 Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report 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 where the Charities (Accounts and Report Regulations) 2008 requires 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 and returns; 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 set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or 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 auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

IDENTIFICATION AND ASSESSMENT OF IRREGULARITIES INCLUDING FRAUD

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

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Charities Act 2011.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

AUDIT RESPONSE TO THE RISK OF IRREGULARITIES INCLUDING FRAUD

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 1H were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

CONCLUSIONS REGARDING THE RISKS OF IRREGULARITIES INCLUDING FRAUD

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at *http://www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

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 auditor's 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.



Jordan Abbott BSc ACA (Senior Statutory Auditor) for and on behalf of:
Sumer Audit
Chartered Accountants and Statutory Auditor
Piper House
4 Dukes Court
Bognor Road, Chichester, West Sussex
PO19 8FX

Date: 29 January 2024
Sumer Audit is a trading name of Sumer audit Co Limited
Sumer Audit Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

(Including Income and Expenditure Account)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	2022/23 Total	Unrestricted Funds	Restricted Funds	2021/22 Total
		£	£	£	£	£	£
Income							
Charitable activities	2	426,551	-	426,551	984,715	-	984,715
Total		426,551	-	426,551	984,715	-	984,715
Expenditure							
Charitable activities	3	(643,017)	-	(643,017)	(540,543)	-	(540,543)
Total		(643,017)	-	(643,017)	(540,543)	-	(540,543)
Net Income/(Expenditure)		(216,466)	-	(216,466)	444,172	-	444,172
Net movement in funds		(216,466)	-	(216,466)	444,172	-	444,172
Reconciliation of funds							
Funds b/f	9	4,274,054	712,000	4,986,054	3,829,882	712,000	4,541,882
Funds c/f		4,057,588	712,000	4,769,588	4,274,054	712,000	4,986,054

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 16 to 24 form part of these financial statements.

Balance Sheet

CHARITY BALANCE SHEET AS AT 31 MARCH 2023

	Notes	31 March 2023	31 March 2022
		£	£
Fixed assets			
Tangible assets	5	4,733,112	4,954,453
Current Assets			
Cash		-	-
Debtors	6	88,481	31,601
Liabilities			
Creditors due within one year	7	(52,005)	-
Net current Assets/(Liabilities)		**36,476**	**31,601**
Total assets less current liabilities		**4,769,588**	**4,986,054**
Total net assets		**4,769,588**	**4,986,054**
The funds of the charity:			
Restricted income funds	10	712,000	712,000
Unrestricted income funds	10	4,057,588	4,274,054
Total reserves		**4,769,588**	**4,986,054**

The notes on pages 16 to 24 form part of these financial statements.

The financial statements were approved by:

Gerald Almeroth
Executive Director of Finance & Resources
Westminster City Council

The financial statements were authorised for issue on date TBC by the Trustees and signed on their behalf, by:

Councillor Tim Roca
Deputy Leader and Cabinet Member for Young People, Culture and Learning
Westminster City Council

Responsible Officer

Trustee

Cash Flow Statement

STATEMENT OF CASHFLOWS AT 31 MARCH 2023

	Notes	2022/23	2021/22
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	12	166,152	810,636
Cash flows from investing activities:			
Purchase of property, plant and equipment	5	(166,152)	(810,636)
Cash flows from financing activities:		-	-
Change in cash & cash equivalents in the reporting period		-	-
Cash & cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		-	-

The notes on pages 16 to 24 form part of these financial statements.

Note 1 Accounting policies

CHARITY INFORMATION

Paddington Recreation Ground Charitable Trust is a charity registered in England governed by its trust deed "Paddington Recreation Ground Act 1893". Its Principal address is Westminster City Hall, 64 Victoria Street, London, SW1E 6QP.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

A) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2019, 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 Audit) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019 rather than the version of the Statement of Recommended Practice, which is referred to in the regulation, but which has since been withdrawn.

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

The Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Having reviewed the circumstances of the Trust it is considered that adequate resources are available to fund the activities of the Trust for the foreseeable future.

The Trust relies entirely on the Westminster City Council for ongoing support under the terms of the Paddington Recreation Ground Act 1893.

The Trustees have reviewed the financial conditions of the charity including consideration of any uncertainties arising from the COVID-19 pandemic. Based on this review the Trustees have a reasonable expectation that the Charity has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

B) FUNDS STRUCTURE

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Unrestricted income funds comprise of those funds, which the trustees are free to use for any purpose in furtherance of the charitable objectives.

C) INCOME

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

D) EXPENDITURE

Expenditure is recognised when there is a legal or constructive obligation to make a payment. Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Trust.

Support costs have been allocated to each charitable expenditure category on the basis of staff utilisation or on an activity basis of total direct expenditure.

Governance costs relate to expenditure incurred in the management of the Trust's assets, organisation administration and compliance with constitutional and statutory requirements.

There were no Trustee expenses incurred during the year (2021/22– £nil).

E) FINANCIAL INSTRUMENTS

Financial instruments are financial assets such as cash, cash equivalents and debtors, and financial liabilities such as creditors. Financial instruments are recognised when the Trust becomes party to the contractual provisions of the instrument.

F) TANGIBLE FIXED ASSETS

Legal ownership of the land and buildings and other assets at the Paddington Recreation Ground resides with Westminster City Council. The Paddington Recreation Ground Charitable Trust has use of the assets in perpetuity to utilise to carry out its charitable objectives. Accordingly, the Trust has capitalised the assets within its financial statements reflecting the position whereby the Trust holds the risks and rewards of those assets over the whole of their useful economic life.

All tangible fixed assets are accounted for on a depreciated historic cost basis, where a full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation is charged on a straight-line basis for all assets over the following useful economic lives, as per the valuation inspection undertaken in December 2015:

Land	Not depreciated
Buildings / Improvements	15 years
Outdoor recreational installations	15 years
Fixtures, fittings and equipment	15 years
Motor vehicles	5 Years

G) CREDITORS

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts due.

H) JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended, when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. (See Note 5 for the carrying amount of the property plant and equipment and Note 1f for the useful economic lives for each class of assets).

Note 2 Income from charitable activities

The primary source of income for charitable activities reported is the financial support from Westminster City Council to the Trust for the 2022/23 financial year of £426,551 (£984,715 in 2021/22). As a result of the variation to the contract with Sports and Leisure Management Limited following the impact of COVID-19 on the Leisure industry, SLM Ltd made a contribution towards operational costs of £32,256 (2021/22 £31,601). The only other income received in year was from Forest School £27,381 (2021/22 nil). The total income represents the cost of operating the Recreation Ground, **excluding** depreciation, together with the cost of capital investment incurred in the year. Income is unrestricted in nature in both periods.

Note 3 Charitable activities

All expenditure on charitable activities is unrestricted in both periods.

Reconciliation – Costs of Operation and SoFA Expenditure on Charitable Activities	Note	2022/23	2021/22
		£	£
SoFA – Expenditure on Charitable Activities		643,017	540,543
Cost of operation	3a	528,195	463,178
Management fees	3b	52,005	12,136
Governance costs	3c	62,817	65,229
Total		**643,017**	**540,543**

A) COSTS OF OPERATION

	2022/23	2021/22
	£	£
Maintenance – Building works	2,245	375
Maintenance – Grounds other	18,396	24,176
Maintenance - Tree works	14,645	15,802
Rents	12,211	12,179
Service charges – Repairs and maintenance	2,900	2,900
Insurance	4,015	2,816
Security & Marketing	7,059	-
Forest School	79,231	-
Capital charges – Depreciation	387,493	378,361
Fixed Assets – loss on derecognition	-	26,569
Total	**528,195**	**463,178**

B) MANAGEMENT FEES

Support costs of £52,005 were incurred in the year (£12,136 2021/22), paid to Sports and Leisure Management Limited. This represents a shared exposure position following variation of the original contract, with better than anticipated recovery following the COVID-19 pandemic.

