

Wormwood Scrubs Charitable Trust**Statement of Financial Activities for Year ended 31 March 2011**

Income and Expenditure		2010/11	2009/10
		£	£
Notes			
2	Incoming Resources		
	Pay and Display Parking Meters	379,345	400,153
	Hammersmith Hospital Car Park Licence	226,000	221,451
3	Other Income	45,889	109,528
4	Interest Receivable	2,974	4,126
	Total Incoming Resources	654,208	735,258
	Resources Expended		
	Costs of generating Parking Income	3,979	20,381
5	Contribution to Linford Christie Stadium	0	110,000
6	Non Routine Maintenance of Wormwood Scrubs	0	167
6	Routine Grounds Maintenance of Wormwood Scrubs	642,700	630,820
7	Charitable activities	0	0
8	Governance costs	21,737	21,593
	Other resources expended	4,588	2,485
	Total Resources Expended	673,004	785,445
	Net Incoming Resources	(18,796)	(50,186)
	Reconciliation of Funds		
	Total funds brought forward	5,698,247	5,748,433
	Total funds carried forward	5,679,451	5,698,247

Wormwood Scrubs Charitable Trust**Balance Sheet at 31 March 2010**

	2010/11	2009/10
	£	£
9 Tangible Fixed Assets		
Land and Buildings	1	1
Car Park	5,000,000	5,000,000
Total Fixed Assets	5,000,001	5,000,001
Add: Current Assets		
Cash in Bank	690,950	708,111
Debtors	0	0
Total Current Assets	690,950	708,111
Less: Liabilities		
10 Creditors: Amounts falling due within one year	(11,500)	(9,865)
Total Liabilities	(11,500)	(9,865)
Total Net Assets and Liabilities	5,679,451	5,698,247
	£	£
The funds of the charity:		
11 Unrestricted income funds	679,450	698,246
Revaluation reserve	5,000,001	5,000,001
Balance of the Charitable Trust held by the London Borough of Hammersmith and Fulham	5,679,451	5,698,247

Notes to the Accounts

(1) Statement of Accounting Policies

The Financial Statements have been prepared on a historic cost basis and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) and the Companies Act 1985.

(i) Accounting Concept

The accounts have been prepared on an accruals basis. That is, on the basis of income being due and expenditure being payable in the related financial year.

(ii) Depreciation

Depreciation has not been charged to the land or the car park. Any changes in value will be reported as gains or losses on revaluations. The trustees are not aware of any indication that an impairment has occurred.

(iii) Fixed Assets

The Trust has ownership of land, passed under the Wormwood Scrubs Act 1879 for the perpetual use of the inhabitants of London for exercise and recreation. Due to the restrictions on the use of the land and its disposal, it is included in the balance sheet at a fair value at the point of donation, as there are no records of this value a nominal value of £1 is used. This is in line with the Charities SORP. The car park is held at historic value. This was initially established by a valuation in 2004, though the trust does not operate a policy of revaluation.

(2) Incoming Resources

The Trust has a licensing agreement with Hammersmith Hospital NHS Trust (HHT), for the use of a limited number of parking spaces within the car park, making use of surplus capacity. The Trustees consider that the arrangement is consistent with the Trust's objectives, as the arrangement can be terminated at any time.

(3) Other Income

	2010/11	2009/10
	£	£
LBHF Contribution to the Trust	0	(95,000)
Filming income	(808)	
Exchange of land - Crossrail	(40,001)	
Other rental income	(5,080)	(14,528)
	<u>(45,889)</u>	<u>(109,528)</u>

(4) Interest Received

Interest is calculated on an average cash position for the year and is included in the accounts at year end. The interest rate used is the 7 day LIBOR rate, which reduced from 0.55% in 2009/10 to 0.42% in 2010/11.

(5) Contribution to Linford Christie Stadium

The Charity contributes to the up-keep of an athletic stadium located on the Trust grounds, not as a cost apportionment exercise but in furtherance of the objectives of the Trust to support recreation. Linford Christie Stadium is managed by the Resident Services Department.

On 27 November 2006 a yearly contribution of £110,000 to the running costs of the stadium was approved by Cabinet as an ongoing commitment. In 2010/11 Linford Christie Stadium made a surplus of 17,408. No contribution was required from the Charity.

(6) Grounds Maintenance

The grounds maintenance work undertaken at Wormwood Scrubs is undertaken by the Council's external contractor under a Grounds Maintenance contract that was tendered in 2008 for a period of 7 years. The award of this contract was considered in the best interest of both the Council and the Trust. Until 2001-02 the Trust was not in a position to fund the entire cost of the works and until this point, the Council only received a contribution. Since this time, the Trust has funded the full cost of grounds maintenance costs at Wormwood Scrubs. Grounds Maintenance services are currently provided by the Residents Services Department of the Council. The continuation of these services are periodically approved by Cabinet Members.

