

Agenda Item No: 4 **Report No:** 171/17
Report Title: Trustees' Annual Report: Mountfield Pleasure Ground Trust
Report To: Trustees **Date:** 6 December 2017
Report By: Alan Osborne, Deputy Chief Executive
Contact Officer(s)-
Name(s): Steve Jump
Post Title(s): Deputy Head of Finance
E-mail(s): steve.jump@lewes-eastbourne.gov.uk
Tel No(s): 01273 085257

Purpose of Report:

To present the Annual Report and Accounts of the Mountfield Pleasure Ground Trust to Trustees for approval.

Officers Recommendation(s):

- 1 To approve the Annual Report for the period 1 April 2016 to 31 March 2017, including the draft Receipts and Payments Account.
- 2 To authorise the Chair of the meeting, on completion of the Independent Examination
 - (a) to incorporate any changes identified and proposed by the Independent Examiner, BDO and
 - (b) to sign the Annual Report and Receipts and Payment Account on the Trustees' behalf.

Reasons for Recommendations

- 1 Trustees are required to approve an Annual Report and Receipts and Payments Account in accordance with Charity accounting and reporting regulations.

Information

- 2 Lewes District Council is sole trustee for the Mountfield Pleasure Ground Trust by virtue of the Local Government Act 1972 section 210 (2)(b) which provided for charitable property previously vested in Urban Rural District Councils to be vested in the District Council in the absence of a successor Parish or Town Council. Lewes District Council became sole trustee because Lewes Town Council did not exist at the time of reorganisation in 1974.

- 3** Corporate trustees must follow the reporting and accounting requirements in the Charities Act 2011. The requirements are set out in more detail in:
- the Charities (Accounts and Reports) Regulations 2008, which deal with the content and format of the Trustees' annual report, the accounts and the arrangements for audit or independent examination and
 - Accounting and Reporting by Charities: Statements of Recommended Practice
- 4** The Trustees Annual Report for 2016/17 is attached as an Appendix. This incorporates the draft Receipts and Payments Account for the year. These documents meet the reporting requirements and are subject to Independent Examination by BDO LLP, Lewes District Council's external auditors. On completion of the Independent Examination, the Annual Report and accounts will be filed with the Charity Commission. Filing must take place before 31 January 2018.
- 5** At the time of writing this report, BDO have substantially completed their work. It is recommended that authority be given to the Chair of the meeting, on completion of the Independent Examination, to incorporate any changes identified and proposed by BDO and to sign the Annual Report and Receipts and Payment Account on the Trustees' behalf. Any significant changes resulting from the Independent Examination will be reported back to Trustees. The signed documents will be accessible from the Charity Commission website and will be made available to the public from Lewes District Council's office at Southover House, Southover Road, Lewes, BN7 1AB on request.

Financial Appraisal

- 6** As in previous years, the assets held by the Trust did not generate sufficient income to cover costs. The Receipts and Payment Account at the end of the Annual Report indicates that a grant of £42,423 was received from Lewes District Council in 2016/17 in order to achieve a break-even position for the year.

Risk Management Implications

- 7** There are no material risk management implications arising from this report. The Annual Report and Accounts are expected to meet the requirements of the Charity Commission. The governance arrangements of the Trust are explained in the Annual Report.

Equality Screening

- 8** This is a routine report for which detailed Equality Analysis is not required to be undertaken. The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant reports.

Background Papers

Charity Commission - Charity Reporting and Accounting CC15c

<https://www.gov.uk/government/publications/charity-reporting-and-accounting-the-essentials-march-2015-cc15c>

Appendix

Trustees' Annual Report 2016/17

Mountfield Pleasure Ground Trust

Trustees' Annual Report for the period 1 April 2016 to 31 March 2017

Reference and Administration Details

Registered Charity Number 305274

Charity's principal address Southover House
Southover Road
Lewes
East Sussex
BN7 1AB

Principal Contact Assistant Director of Legal and Democratic Services

Names of the Charity Trustees who manage the Charity

Lewes District Council is sole Trustee of the Charity. The 41 Members of Lewes District Council at the date of this report are:

Sam Adeniji	Graham Amy
Simon Barnes	Liz Boorman (elected 8 June 2017)
Wayne Botting	Bill Bovington
Julie Carr	Joanna Carter
Stephen Catlin	Michael Chartier
Sharon Davy	Johnny Denis (elected 7 September 2017)
Will Elliott	Nigel Enever
Paul Franklin	Peter Gardiner
Stephen Gauntlett	Bill Giles
Jackie Harrison-Hicks	Olivia Honeyman
Vic Ient	Tom Jones
Alex Lambert	Isabelle Linington
Andy Loraine	Ron Maskell
Elayne Merry	Susan Murray
Dave Neave	Tony Nicholson
Ruth O'Keeffe, MBE	Sarah Osborne
Julian Peterson	Robbie Robertson
Tony Rowell	Steve Saunders
Jim Sheppard	Andy Smith
Cyril Sugarman	Richard Turner
Linda Wallraven	

In addition to the above, Rob Blackman and Paul Gander were both Members of Lewes District Council during the period covered by this Annual Report.