The contractor's obligations include the management and delivery of parks, sport, catering and leisure services and associated site security, administration, and bookings. The contractor is also responsible for site marketing and promotion of the facilities and collects and retains all income from users of the facilities.

Note 3 Charitable activities (continued)

C) GOVERNANCE COSTS

Governance costs totalled £62,817 (£65,229 in 2021/22). Apportioned costs of the SL&AC (Sports, Leisure & Physical Activity) Client Team, based on the estimated time that they spent on overseeing the activities of the Trust, account for £30,917 (£24,279 in 2021/22). The role of the Client Team is primarily contract monitoring and management of capital and revenue improvements/maintenance works. The balance of £25,300 (£25,300 in 2021/22) relates to other support costs, mainly from central departments, in overseeing the activities of the Trust. A breakdown of the governance costs is shown below.

	2022/23	2021/22
	£	£
Client Team – Staff costs	25,142	23,993
Client Team – Other running costs	5,775	286
Audit Fees	6,600	15,650
Departmental Support – Finance	-	-
Departmental Support – Other	25,300	25,300
Total	**62,817**	**65,229**

Note: Westminster City Council have adopted a commissioning model for running the Council. This means that some of the Leisure Team costs are now reported as Departmental support.

The audit fees cost shown above of £6,600 represents the 2022/23 fee for Jones Avens Ltd (£6,600), incurred by the end of the financial year (31 March 2023).

D) STAFFING COSTS

The Trustees received no remuneration during the year (2021/22 £nil). The Trust does not employ any staff directly. No Trustee expenses have been incurred during the year (2021/22 £nil).

Note 4 Net income for the year

Net income for the year is stated after charging the amounts detailed below.

	2022/23	2021/22
	£	**£**
Auditor's remuneration	6,600	15,650
Depreciation	387,493	378,361
Loss on disposal of assets	-	26,569
Total	**394,093**	**420,580**

The audit fees cost shown above of £6,600 represents the 2022/23 fee for Jones Avens Ltd , incurred by the end of the financial year (31 March 2023).

Note 5 Fixed assets

	Land	Building	Motor Vehicles	Outdoor Recreational Installations	Fixtures, Fittings and Equipment	Total
	£	£	£	£	£	£
Cost						
Balance b/f at 1 April 2022	2,000,000	6,563,454	10,000	3,852,997	750,194	13,176,645
Additions in the year	-	28,679	-	106,545	30,928	166,152
Disposals	-	-	-	-	-	-
Balance c/f at 31 March 2023	**2,000,000**	**6,592,133**	**10,000**	**3,959,542**	**781,122**	**13,342,797**
Depreciation						
Balance b/f at 1 April 2022	(1,288,000)	(5,452,708)	(10,000)	(1,086,449)	(385,035)	(8,222,192)
Depreciation charge in year	-	(113,017)	-	(238,677)	(35,799)	(387,493)
Disposals	-	-	-	-	-	-
Balance c/f at 31 March 2023	**(1,288,000)**	**(5,565,725)**	**(10,000)**	**(1,325,126)**	**(420,834)**	**(8,609,685)**
Net book value						
at 1 April 2022	712,000	1,110,746	-	2,766,548	365,159	4,954,453
at 31 March 2023	**712,000**	**1,026,408**	**-**	**2,634,416**	**360,288**	**4,733,112**

Note 6 Debtors

	2022/23	2021/22
	£	£
Prepayments and Accrued Income	88,481	31,601
Total	**88,481**	**31,601**

Note 7 Creditors due within one year

	2022/23	2021/22
	£	£
Accruals	52,005	-
Total	**52,005**	**-**

Note 8 Capital Commitments

The Trust had no capital commitments at 31 March 2023 (None in 2021/22).

Note 9 Analysis of net assets between funds

	2022/23				2021/22			
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	(52,005)	88,481	4,021,112	4,057,588	-	31,601	4,242,453	4,274,054
Restricted funds	-	-	712,000	712,000	-	-	712,000	712,000
Net assets	**(52,005)**	**88,481**	**4,733,112**	**4,769,588**	**-**	**31,601**	**4,954,453**	**4,986,054**

Note 10 Movement in funds

2022/23	Fund at 1 April 2022	Income	Expenditure	Fund at 31 March 2023
	£	£	£	£
Unrestricted funds - General Fund	4,274,054	426,551	(643,017)	4,057,588
Restricted funds	712,000	-	-	712,000
Total Charity funds	**4,986,054**	**426,551**	**(643,017)**	**4,769,588**

2021/22	Fund at 1 April 2021	Income	Expenditure	Fund at 31 March 2022
	£	£	£	£
Unrestricted funds - General Fund	3,829,882	984,715	(540,543)	4,274,054
Restricted funds	712,000	-	-	712,000
Total Charity funds	**4,541,882**	**984,715**	**(540,543)**	**4,986,054**

Restricted funds represent the value of the land vested with the charity under the founding Act.

Note 11 Ultimate controlling party and related party transactions

Westminster City Council members are the Trustees and are deemed the ultimate controlling party of the charity. Income from the Council is disclosed in Note 2 and expenditure from the Council is disclosed in Note 3. There are no further related party transactions to disclose.

Note 12 Reconciliation of net movement in funds to net cashflow from operating activities

	Notes	2022/23	2021/22
		£	£
Net income		(216,466)	444,172
Adjustments for:			
Depreciation charges	5	387,493	378,361
(Decrease)/Increase in creditors	7	52,005	(6,865)
Decrease/ (Increase) in debtors	6	(56,880)	(31,601)
Loss on Disposal of Assets		-	26,569
Net cash provided by operating activities		**166,152**	**810,636**

PADDINGTON RECREATION GROUND

England & Wales - Charity number 295449

Accounts



PADDINGTON RECREATION GROUND CHARITABLE TRUST

Report and Financial Statements

Year Ended: 31 March 2022

Charity Number: 295449

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ACTIVE WESTMINSTER | City of Westminster

Trustees' Report

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report along with the financial statements of the Trust for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable (FRS 102) in the UK and Republic of Ireland effective from January 1 2019. The accounts as presented give a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

OBJECTIVES AND ACTIVITIES

The purpose of the charity is set out in Section 10 of the Paddington Recreation Ground Act 1893, which stipulated that:

"The Vestry of Paddington shall maintain and preserve in perpetuity the land acquired by them under this Act for the purposes of a recreation ground open to the public free of charge for admission to any part thereof and so that portions of the said grounds may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling, or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes and apply all moneys received in respect of such charges towards the cost of maintenance of the said recreation ground or as the said Vestry shall otherwise determine".

Westminster City Council, as successor to the Vestry of Paddington, continues to maintain Paddington Recreation Ground in accordance with the objectives set out above. The entire facility is maintained, managed, and operated under contract with Westminster City Council, by Sports and Leisure Management Limited (from 1 July 2016). All expenditure, income and funding bids are conducted through the Council.

AIMS

The main aims of the Trust are:

- Aim 1 - To increase the number of visitors to the Ground and enhance the visitor experience.
- Aim 2 - To provide high quality, cost effective and customer responsive leisure and horticultural features.
- Aim 3 - To ensure equality of access to sporting and recreational opportunities for all people, in particular, removing barriers that prevent participation.
- Aim 4 - To continue to ensure the park remains safe, clean, and aesthetically pleasing for users.
- Aim 5 - To increase the Ground's designation from a Site of Local Importance to a Site of Borough Importance for Nature Conservation.

ACHIEVEMENTS AND PERFORMANCE

Paddington Recreation Ground was once again awarded the Green Flag Award for 2021/22. This is a national standard for parks that means the site meets the highest operational and maintenance standards and is assessed annually by judges appointed by the Green Flag Awards and Keep Britain Tidy organisations. Other awards were London in Bloom, where the site achieved Gold level, and the site retained the industry specific national Quest Awards.

Capital works for 2021/22 consisted of: LED floodlight upgrade in cricket nets and tennis courts, tennis court 1-7 resurfacing and equipment replace, refurbishment of the dog exercise areas, installation of solar panels, pathway patch repairs, replacement of petrol landscaping machinery to electric, additional playground equipment.