Routine Grounds Maintenance is undertaken in accordance with a series of schedules that form part of the new contract. The fixed element of the contract has increased from £630,820 in 2009/10 to £642,700 in 2010/11 due to a 2.1% inflationary uplift in line with the terms of the contract. The specification included in the new Grounds Maintenance contract represents a significant enhancement to the level of grounds maintenance that currently takes place at Wormwood Scrubs, which is reflected in the increased costs.

Non-routine Grounds Maintenance is identified and commissioned on behalf of the trust by the contractor. Due to the comprehensive specification of works outlined in the new grounds maintenance contract there was no non-routine ground maintenance work.

The Council's Audit Committee formally approved the continuation of the service provided by the Residents Services Department in June 2009.

(7) Charitable activities

These costs represent the activities undertaken and advice provided by project and policy officers in enabling the trustees to make informed decisions impacting on the trust and the Council and so delivering the charity's objectives. There were no charges for charitable activities in 2010/11.

(8) Governance costs

The resources expended that relate to the governance of the charity consist of the following:	2010/11	2009/10
	£	£
Financial Administration and Support fees - these costs result from the statutory requirement to prepare accounts. Also included are the costs of the time spent liaising and meeting with auditors, and attending closing of account meetings.	7,334	6,295
Legal Fees - In the management of the trust during the year legal advice was required. This was provided by Legal Services of LBHF and the charges were based on a staff time basis.	4,683	3,901
Audit Fees - It is a statutory requirement that the accounts of the trust should be audited. The service is provided by the Audit Commission.	9,720	11,397
	21,737	21,593

(9) Tangible Assets

The Trust's Land and Buildings includes an Athletics Stadium, Pony Centre, three bedroom cottage and single storey parks depot, all of which are valued as a nominal £1 due to the restrictions placed on the use of the land and its disposal.

The Athletics Stadium was built in 1961 under the Greater London Council (GLC) and prior to the creation of the London Borough of Hammersmith and Fulham, who are now responsible for administering the Trust. There is no available documentation to demonstrate that approval has been gained by the Secretary of State for Defence.

The Pony Centre was given approval to be built by the Secretary of State for Defence.

The car park is included in the accounts at historic cost in line with the charity SORP. To establish a proxy for historic cost the asset was valued on the 31st March 2004. The Trust does not operate a policy of revaluation.

(10) External Creditors

The creditor liability relates to audit services by the Audit Commission not invoiced to date.

	2010/11	2009/10
	£	£
External creditors at the start of the year	(9,865)	(3,500)
New creditors recognised in year	(11,500)	(9,865)
Adjustment to creditor liability during the year	0	(1,532)
Creditors paid during the year	8,085	5,032
Over accrual 2009/10	1,780	
Amount of creditor liabilities as at 31 March	(11,500)	(9,865)

(11) Fund Structure:

All Income and Expenditure are Unrestricted funds solely used for the specific purpose of the Trust. Expenditure which meets this criteria is charged to the fund, together with a fair allocation of management and support costs.

(12) Related Party Transactions:

The Council of London Borough of Hammersmith and Fulham (LBHF) is the trustee of the charity. Most expenditure transactions of the Trust are with LBHF and therefore fall under the definition of related party transactions. However, as stated this does not conflict with the charity's ability to meet its objectives.

	2010/11 £	2009/10 £
<u>a) London Borough of Hammersmith and Fulham as transacting party</u>		
- LBHF as contractor to the Trust		
Residents Services Department for the provision of Routine Grounds Maintenance of Wormwood Scrubs (Ref Note 4)	642,700	630,820
LBHF - Parking Control for the collection of Parking income	3,979	20,381
- LBHF as recipient of contribution		
Contribution to Linford Christie Stadium (Ref Note 4)	0	110,000
- LBHF as provider of administrative and management support to the Trust		
Residents Services Department for management of Charitable Activities	0	0
Residents Services Department for financial administration services of Wormwood Scrubs	7,334	6,295
Legal Services for the provision of legal advice required in the management of Wormwood Scrubs	4,683	3,901
	<u>658,696</u>	<u>771,396</u>
<i>Amounts due to or from related parties:</i>	0.00	0.00

(13) Trustee Remuneration, Benefits and Expenses

The Charities SORP (2005) requires all trustee (or people connected with the charity) remuneration, benefits and expenses to be disclosed, regardless of size. There has been no remuneration, other benefit or expense payments to trustees, or people connected with the charity.

Approval by the Board

These financial statements were authorised for issue on 8th December 2011 by the London Borough of Hammersmith & Fulham's Audit Committee. The financial statements do not reflect events after this date.

For and on Behalf of
The Mayor and Burgesses of the London Borough of Hammersmith and Fulham

Mark Jones
Assistant Director of Finance & Resources - Residents Services

Date:
08.12.11