Structure, governance and management

Description of the Charity's trusts

<i>(a) Type of governing document</i>	Deed dated 31 March 1896.
<i>(b) How the Charity is constituted</i>	Trust
<i>(c) Trustee selection methods</i>	All elected Councillors of Lewes District Council are trustees.

Additional governance issues

The election of councillors to the District Council takes place every four years, when residents who are on the Register of Electors are entitled to vote within their ward. The next elections in Lewes District will be held in May 2019. Candidates for election must satisfy the following criteria on the day they are nominated and on polling day they:

- must be at least 18 years old
- be a British citizen, an eligible Commonwealth citizen, or a citizen of any member state of the European Union

They must also meet at least one of the four following qualifications:

- they are registered as a local government elector for the local authority area in which they wish to stand from the day of nomination; or
- they have occupied as an owner or tenant any land or other premises in the local authority area during the whole of the 12 months before the day of nomination; or
- their main or only place of work during the 12 months prior to the day of nomination has been in the local authority area; or
- they have lived in the local authority area during the whole of the 12 months before the day of nomination.

A person may not be eligible to stand as a councillor if he/she:

- is the subject of a bankruptcy restrictions order or interim order; or
- has been sentenced to a term of imprisonment of three months or more (including a suspended sentence) without the option of a fine, during the five years before election day; or
- has been disqualified under the Representation of the People Act 1983 (which covers corrupt or illegal electoral practices and offences relating to donations) or under the Audit Commission Act 1998; or
- works for the Council or holds a politically restricted post with another council

The operational management and operation of the area of land which constitutes the 'Mountfield Pleasure Ground' is carried out in accordance with Lewes District Council's corporate governance arrangements. The Council has a number of systems and documents in place to ensure that it has effective corporate governance. These include the Council's Constitution, Council Plan, Medium Term Financial Strategy and Whistleblowing Policy.

The Council reviews its corporate governance arrangements against national best practice. The Audit and Standards Committee periodically reviews the Lewes District Council Local Code of Corporate Governance, most recently in September 2017. The Local Code brings together all of the Council's corporate governance arrangements in

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one place and identifies a number of issues to be addressed that will improve the Council's approach. It has seven core principles, listed below. Of these, Principle D, is the one with the least correlation with the framework which was in place for the period covered by this Annual Report. While the wording of the principles has been revised, there is a good deal of commonality between the sub principles.

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes
- E. Developing the Council's capacity, including the capability of its leadership and the individuals within it
- F. Managing risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Local Code shows under each core principle

- A number of supporting principles
- The methods used to achieve the core principle
- The evidence which will be available to demonstrate achievement of the core principle

The Local Code is published on the Council's website at <https://lewes.cmis.uk.com/cmis5/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/505/Meeting/643/Committee/192/Default.aspx>

There is a clear distinction between the Council's own decision making process (for example in respect of assessing and providing financial contributions to the Trust and managing the Council's corporate assets) and the Council's role as Sole Trustee. This is achieved by having a formal break at the end of Council meetings before moving on to consider business as Sole Trustee. Such business includes the annual approval of the Trustees' Annual Report and accounts.

Objectives and activities

Summary of objects

The object of the Charity shall be the provision and maintenance of land at Mountfield, Dripping Pan and Convent Field, for the benefit of the public generally and especially the inhabitants of the District of Lewes in the County of East Sussex.

Summary of the main activities undertaken for the public benefit in relation to these objects

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. This area of land was made accessible and available to the public through the Council's 'Parks and Open Spaces' service. The home ground of Lewes Football Club is at the Dripping Pan.

Achievements and performance

The land was available for use during the course of 2016/2017 and was maintained by Lewes District Council's Grounds Maintenance Contractor.

Financial Review

Brief statement on the Charity's policy on reserves

Lewes District Council provides an annual grant to the value of the shortfall between receipts in the year and payments made. As a result, adverse fluctuations in spending needs or income do not have an impact on the overall financial position of the Trust. For this reason, reserves or balances are not retained.