FUTURE PLANS

The Trust plans continued capital investment and improvement of the structure and facilities to increase usage at Paddington Recreation Ground. This includes further improvements to the playground, environmental area, Forest Garden, flood prevention works, pitch fencing works.

DEVELOPMENTS AND ACTIVITIES

A number of improvements have been delivered across the site in 2021/2022. These include:

- Tennis Courts 1-7 resurfacing was undertaken in April 2021, following a public consultation. The facility offers 4 new synthetic courts and 3 macadam courts which can also be used for netball.
- The dog exercise areas now known as 'Barks Parks' were completely overhauled with new agility equipment, planting schemes, watering points and ornate fencing. This has made the areas more accessible, welcoming and aesthetically pleasing.
- As part of Westminster City Council's Carbon Reduction programme, Paddington Recreation Ground introduced solar panels at both the colleague maintenance facility and the fitness suite. In addition, the replacement of petrol machinery for landscaping colleagues to electric items has continued, with circa 84% now electric.
- Ongoing path repairs as part of the planned maintenance improvement works are underway- providing more accessible paths and for reactional users, those with additional needs and runners alike.
- Numbers of users and customers continues to increase.

STATEMENT OF PUBLIC BENEFIT

The activities of the Trust deliver significant public benefit in terms of providing free to access and low-cost facilities for rest and relaxation as well as opportunities for casual and organised play, physical activity, leisure and/or sport. Trust activities are supported by the Park Management Plan, which is part of an annual management process and is updated each year to reflect that year's priorities and Westminster City Council policies.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. We are confident that Paddington Recreation Ground Charitable Trust meets the public benefit requirement.

RISK MANAGEMENT

The Trustees have examined the major strategic, business, and operational risks the Trust faces which include:

- Service user injury/fatality during a service activity.
- Breach of Child Protection and Vulnerable Adult Procedures/an occurrence of a safeguarding issue.
- Failure to meet the ActiveWestminster strategy and service plan priorities, including capital improvement works.
- Financial performance of the service and failure to maintain/develop income streams.

The Trust confirms that systems have been established to mitigate these risks. These procedures are periodically reviewed to ensure they continue to meet the needs of the Trust. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

While the COVID-19 pandemic had very significant effects on the Leisure industry as a whole, Paddington Recreation Ground was less affected as the majority of outdoor facilities continued to be available to the public. Indoor facilities were reopened for the majority of the 2021/22 financial year allowing Paddington Recreation Ground to once again deliver its full offer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Paddington Recreation Ground Charitable Trust is an unincorporated charitable trust set up under the Paddington Recreation Ground Act 1893 registered with the Charity Commission. Section 10 of the Act provided for the Vestry of Paddington to maintain and preserve in perpetuity the land acquired for the Vestry for use as a recreation ground open to the public free of charge for admission to any parts thereof and *"so that portions of the said ground may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes".*

Trusteeship of the charity is vested in Westminster City Council under the London Government Act 1899. Members of the Council are trustees of the Trust. The last Council-wide election took place on 3 May 2018 and the next is due in May 2022. The names of the members of Westminster City Council at the present time, are listed in the table over the page.

KEY MANAGEMENT PERSONNEL

The Trustees received no remuneration during the year (2020/21 £nil). The Trust does not employ any staff directly.

RELATED PARTIES

None of the Councillors in their role as trustees received any remuneration or expenses during the year (2020/21: £nil). Westminster City Council administers the Trust on behalf of the Trustees but makes no charge for the service.

TRUSTEE TRAINING

In their role as Trustees of the Charity, all Members of the Council are required to attend a comprehensive induction programme covering all aspects of the Council and its services, including charity trusteeship. Bespoke training is also provided for Members for specialist functions and services. Training provided is regularly monitored by the Council's Standards Committee to ensure its effectiveness.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Lindsey Hall Peter Freeman Judith Warner	Maida Vale	Geoff Barraclough Rita Begum Nafsika Butler-Thalassis
Bayswater	Maggie Carman Richard Elcho Emily Payne	Marylebone High Street	Iain Bott Ian Rowley Karen Scarborough
Bryanston and Dorset Square	Barbara Arzymanow Richard Beddoe Eoghain Murphy	Queen's Park	Paul Dimoldenberg Patricia McAllister Hamza Taouzzale
Church Street	Aicha Less Matt Noble Aziz Toki	Regent's Park	Gotz Mohindra Robert Rigby Paul Swaddle
Churchill	Murad Gassanly Andrea Mann (Resigned May 21) Liza Begum (Appointed May 21) Shamim Talukder	St James's	Louise Hyams Timothy Mitchell Mark Shearer
Harrow Road	Ruth Bush Guthrie McKie Tim Roca	Tachbrook	Jim Glen Angela Harvey James Spencer
Hyde Park	Heather Acton Ian Adams Antonia Cox	Vincent Square	Danny Chalkley David Harvey Selina Short
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	Warwick	Nickie Aiken Christabel Flight Jacqui Wilkinson
Lancaster Gate	Susie Burbridge Margot Bright Andrew Smith	Westbourne	David Boothroyd Adam Hug Papya Qureshi
Little Venice	Melvyn Caplan Lorraine Dean Matthew Green	West End	Timothy Barnes Jonathan Glanz Pancho Lewis

LOCAL ELECTIONS MAY 2022

As a result of the local elections in May 2022, (Beyond the scope of these accounts), the trustees have had significant changes according to the results. There has also been changes to the wards across the council. The table here reflects these changes going forward.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Amanda Langford Alan Mendoza Caroline Sargent	**Marylebone**	Barbara Arzymanow Ian Rowley Karen Scarborough
Bayswater	Maggie Carman James Small-Edwards Max Sullivan	**Pimlico North**	Ed Pitt Ford Jim Glen Jacqui Wilkinson
Church Street	Aicha Less Matt Noble Aziz Toki	**Pimlico South**	Liza Begum Robert Eagleton Jason Williams
Harrow Road	Concia Albert Ruth Bush Tim Roca	**Queen's Park**	Patricia McAllister Cara Sanquest Hamza Taouzzale
Hyde Park	Md Shamsed Chowdhury Paul Dimoldenberg Judith Southern	**Regent's Park**	Ralu Oteh-Osoka Robert Rigby Paul Swaddle
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	**St James's**	Louise Hyams Tim Mitchell Mark Shearer
Lancaster Gate	Laila Cunningham Ryan Jude Ellie Ormsby	**Vincent Square**	Gillian Arrindell David Harvey Selina Short
Little Venice	Melvyn Caplan Lorraine Dean Sara Hassan	**Westbourne**	David Boothroyd Adam Hug Angela Piddock
Maida Vale	Geoff Barraclough Nafsika Butler-Thalassis Iman Less	**West End**	Paul Fisher Patrick Lilley Jessica Toale

FINANCIAL REVIEW

The Trust's financial position continued to operate with a surplus, £444,172 in 2021/22 (£1,058,393 in 2020/21).

The Trust relies entirely on Westminster City Council for on-going financial support under the terms of the Act establishing the Trust.

Prior to the pandemic the largest item of revenue expenditure was the management fee paid to Sports and Leisure Management Limited (SLM Ltd) for supporting and running Paddington Recreation Ground on behalf of Westminster City Council. The effect of the pandemic on the Leisure industry resulted in that contract being varied such that exposure continued to be shared throughout 2021/22, although initial recovery was better than anticipated and the total expenditure for the year was £12,136 (2020/21 £193,709).

RESERVES POLICY

The Trust holds restricted reserves of £712,000 representing the value of the land of the Recreation Ground, and £4,274,054 of unrestricted reserves. The Trust holds no investments nor liquid revenue reserves. Funding from Westminster City Council to the Trust is adjusted during the financial year in line with the projected outturn figures so there is no need for the Trust to hold any revenue reserves or cash.

