



Barham Park Trust Committee

14th January 2019

Report from the Operational Director, Environmental Services

Amendment to the Annual Accounts of the Barham Park Trust Committee

Wards Affected:	Sudbury
Key or Non-Key Decision:	Non-Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	Six Appendix A: Amended Annual Accounts 2017/18 (A) Appendix B: Independent Examiner's Report for 2017/18 amended accounts (B) Appendix C: Amended Annual Accounts 2016/17 (C) Appendix D: Independent Examiner's Report for 2016/17 amended accounts (D) Appendix E: Amended Annual Accounts 2015/16 (E) Appendix F: Independent Examiner's Report for 2015/16 amended accounts (F)
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Chris Whyte, Operational Director, Environmental Services Tel: 020 8397 5432; Email: chris.whyte@brent.gov.uk Errol Williamson, Senior Finance Analyst (Interim); Tel: 020 8937 1983 Email: errol.williamson@brent.gov.uk Arnold Meagher, Head of Litigation and Dispute Resolution; Tel: 020 8937 2166; Email: arnold.meagher@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report presents the amended annual accounts for the following financial years: 2015/16, 2016/17 and 2017/18 for the approval of the Trust Committee. As set out in the detail of the report, the Charity Commission has asked for the accounts to be revised so as to show that the funds for the sale of 776 and 778 Harrow Road (“776 and 778 Harrow Road”) are classed as restricted funds. The accounts for the 2017/18 financial year for 2017/18 were presented to the Trust Committee on 4 September 2018 but those accounts did not show the proceeds of sale of 776 and 778 Harrow Road as restricted funds. Amended accounts are provided for 2017/18 for the Committee’s approval, together with the Independent Examiner’s Report so that they can be sent to the Charity Commission together with a slightly amended version of the Annual Report which was previously approved by the Trust Committee at its meeting on 4 September 2018. The amended accounts are also provided for the financial years 2015/16 and 2016/17 for approval together with the respective Independent Examiner’s reports for those amended accounts.

2.0 Recommendations

- 2.1 To approve the amended accounts for the 2017/18 financial year as set out in Appendix A and make necessary minor consequential amendments to the Annual Report for the 2017/18 financial year for submission to the Charity Commission before 31 January 2019.
- 2.2 To approve the amended accounts for the financial years 2015/16 and 2016/17 as set out in Appendices C and E for submission to the Charity Commission.
- 2.3 To note the Independent Reviews of the Accounts by the Independent Examiner for the financial years 2015/16, 2016/17 and 2017/18 as set out in Appendices B, D and F.
- 2.4 To authorise officers to update the Charity Commission with the above-mentioned amended and updated accounts for the aforementioned financial years and the Annual Report and delegate authority to the Operational Director for Environmental Services to deal with any issues arising regarding Barham Park Trust’s accounts with the Charity Commission.

3.0 Detail

Annual Report for 2017/18

- 3.1 Details of the Annual Report for 2017/18 are set out in the report that was presented to the Trust Committee at its previous meeting on 4 September 2018 and the Trust Committee approved the content of the Annual Report for 2017/18 at the previous Committee meeting. As set out below, the accounts for 2017/18 have been amended and this will require minor changes regarding financial information to the Annual Report that will be submitted to the Charity Commission for the 2017/18 financial year.

Accounts

- 3.2 Officers were in recent correspondence with the Charity Commission regarding seeking the permission and approval to use funds from the Barham Park Trust to pay for the cost of the Project Officer whose responsibility is to deal solely with Barham Park matters. Over a period of time, it has since been decided that the cost of this Project Officer will now be met by the Council rather than the Trust as the said officer will be responsible for dealing with other parks in the borough. In the course of the recent communication with the Charity Commission, they highlighted that the accounts of the Trust in recent years should have stated that the proceeds of sale (excluding interest arising therefrom) of 776 and 778 Harrow Road were restricted funds and should have been classified as such in the accounts and that the previous accounts for 2015/16 and 2016/17 should be amended accordingly. Such guidance has not previously been provided to officers by the Charity Commission. Officers proposed to the Charity Commission that amended accounts, showing the proceeds of sale of 776 and 778 Harrow Road to be classed as restricted funds, would be provided for the financial years 2015/16 and 2016/17 for the 2017/18 financial year. The Charity Commission has accepted this approach. The only change to the accounts for 2015/16, 2016/17 and 2017/18 which were previously approved by the Trust Committee is that the sale proceeds of the properties set out above, excluding interest arising therefrom, are now classed as restricted funds in the amended accounts.
- 3.3 As the Trust Committee has previously approved the accounts for the financial years of 2015/16, 2016/17 and 2017/18, officers seek the Trust Committee's approval in respect of the amended accounts for those financial years.
- 3.4 There is a further amendment to the accounts for the 2017/18 to the version that was presented to the Trust Committee on 4 September 2018. As at 31 March 2018, the total Trust balance amounts £463,808 (£47,444 Unrestricted Funds plus £416,364 Restricted Funds) which is £1,349 less than the figure reported to the Trust Committee on 4 September 2018. This change is due to a correction of the brought forward figure from 2016/17 which officers have identified as a result of revising the accounts for 2017/18. The annual report for 2017/18 will be amended to reflect these amended figures.
- 3.5 In respect of the restricted funds, permission of the Charity Commission will be required to spend those funds if the Trust Committee decides it is necessary to do so. This can be done in two ways. One method is for the Trust Committee to make a resolution under section 282 of the Charities Act 2011 to authorise the expenditure of specified items from the restricted funds which is then submitted to the Charity Commission for approval. Another method is by making an application to the Charity Commission under section 105 of the Charities Act 2011 to make a direction to the Trust Committee to pay for items of expenditure from the Trust's restricted funds.
- 3.6 The Charity Commission has set a threshold below which independent audit of financial statements is not required. For England and Wales this was set as

either gross income exceeding £1,000,000 or gross income exceeding £250,000 and gross assets exceeding £3,260,000. Therefore, an Independent Examiner's Report is an accepted way for smaller charities to present their accounts as allowed for by the Charities Act 2011.

3.7 The amended accounts have also been subject to an independent examination by the Head of Audit & Investigations. The independent examiner's reports are attached to this report and set out in Appendices B, D and F and confirm that there are no issues regarding the amended accounts to be brought to the Committee's attention.

3.8 Following approval by the Trust Committee the amended accounts will be submitted to the Charity Commission as well as the revised annual report for 2017/18 – the deadline for submission for the annual report and accounts for 2017/18 financial year is 31 January 2019.

4.0 Financial Implications

4.1 As at 31 March 2018 the cash position of the Trust amounted to £463,808 (£47,444 Unrestricted Funds plus £416,364 Restricted Funds).

5.0 Legal Implications

5.1 The submission of an annual report and annual accounts is required under the Charities Act 2011. The remaining legal implications are set out in the body of the report.

6.0 Equality Implications

6.1 None.

7.0 Consultation with Ward Members and Stakeholders

7.1 None.

8.0 Human Resource/Property Implications

8.1 None

Related Background Items

Report to Barham Park Trust Committee on 4th September 2018 entitled Annual Report 2017-2018

Report Sign Off

AMAR DAVE

Strategic Director of Regeneration
and Environment