Financial review

Excluding the grant received from Lewes District Council, payments in the year, £128,147, exceeded receipts by £42,423. In terms of regular items, the largest areas of spending and income were ground maintenance (£85,749) and car parking fees (£63,304) respectively.

The Receipts and Payment Account for 2016/2017 is appended. It includes notes of key variations in cost and income between years.

Declaration

The trustees declare that they have approved the Trustees' report above.

Signed on behalf of the Charity's Trustees

Signature

Full name

Date

Mountfield Pleasure Ground Trust

Receipts and Payment Account for the period 1 April 2016 to 31 March 2017

Introduction

This Receipts and Payment Account has been drawn up in accordance with guidance on the accounting and reporting framework applying to Charities in England and Wales for accounting periods ending after 31 March 2015, as set out in the Charity Commission document 'Charity Reporting and Accounting CC15c'.

There are three major influences on charity accounting and financial reporting:

- the minimum requirements for keeping accounting records applying to all charities (other than charitable companies) are set out in the Charities Act 2011
- the legal requirements for the preparation of accounts and reports, set out in Part 8 of the Charities Act 2011 and, where appropriate, the related Charities (Accounts and Reports) Regulations 2008
- Accounting and Reporting by Charities: Statements of Recommended Practice

In line with the requirements, the annual financial statement has been prepared on a 'receipts and payments' basis. Receipts and payments accounts are statements that summarise the movement of cash into and out of the charity during the financial year. In this context "cash" includes cash equivalents, for example, bank balances where cash can be readily withdrawn to pay for debts as they become due. Receipts and payments accounts do not include the value of financial transactions for which there is a contractual commitment which has not yet been fulfilled by the transfer of cash ie payments owing at the end of the year are not included within the accounts.

The accounts will be subject to external scrutiny. The independent examiner of the accounts is:

BDO LLP
55 Baker Street
London
W1U 7EU

Receipts and Payments

	Unrestricted Funds 2016/2017 £	Unrestricted Funds 2015/2016 £
Receipts		
Voluntary Sources		
Grants (note 1)	42,423	48,023
Trading Activities		
Rents	11,957	13,022
Parking Income	63,304	57,070
Pitch hire (note 2)	6,426	6,686
Insurance Recharges	4,037	3,426
Sub-total Receipts	128,147	128,227
Asset and investment sales, etc	0	0
<u>TOTAL RECEIPTS</u>	128,147	128,227
Payments		
Direct Charitable Expenditure		
Ground Maintenance (note 3)	85,749	87,042
Parking Enforcement (note 4)	13,751	10,050
Business Rates and Utilities	9,565	8,854
Other Expenditure		
Insurances	4,477	4,336
Independent Examiner's Fee (note 5)	1,000	2,000
LDC Management and Support Costs (note 6)	9,483	13,881
Other Miscellaneous Costs	2,122	2,064
Sub-total Operating costs	126,147	128,227
Capital investment in facilities	2,000	0
<u>TOTAL PAYMENTS</u>	128,147	128,227
<u>NET RECEIPTS FOR THE YEAR</u>	0	0
Cash and bank balances at 31 March 2016 (note 7)	0	0
Cash and bank balances at 31 March 2017	0	0

Notes:

- The Mountfield Pleasure Ground Trust is maintained within the accounts of Lewes District Council. The deficit on operations on the year is funded by the Council by means of a grant.
- Charges for pitch hire, etc paid by customers are received by Lewes District Council's service team.
- Lewes District Council's current contract for Ground Maintenance contract has been in place since 1 April 2015.
- Parking enforcement is carried out under the terms of an agreement between Lewes District Council and East Sussex County Council.
- Fees for the Independent Examinations of the 2015/2016 were paid in 2016/2017.
- Management and Support Costs reflect time spent by Lewes District Council operational and central support staff.
- No separate bank accounts are kept for Charity monies.
- No separate valuation has been made of the land and buildings used by the Charity (under a permanent endowment). However, as a guideline, the site of which this forms a substantial part has been valued at £884,000 including the housing units. The valuation was carried out by an independent, professionally qualified valuer in accordance with local authority asset valuation requirements, for the purpose of Lewes District Council's Balance Sheet at 31 March 2017.
- All of the receipts and payments have been classified as 'Unrestricted Funds'. These are funds that the Trustees are able to spend for any of the Charity's purposes.

Signed on behalf of the Trustees

Signature _____

Full name _____

Date _____