Reference and administrative details:

Registered Name:	Paddington Recreation Ground Charitable Trust
Registered Charity Number:	295449
Principal Office:	Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Custodian Trustee:	Westminster City Council
Chief Executive:	Stuart Love (Chief Executive of Westminster City Council)
Solicitor:	Parveen Akhtar, Director of Law, Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Auditor:	Jones Avens Limited, Chartered Accountants, Statutory Auditor, Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex, PO19 8FX

Statement of Trustees' responsibilities for the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements the trustees are 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 UK 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 Trust will continue in operation.

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

Approved by the trustees and signed on their behalf by:



Councillor Tim Roca,
Cabinet Member for Young People, Learning & Leisure,
Westminster City Council

Date: 09/01/2023

Independent Auditor's Report to the Trustees of Paddington Recreation Ground Charitable Trust

OPINION

We have audited the financial statements of Paddington Recreation Ground Charitable Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 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 Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report 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 where the Charities (Accounts and Report Regulations) 2008 requires 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 and returns; 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 set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or 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 auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

IDENTIFICATION AND ASSESSMENT OF IRREGULARITIES INCLUDING FRAUD

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

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Charities Act 2011.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
    - the risks of fraud;
    - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

AUDIT RESPONSE TO THE RISK OF IRREGULARITIES INCLUDING FRAUD

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 1H were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

CONCLUSIONS REGARDING THE RISKS OF IRREGULARITIES INCLUDING FRAUD

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at *http://www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

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 auditor's 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.



Jordan Abbott BSc ACA (Senior Statutory Auditor) for and on behalf of:
Jones Avens Limited
Chartered Accountants and Statutory Auditor
Piper House
4 Dukes Court
Bognor Road, Chichester, West Sussex
PO19 8FX

Date: 11/01/2023

Jones Avens Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

(Including Income and Expenditure Account)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds	Restricted Funds	2021/22 Total	Unrestricted Funds	Restricted Funds	2020/21 Total
		£	£	£	£	£	£
Income							
Charitable activities	2	984,715	-	984,715	1,753,998	-	1,753,998
Total		**984,715**	**-**	**984,715**	**1,753,998**	**-**	**1,753,998**
Expenditure							
Charitable activities	3	(540,543)	-	(540,543)	(695,605)	-	(695,605)
Total		**(540,543)**	**-**	**(540,543)**	**(695,605)**	**-**	**(695,605)**
Net Income		**444,172**	**-**	**444,172**	**1,058,393**	**-**	**1,058,393**
Net movement in funds		**444,172**	**-**	**444,172**	**1,058,393**	**-**	**1,058,393**
Reconciliation of funds							
Funds b/f	9	3,829,882	712,000	4,541,882	2,771,489	712,000	3,483,489
Funds c/f		**4,274,054**	**712,000**	**4,986,054**	**3,829,882**	**712,000**	**4,541,882**

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 17 to 25 form part of these financial statements.

Balance Sheet

CHARITY BALANCE SHEET AS AT 31 MARCH 2022

	Notes	31 March 2022	31 March 2021
		£	£
Fixed assets			
Tangible assets	5	4,954,453	4,548,747
Current Assets			
Cash		-	-
Debtors	6	31,601	-
Liabilities			
Creditors due within one year	7	-	(6,865)
Net current Assets/(Liabilities)		**31,601**	**(6,865)**
Total assets less current liabilities		**4,986,054**	**4,541,882**
Total net assets		**4,986,054**	**4,541,882**
The funds of the charity:			
Restricted income funds	10	712,000	712,000
Unrestricted income funds	10	4,274,054	3,829,882
Total reserves		**4,986,054**	**4,541,882**

The notes on pages 17 to 25 form part of these financial statements.

The financial statements were approved by:

Gerald Almeroth
Executive Director of Finance & Resources
Westminster City Council

Responsible Officer

The financial statements were authorised for issue by the Trustees and signed on their behalf, by:

Councillor Tim Roca
Cabinet Member for Young People, Learning and Leisure
Westminster City Council

Trustee

Cash Flow Statement

STATEMENT OF CASHFLOWS AT 31 MARCH 2022

	Notes	2021/22	2020/21
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	12	810,636	1,271,594
Cash flows from investing activities:			
Purchase of property, plant and equipment	5	(810,636)	(1,271,594)
Cash flows from financing activities:		-	-
Change in cash & cash equivalents in the reporting period		-	-
Cash & cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		**-**	**-**

The notes on pages 17 to 25 form part of these financial statements.

Note 1 Accounting policies

CHARITY INFORMATION

Paddington Recreation Ground Charitable Trust is a charity registered in England governed by its trust deed "Paddington Recreation Ground Act 1893". Its Principal address is Westminster City Hall, 64 Victoria Street, London, SW1E 6QP.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

A) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2019, 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 Audit) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019 rather than the version of the Statement of Recommended Practice, which is referred to in the regulation, but which has since been withdrawn.

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

The Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Having reviewed the circumstances of the Trust it is considered that adequate resources are available to fund the activities of the Trust for the foreseeable future.

The Trust relies entirely on the Westminster City Council for ongoing support under the terms of the Paddington Recreation Ground Act 1893.

The Trustees have reviewed the financial conditions of the charity including consideration of any uncertainties arising from the COVID-19 pandemic. Based on this review the Trustees have a reasonable expectation that the Charity has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

B) FUNDS STRUCTURE

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Unrestricted income funds comprise of those funds, which the trustees are free to use for any purpose in furtherance of the charitable objectives.

C) INCOME

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

D) EXPENDITURE

Expenditure is recognised when there is a legal or constructive obligation to make a payment. Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Trust.

Support costs have been allocated to each charitable expenditure category on the basis of staff utilisation or on an activity basis of total direct expenditure.

Governance costs relate to expenditure incurred in the management of the Trust's assets, organisation administration and compliance with constitutional and statutory requirements.

There were no Trustee expenses incurred during the year (2020/21– £nil).

E) FINANCIAL INSTRUMENTS

Financial instruments are financial assets such as cash, cash equivalents and debtors, and financial liabilities such as creditors. Financial instruments are recognised when the Trust becomes party to the contractual provisions of the instrument.

F) TANGIBLE FIXED ASSETS

Legal ownership of the land and buildings and other assets at the Paddington Recreation Ground resides with Westminster City Council. The Paddington Recreation Ground Charitable Trust has use of the assets in perpetuity to utilise to carry out its charitable objectives. Accordingly, the Trust has capitalised the assets within its financial statements reflecting the position whereby the Trust holds the risks and rewards of those assets over the whole of their useful economic life.

All tangible fixed assets are accounted for on a depreciated historic cost basis, where a full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation is charged on a straight-line basis for all assets over the following useful economic lives, as per the valuation inspection undertaken in December 2015:

Land	Not depreciated
Buildings / Improvements	15 years
Outdoor recreational installations	15 years
Fixtures, fittings and equipment	15 years
Motor vehicles	5 Years

G) CREDITORS

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts due.

H) JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended, when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. (See Note 5 for the carrying amount of the property plant and equipment and Note 1f for the useful economic lives for each class of assets).

Note 2 Income from charitable activities

The primary source of income for charitable activities reported is the financial support from Westminster City Council to the Trust for the 2021/22 financial year of £984,715 (£1,753,998 in 2020/21). As a result of the variation to the contract with Sports and Leisure Management Limited following the impact of COVID-19 on the Leisure industry, SLM Ltd made a contribution towards operational costs of £31,601 (2020/21 nil). No other income was received in year (2020/21 nil). The total income represents the cost of operating the Recreation Ground**, excluding** depreciation, together with the cost of capital investment incurred in the year. Income is unrestricted in nature in both periods.

Note 3 Charitable activities

All expenditure on charitable activities is unrestricted in both periods.

Reconciliation – Costs of Operation and SoFA Expenditure on Charitable Activities	Note	2021/22	2020/21
		£	£
SoFA – Expenditure on Charitable Activities		540,543	695,605
Cost of operation	3a	463,178	444,094
Management fees	3b	12,136	193,709
Governance costs	3c	65,229	57,802
Total		**540,543**	**695,605**

A) COSTS OF OPERATION

	2021/22	2020/21
	£	£
Maintenance – Building works	375	11,390
Maintenance – Grounds other	24,176	51,507
Maintenance - Tree works	15,802	27,311
Rents	12,179	13,963
Service charges – Repairs and maintenance	2,900	2,900
Insurance	2,816	1,681
Capital charges – Depreciation	378,361	335,342
Fixed Assets – loss on derecognition	26,569	-
Total	**463,178**	**444,094**

B) MANAGEMENT FEES

Support costs of £12,136 were incurred in the year, paid to Sports and Leisure Management Limited. This represents a shared exposure position following variation of the original contract, with better than anticipated recovery following the COVID-19 pandemic.

The contractor's obligations include the management and delivery of parks, sport, catering and leisure services and associated site security, administration, and bookings. The contractor is also responsible for site marketing and promotion of the facilities and collects and retains all income from users of the facilities.

Note 3 Charitable activities (continued)

C) GOVERNANCE COSTS

Governance costs totalled £65,229 (£57,802 in 2020/21). Apportioned costs of the SL&AC (Sports, Leisure & Physical Activity) Client Team, based on the estimated time that they spent on overseeing the activities of the Trust, account for £24,279 (£31,702 in 2020/21). The role of the Client Team is primarily contract monitoring and management of capital and revenue improvements/maintenance works. The balance of £25,300 (£25,300 in 2020/21) relates to other support costs, mainly from central departments, in overseeing the activities of the Trust. A breakdown of the governance costs is shown below.

	2021/22	2020/21
	£	£
Client Team – Staff costs	23,993	25,476
Client Team – Other running costs	286	6,226
Audit Fees	15,650	800
Departmental Support – Finance	-	-
Departmental Support – Other	25,300	25,300
Total	**65,229**	**57,802**

Note: Westminster City Council have adopted a commissioning model for running the Council. This means that some of the Leisure Team costs are now reported as Departmental support.

The audit fees cost shown above of £15,650 represents the 2021/22 fee for Jones Avens Ltd (£6,150) and the RSM UK Audit LLP 2020/21 fee of £9,500, for the audit of the financial statements, incurred by the end of the financial year (31 March 2022 and 31 March 2021). The £9,500 in audit fees for RSM UK Audit LLP was below Westminster City Council's de minimis in 2020/21 and was therefore not accrued.

D) STAFFING COSTS

The Trustees received no remuneration during the year (2020/21 £nil). The Trust does not employ any staff directly. No Trustee expenses have been incurred during the year (2020/21 £nil).

Note 4 Net income for the year

Net income for the year is stated after charging the amounts detailed below.

	2021/22	2020/21
	£	**£**
Auditor's remuneration	15,650	800
Depreciation	378,361	335,342
Loss on disposal of assets	26,569	-
Total	**420,580**	**336,142**

The audit fees cost shown above of £15,650 represents the 2021/22 fee for Jones Avens Ltd (£6,150) and the RSM UK Audit LLP 2020/21 fee of £9,500, for the audit of the financial statements, incurred by the end of the financial year (31 March 2022 and 31 March 2021). The £9,500 in audit fees for RSM UK Audit LLP was below Westminster City Council's de minimis in 2020/21 and was therefore not accrued.

Note 5 Fixed assets

	Land	Building Improvements	Motor Vehicles	Outdoor Recreational Installations	Fixtures, Fittings and Equipment	Total
	£	£	£	£	£	£
Cost						
Balance b/f at 1 April 2021	2,000,000	6,563,454	10,000	3,232,019	598,130	12,403,603
Additions in the year	-	-	-	658,572	152,064	810,636
Disposals	-	-	-	(37,594)	-	(37,594)
Balance c/f at 31 March 2022	**2,000,000**	**6,563,454**	**10,000**	**3,852,997**	**750,194**	**13,176,645**
Depreciation						
Balance b/f at 1 April 2021	(1,288,000)	(5,339,708)	(10,000)	(863,372)	(353,776)	(7,854,856)
Depreciation charge in year	-	(113,000)	-	(231,574)	(33,787)	(378,361)
Disposals	-	-	-	8,497	2,528	11,025
Balance c/f at 31 March 2022	**(1,288,000)**	**(5,452,708)**	**(10,000)**	**(1,086,449)**	**(385,035)**	**(8,222,192)**
Net book value						
at 1 April 2021	712,000	1,223,746	-	2,368,647	244,354	4,548,747
at 31 March 2022	**712,000**	**1,110,746**	**-**	**2,766,548**	**365,159**	**4,954,453**

Note 6 Debtors

	2021/22	2020/21
	£	£
Prepayments and Accrued Income	31,601	-
Total	31,601	**-**

Note 7 Creditors due within one year

	2021/22	2020/21
	£	£
Accruals	0	6,865
Total	**0**	**6,865**

Note 8 Capital Commitments

The Trust had no capital commitments at 31 March 2022 (None in 2020/21).

Note 9 Analysis of net assets between funds

	2021/22				2020/21			
	Creditors £	Debtors £	Tangible Fixed Assets £	Total £	Creditors £	Debtors £	Tangible Fixed Assets £	Total £
General unrestricted funds	-	31,601	4,242,453	4,274,054	(6,865)	-	3,836,747	3,829,882
Restricted funds	-	-	712,000	712,000	-	-	712,000	712,000
Net assets	**-**	**31,601**	**4,954,453**	**4,986,054**	**(6,865)**	**-**	**4,548,747**	**4,541,882**

Note 10 Movement in funds

2021/22	Fund at 1 April 2021	Income	Expenditure	Fund at 31 March 2022
	£	£	£	£
Unrestricted funds - General Fund	3,829,882	984,715	(540,543)	4,274,054
Restricted funds	712,000	-	-	712,000
Total Charity funds	**4,541,882**	**984,715**	**(540,543)**	**4,986,054**

2020/21	Fund at 1 April 2020	Income	Expenditure	Fund at 31 March 2021
	£	£	£	£
Unrestricted funds - General Fund	2,771,489	1,753,998	(695,605)	3,829,882
Restricted funds	712,000	-	-	712,000
Total Charity funds	**3,483,489**	**1,753,998**	**(695,605)**	**4,541,882**

Restricted funds represent the value of the land vested with the charity under the founding Act.

Note 11 Ultimate controlling party and related party transactions

Westminster City Council members are the Trustees and are deemed the ultimate controlling party of the charity. Income from the Council is disclosed in Note 2 and expenditure from the Council is disclosed in Note 3. There are no further related party transactions to disclose.

Note 12 Reconciliation of net movement in funds to net cashflow from operating activities

	Notes	2021/22	2020/21
		£	£
Net income		444,172	1,058,393
Adjustments for:			
Depreciation charges	5	378,361	335,342
(Decrease) in creditors	7	(6,865)	(123,703)
Decrease/ (Increase) in debtors	6	(31,601)	1,562
Loss on Disposal of Assets		26,569	-
Net cash provided by operating activities		**810,636**	**1,271,594**

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PADDINGTON RECREATION GROUND

England & Wales - Charity number 295449

Accounts



PADDINGTON RECREATION GROUND CHARITABLE TRUST

Report and Financial Statements

Year Ended: 31 March 2021

Charity Number: 295449

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ACTIVE WESTMINSTER | City of Westminster

Trustees' Report

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report along with the financial statements of the Trust for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust's governing document, the Charities Act 2011 and 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 published on 16 July 2014. The accounts as presented give a true and fair view of the Trust's incoming resources and application of resources during the year and of its state of affairs at the end of the year.

OBJECTIVES AND ACTIVITIES

The purpose of the charity is set out in Section 10 of the Paddington Recreation Ground Act 1893, which stipulated that:

"The Vestry of Paddington shall maintain and preserve in perpetuity the land acquired by them under this Act for the purposes of a recreation ground open to the public free of charge for admission to any part thereof and so that portions of the said grounds may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling, or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes and apply all moneys received in respect of such charges towards the cost of maintenance of the said recreation ground or as the said Vestry shall otherwise determine".

Westminster City Council, as successor to the Vestry of Paddington, continues to maintain Paddington Recreation Ground in accordance with the objectives set out above. The entire facility is maintained, managed, and operated under contract with Westminster City Council, by Sports and Leisure Management Limited (from 1 July 2016). All expenditure, income and funding bids are conducted through the Council.

AIMS

The main aims of the Trust are:

- **Aim 1** - To increase the number of visitors to the Ground and enhance the visitor experience.
- **Aim 2** - To provide high quality, cost effective and customer responsive leisure and horticultural features.
- **Aim 3** - To ensure equality of access to sporting and recreational opportunities for all people, in particular, removing barriers that prevent participation.
- **Aim 4** - To continue to ensure the park remains safe, clean, and aesthetically pleasing for users.
- **Aim 5** - To increase the Ground's designation from a Site of Local Importance to a Site of Borough Importance for Nature Conservation.

ACHIEVEMENTS AND PERFORMANCE

Due to the global pandemic, it was a difficult year for the industry; however, Paddington Recreation Ground was once again awarded the Green Flag Award for 2020/21. This is a national standard for parks that means the site meets the highest operational and maintenance standards and is assessed annually by judges appointed by the Green Flag Awards and Keep Britain Tidy organisations. Other awards were London in Bloom, where the site achieved Gold level, and the site retained the industry specific national Quest Awards.

Despite the global pandemic and periods of forced closure to some of the sports facilities the next phase of capital works commenced in 2020/21 and comprised of: the upgrading of the FIH Accredited Hockey pitch, LED floodlight replacements; a new 60m Sprint Track and LED Lighting; a new small-sided AstroTurf pitch with fencing; a new Parkour Park; a new Calisthenics training facility; new container storage facilities track side; refurbished spectator seating; improved landscaping and planting surrounding these facilities; improved water cannons to the new Hockey pitch; and upgrade and renovation of the 400m athletics track surface to match the new 60m sprint track. These works will continue through to Summer 2021.

FUTURE PLANS

The Trust plans continued capital investment and improvement of the structure and facilities to increase usage at Paddington Recreation Ground. This includes further improvements to convert existing Tennis Courts and Cricket Nets floodlighting to energy efficient LED. There are also improvement works planned to both dog exercise areas following a successful bid for funding from the Open Spaces, Greener Places fund by Westminster City Council as well as planned works to replace the pathways and wayfinding/signage throughout the Grounds in 2021/22.

DEVELOPMENTS AND ACTIVITIES

A number of improvements have been delivered across the site in 2020/21 further to the capital improvement works that were completed in 2019/20, which included small-sided and the full size football pitches being completely resurfaced. These include:

- A new small-sided artificial practice pitch within the 'D' of the athletics track was completed and new callisthenics equipment have also been installed in this area which have proved very popular.
- The playground, which was completely remodelled and upgraded in 2019, had some further additional items added due to the overwhelming demand. This included extra swings and extension rope bridges in the trees, a further extension to the playground for younger children - 'Paddington Small World' - and some climbing boulders which have been repurposed from elsewhere in the City.
- Unfortunately, feasibility plans to design and install a new 'CycloPlay' facility to help people learn to cycle safely, ride a bike, and have fun in a dedicated cycling facility were withdrawn. Instead, the underused dog exercise areas will be improved in 2021/22 with funds received from Westminster City Council's successful bid to the Open Spaces, Greener Places fund.
- Further improvements were added to the Forest Garden/environmental area. A small extension to the classroom, alongside improvements to the borehole and the addition of a 'lazy brook' water feature, were all completed in 2020/21. The Forest School programme provides an opportunity for local school children to experience a range of activities and learning opportunities in biodiversity, habitats, conservation and 'grow your own food' outdoor education programmes. Sayers Croft subsidises the schools service and the family provision in the holidays is provided free through sourcing funding.
- The Junior Parkrun has grown into a regular weekly fixture with a dedicated group of attendees.
- Smaller improvements were made to the Cricket Nets, LED Lighting on all pitches and pathways, café drainage works, CCTV additions, and bluebell glade pathway improvements.

STATEMENT OF PUBLIC BENEFIT

The activities of the Trust deliver significant public benefit in terms of providing free to access and low-cost facilities for rest and relaxation as well as opportunities for casual and organised play, physical activity, leisure and/or sport. Trust activities are supported by the Park Management Plan, which is part of an annual management process and is updated each year to reflect that year's priorities and Westminster City Council policies.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. We are confident that Paddington Recreation Ground Charitable Trust meets the public benefit requirement.

RISK MANAGEMENT

The Trustees have examined the major strategic, business, and operational risks the Trust faces which include:

- Service user injury/fatality during a service activity.
- Breach of Child Protection and Vulnerable Adult Procedures/an occurrence of a safeguarding issue.
- Failure to meet the ActiveWestminster strategy and service plan priorities, including capital improvement works.
- Financial performance of the service and failure to maintain/develop income streams.

The Trust confirms that systems have been established to mitigate these risks. These procedures are periodically reviewed to ensure they continue to meet the needs of the Trust. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. Actions taken around the world to help mitigate the spread of COVID-19 include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The Charity has had minimal financial impact by the pandemic. Although other leisure sites in the City had to close due to the pandemic, because they offer indoor activities, the Outdoor grounds at Paddington Rec were available for the public during this financial year after partial closures of the sports facilities early in the year, the Trustees will continue to monitor this continuously going forward. Please see the accounting policy on page 16 for further details.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Paddington Recreation Ground Charitable Trust is an unincorporated charitable trust set up under the Paddington Recreation Ground Act 1893 registered with the Charity Commission. Section 10 of the Act provided for the Vestry of Paddington to maintain and preserve in perpetuity the land acquired for the Vestry for use as a recreation ground open to the public free of charge for admission to any parts thereof and *"so that portions of the said ground may be set apart and maintained for the purpose of cricket, football, lawn tennis and cycling or other lawful games and the said Vestry may make reasonable charges for the use of the ground for such purposes"*.

Trusteeship of the charity is vested in Westminster City Council under the London Government Act 1899. Members of the Council are trustees of the Trust. The last Council-wide election took place on 3 May 2018 and the next is due in May 2022. The names of the members of Westminster City Council at the present time, are listed in the table over the page.

KEY MANAGEMENT PERSONNEL

The Trustees received no remuneration during the year (2019/20 £nil). The Trust does not employ any staff directly.

RELATED PARTIES

None of the Councillors in their role as trustees received any remuneration or expenses during the year (2019/20: £nil). Westminster City Council administers the Trust on behalf of the Trustees but makes no charge for the service.

TRUSTEE TRAINING

In their role as Trustees of the Charity, all Members of the Council are required to attend a comprehensive induction programme covering all aspects of the Council and its services, including charity trusteeship. Bespoke training is also provided for Members for specialist functions and services. Training provided is regularly monitored by the Council's Standards Committee to ensure its effectiveness.

WARDS	COUNCILLORS	WARDS	COUNCILLORS
Abbey Road	Lindsey Hall Peter Freeman Judith Warner	Maida Vale	Geoff Barraclough Rita Begum Nafsika Butler-Thalassis
Bayswater	Maggie Carman Richard Elcho Emily Payne	Marylebone High Street	Iain Bott Ian Rowley Karen Scarborough
Bryanston and Dorset Square	Barbara Arzymanow Richard Beddoe Eoghain Murphy	Queen's Park	Paul Dimoldenberg Patricia McAllister Hamza Taouzzale
Church Street	Aicha Less Matt Noble Aziz Toki	Regent's Park	Gotz Mohindra Robert Rigby Paul Swaddle
Churchill	Murad Gassanly Andrea Mann (Resigned May 21) Liza Begum (Appointed May 21) Shamim Talukder	St James's	Louise Hyams Timothy Mitchell Mark Shearer
Harrow Road	Ruth Bush Guthrie McKie Tim Roca	Tachbrook	Jim Glen Angela Harvey James Spencer
Hyde Park	Heather Acton Ian Adams Antonia Cox	Vincent Square	Danny Chalkley David Harvey Selina Short
Knightsbridge and Belgravia	Anthony Devenish Elizabeth Hitchcock Rachael Robathan	Warwick	Nickie Aiken Christabel Flight Jacqui Wilkinson
Lancaster Gate	Susie Burbridge Margot Bright Andrew Smith	Westbourne	David Boothroyd Adam Hug Papya Qureshi
Little Venice	Melvyn Caplan Lorraine Dean Matthew Green	West End	Timothy Barnes Jonathan Glanz Pancho Lewis

FINANCIAL REVIEW

The Trust's financial position improved during the year from a surplus of £841,421 in 2019/20 to a surplus of £1,058,393 in 2020/21.

The Trust relies entirely on Westminster City Council for on-going financial support under the terms of the Act establishing the Trust.

Normally the largest item of revenue expenditure is the management fee paid to Sports and Leisure Management Limited (SLM Ltd) for supporting and running the Paddington Recreation Ground on behalf of Westminster City Council. But this year's COVID pandemic prevented the Council's leisure centres from opening for much of the year, and a contract deed of variation was agreed between the parties including the waiving of the management fee for the entire year. The Council provided support funding of £193,709 to SLM Ltd to enable partial opening of the Paddington Recreation Ground during the first lockdown. Therefore, the total expenditure with SLM Ltd in 2020/21 was £193,709 (2019/20 - £415,106).

RESERVES POLICY

The Trust holds restricted reserves of £712,000 representing the value of the land of the Recreation Ground, and £3,829,882 of unrestricted reserves. The Trust holds no investments nor liquid revenue reserves. Funding from Westminster City Council to the Trust is adjusted during the financial year in line with the projected outturn figures so there is no need for the Trust to hold any revenue reserves or cash.

Reference and administrative details:

Registered Name:	Paddington Recreation Ground Charitable Trust
Registered Charity Number:	295449
Principal Office:	Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Custodian Trustee:	Westminster City Council
Chief Executive:	Stuart Love (Chief Executive of Westminster City Council)
Solicitor:	Tasnim Shawkat, Director of Law, Westminster City Hall, 64 Victoria Street, London, SW1E 6QP
Auditor:	RSM UK Audit LLP, Registered Auditor, Chartered Accountants, Central Square, 5th Floor, 29 Wellington Street, Leeds, LS1 4DL

Statement of Trustees' responsibilities for the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust and of the incoming resources and application of resources of the Trust for that year. In preparing these financial statements the trustees are 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 UK 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 Trust will continue in operation.

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

Approved by the trustees and signed on their behalf by:



Councillor James Spencer,
Cabinet Member for City Management,
Westminster City Council

Date: 29th September 21



Gerald Almeroth,
Executive Director – Finance & Resources,
Westminster City Council

Date: 29 September 2021

Independent Auditor's Report to the Trustees of Paddington Recreation Ground Charitable Trust

OPINION

We have audited the financial statements of Paddington Recreation Ground Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. 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 where the Charities Act 2011 requires 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 and returns; 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 set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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 auditor's 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.

RSM UK Audit LLP

RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Central Square
5th Floor
29 Wellington Street
Leeds
LS1 4DL

Date: 4 October 2021

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds	Restricted Funds	2020/21 Total	2019/20 Total
		£	£	£	£
Income					
Charitable activities	2	1,753,998	-	1,753,998	1,787,296
Total		1,753,998	-	1,753,998	1,787,296
Expenditure					
Charitable activities	3	(695,605)	-	(695,605)	(945,875)
Total		(695,605)	-	(695,605)	(945,875)
Net Income		1,058,393	-	1,058,393	841,421
Net movement in funds		1,058,393	-	1,058,393	841,421
Reconciliation of funds					
Funds b/f	10	2,771,489	712,000	3,483,489	2,642,068
Funds c/f		3,829,882	712,000	4,541,882	3,483,489

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 16 to 24 form part of these financial statements.

Balance Sheet

CHARITY BALANCE SHEET AS AT 31 MARCH 2021

	Notes	31 March 2021	31 March 2020
		£	£
Fixed assets			
Tangible assets	5	4,548,747	3,612,495
Current Assets			
Cash		-	-
Debtors	6	-	1,562
Liabilities			
Creditors due within one year	7	(6,865)	(130,568)
Net current liabilities		(6,865)	(129,006)
Total assets less current liabilities		4,541,882	3,483,489
Total net assets		4,541,882	3,483,489
The funds of the charity:			
Restricted income funds	10	712,000	712,000
Unrestricted income funds	10	3,829,882	2,771,489
Total reserves		4,541,882	3,483,489

The notes on pages 16 to 24 form part of these financial statements.

The financial statements were approved and authorised for issue by the trustees 29th September 2021 and signed on their behalf, by:

Gerald Almeroth
Executive Director – Finance & Resources,
Westminster City Council

Councillor James Spencer
Cabinet member for City Management
Westminster City Council

Cash Flow Statement

STATEMENT OF CASHFLOWS AT 31 MARCH 2021

	Notes	2020/21	2019/20
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	12	1,271,594	1,127,226
Cash flows (used in) financing activities:			
Purchase of property, plant and equipment	5	(1,271,594)	(1,127,226)
Net cash (used in) investing activities		(1,271,594)	(1,127,226)
Cash flows from financing activities:		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		-	-
Cash and cash equivalents at the beginning of the reporting period		-	-
Cash and cash equivalents at the end of the reporting period		-	-

The notes on pages 16 to 24 form part of these financial statements.

Note 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

A) BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued on 16 July 2014, 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 Audit) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2015, which has since been withdrawn.

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

The Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. Having reviewed the circumstances of the Trust it is considered that adequate resources are available to fund the activities of the Trust for the foreseeable future.

The Trust relies entirely on the Westminster City Council for ongoing support under the terms of the Paddington Recreation Ground Act 1893.

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. Actions taken around the world to help mitigate the spread of COVID-19 include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The Charity has had minimal financial impact by the pandemic. Although other leisure sites in the City had to close due to the pandemic, because they offer indoor activities, the Outdoor grounds at Paddington Rec were available for the public during this financial year after partial closures of the sports facilities early in the year, the Trustees will continue to monitor this continuously going forward. The Trustees have reviewed the financial conditions of the charity including consideration of any uncertainties arising from the COVID-19 pandemic. Based on this review the Trustees have a reasonable expectation that the Charity has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

B) FUNDS STRUCTURE

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund for the land held in perpetuity under the Act, which established the Trust.

Unrestricted income funds comprise of those funds, which the trustees are free to use for any purpose in furtherance of the charitable objectives.

C) INCOME

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

D) EXPENDITURE

Expenditure is recognised when there is a legal or constructive obligation to make a payment. Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Trust.

Support costs have been allocated to each charitable expenditure category on the basis of staff utilisation or on an activity basis of total direct expenditure.

Governance costs relate to expenditure incurred in the management of the Trust's assets, organisation administration and compliance with constitutional and statutory requirements.

There were no Trustee expenses incurred during the year (2019/20– £nil).

E) FINANCIAL INSTRUMENTS

Financial instruments are financial assets such as cash, cash equivalents and debtors, and financial liabilities such as creditors. Financial instruments are recognised when the Trust becomes party to the contractual provisions of the instrument.

F) TANGIBLE FIXED ASSETS

Legal ownership of the land and buildings and other assets at the Paddington Recreation Ground resides with Westminster City Council. The Paddington Recreation Ground Charitable Trust has use of the assets in perpetuity to utilise to carry out its charitable objectives. Accordingly, the Trust has capitalised the assets within its financial statements reflecting the position whereby the Trust holds the risks and rewards of those assets over the whole of their useful economic life.

All tangible fixed assets are accounted for on a depreciated historic cost basis, where a full year of depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation is charged on a straight-line basis for all assets over the following useful economic lives, as per the valuation inspection undertaken in December 2015:

Land	Not depreciated
Buildings / Improvements	15 years
Outdoor recreational installations	15 years
Fixtures, fittings and equipment	15 years
Motor vehicles	5 Years

G) CREDITORS

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts due.

H) JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended, when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. (See Note 5 for the carrying amount of the property plant and equipment and Note 1f for the useful economic lives for each class of assets).

Note 2 Income from charitable activities

The sole source of income for charitable activities reported is the financial support from Westminster City Council to the Trust for the 2020/21 financial year of £1,753,998 (£1,787,296 in 2019/20). The income represents the cost of operating the Recreation Ground, **excluding** depreciation, together with the cost of capital investment incurred in the year. Income is unrestricted in nature in both periods.

Note 3 Charitable activities

All expenditure on charitable activities is unrestricted in both periods.

Reconciliation – Costs of Operation and SoFA Expenditure on Charitable Activities	Note	2020/21	2019/20
		£	£
SoFA – Expenditure on Charitable Activities		695,605	945,875
Cost of operation	3a	444,094	460,873
Management fees	3b	193,709	415,106
Governance costs	3c	57,802	69,896
		695,605	945,874

A) COSTS OF OPERATION

	2020/21	2019/20
	£	£
Maintenance – Building works	11,390	14,716
Maintenance – Grounds other	51,507	71,825
Maintenance - Tree works	27,311	15,887
Rents	13,963	11,336
Service charges – Repairs and maintenance	2,900	2,900
Insurance	1,681	1,681
Capital charges – Depreciation	335,342	246,296
Fixed Assets – loss on derecognition	-	96,232
	444,094	**460,873**

B) MANAGEMENT FEES

Support costs of £193,709 were incurred in the year, paid to Sports and Leisure Management Limited due to the Covid Pandemic. Please see note in the Financial Review section of the Trustees' Report outlining the waiver of the usual fees in 2020/21 due to the Pandemic £Nil (2019/20 - £415,106). The contractor's obligations include the management and delivery of parks, sport, catering and leisure services and associated site security, administration, and bookings. The contractor is also responsible for site marketing and promotion of the facilities and collects and retains all income from users of the facilities.

Note 3 Charitable activities (continued)

C) GOVERNANCE COSTS

Governance costs totalled £57,802 (£69,896 in 2019/20). Apportioned costs of the PALS (Physical Activity, Leisure & Sport) Client Team, based on the estimated time that they spent on overseeing the activities of the Trust, account for £31,702 (£29,293 in 2019/20). The role of the Client Team is primarily contract monitoring and management of capital and revenue improvements/maintenance works. The balance of £25,300 (£31,600 in 2019/20) relates to other support costs, mainly from central departments, in overseeing the activities of the Trust. A breakdown of the governance costs is shown below.

	2020/21	2019/20
	£	£
PALS Team – Staff costs	25,476	24,703
PALS Team – Other running costs	6,226	4,590
Audit Fees	800	9,003
Departmental Support – Finance	-	-
Departmental Support – Other	25,300	31,600
Total	**57,802**	**69,896**

Note: Westminster City Council have adopted a commissioning model for running the Council. This means that some of the Leisure Team costs are now reported as Departmental support.

The audit fees cost shown above of £800 represents the fee of RSM UK Audit LLP, for the audit of the financial statements, incurred by the end of the financial year (31 March 2021). There is a further £9,500 in audit fees, however, this was below Westminster City Council's de minimis and was therefore not accrued for.

D) STAFFING COSTS

The Trustees received no remuneration during the year (2019/20 £nil). The Trust does not employ any staff directly. No Trustee expenses have been incurred during the year (2019/20 £nil).

Note 4 Net income for the year

Net income for the year is stated after charging the amounts detailed below.

	2020/21	2019/20
	£	£
Auditors remuneration	800	9,003
Depreciation	335,342	246,296
Loss on disposal of assets	-	96,232
Total	**336,142**	**351,531**

The audit fees cost shown above of £800 represents the fee of RSM UK Audit LLP, for the audit of the financial statements, incurred by the end of the financial year (31 March 2021). There is a further £9,500 in audit fees, however, this was below Westminster City Council's de minimis and was therefore not accrued for.

Note 5 Fixed assets

	Land	Building Improvements	Motor Vehicles	Outdoor Recreational Installations	Fixtures, Fittings and Equipment	Total
	£	£	£	£	£	£
Cost						
Balance b/f at 1 April 2020	2,000,000	6,559,979	10,000	1,998,501	563,528	11,132,009
Additions in the year	-	3,475	-	1,233,518	34,602	1,271,594
Disposals						(279,160)
Balance c/f at 31 March 2021	**2,000,000**	**6,563,454**	**10,000**	**3,232,019**	**598,130**	**12,403,603**
Depreciation						
Balance b/f at 1 April 2020	(1,288,000)	(5,226,708)	(10,000)	(667,206)	(327,600)	(7,519,514)
Depreciation charge in year	-	(113,000)		(196,166)	(26,176)	(335,342)
Disposals						
Balance c/f at 31 March 2021	**(1,288,000)**	**(5,339,708)**	**(10,000)**	**(863,372)**	**(353,776)**	**(7,854,856)**
Net book value						
at 1 April 2020	712,000	1,333,271	-	1,331,295	235,928	3,612,495
at 31 March 2021	**712,000**	**1,223,746**	**-**	**2,368,647**	**244,354**	**4,548,747**

Note 6 Debtors

	2020/21	2019/20
	£	£
Prepayments	-	1,562
Total	**-**	**1,562**

Note 7 Creditors due within one year

	2020/21	2019/20
	£	£
Accruals	6,865	130,568
Total	**6,865**	**130,568**

Note 8 Capital Commitments

The Trust had no capital commitments at 31 March 2021.

Note 9 Analysis of net assets between funds

	2020/21							2019/20
	£	£	£	£	£	£	£	£
	Creditors	Debtors	Tangible fixed assets	Total	Debtors	Creditors	Tangible fixed assets	Total
General unrestricted funds	(6,865)	-	3,836,747	3,829,882	1,562	(130,568)	2,900,495	2,771,489
Restricted funds			712,000	712,000	-		712,000	712,000
Net assets	**(6,865)**	**-**	**4,548,747**	**4,541,882**	**1,562**	**(130,568)**	**3,612,495**	**3,483,489**

Note 10 Movement in funds

2020/21	Fund at 1 April 2020	Income	Expenditure	Fund at 31 March 2021
	£	£	£	£
Unrestricted funds - General Fund	2,771,489	1,753,998	(695,605)	3,829,882
Restricted funds	712,000	-	-	712,000
Total Charity funds	3,483,489	1,753,998	(695,605)	4,541,882

2019/20	Fund at 1 April 2019	Income	Expenditure	Fund at 31 March 2020
	£	£	£	£
Unrestricted funds - General Fund	1,930,068	1,787,296	(945,874)	2,771,489
Restricted funds	712,000	-	-	712,000
Total Charity funds	2,642,068	1,787,296	(945,874)	3,483,489

Restricted funds represent the value of the land vested with the charity under the founding Act.

Note 11 Ultimate controlling party and related party transactions

Westminster City Council members are the Trustees and are deemed the ultimate controlling party of the charity. Income from the Council is disclosed in Note 2 and expenditure from the Council is disclosed in Note 3. There are no further related party transactions to disclose.

Note 12 Reconciliation of net movement in funds to net cashflow from operating activities

	Notes	2020/21	2019/20
		£	£
Net income		1,058,393	841,422
Adjustments for:			
Depreciation charges	5	335,342	246,296
(Decrease) in creditors	7	(123,703)	(55,161)
Decrease/ (Increase) in debtors	6	1,562	(1,562)
Loss on Disposal of Assets		-	96,232
Net cash provided by operating activities		**1,271,594**	**1,127,226**