

Wormwood Scrubs Charitable Trust Trustees Report 2013/14



Overview of the Year

The Wormwood Scrubs Charitable Trust (The Trust) exists to ensure that this much valued area of open space in West London is used for the exercise and recreation of Londoners. In the last year we have:

- Engaged with Transport for London and the High Speed 2 project to protect the Scrubs from unwanted adverse impacts from the proposals to create a railway interchange and station at Old Oak Common.
- Worked more closely with the Friends of Wormwood Scrubs in 2013/14 on HS2 issues and to jointly improve the environment of the scrubs.
- Made significant improvements to the Linford Christie Stadium and the car park.
- Taken some important steps to improve the financial performance of the Trust but we recognise that we need to do more to improve financial performance to put our activities onto a more secure footing.

An Oasis of Green Space in West London

Wormwood Scrubs is an open space located in the north-eastern corner of the London Borough of Hammersmith and Fulham in west London. It is the largest open space in the Borough, at 80 ha (200 acres), and one of the largest areas of common land in London.

The eastern part, known as Little Wormwood Scrubs, is cut off by Scrubs Lane and the West London Line railway. It has been a public open space since the Wormwood Scrubs Act of 1879.

Wormwood Scrubs includes a Local Nature Reserve and there are also areas designated as Sites of Importance for Nature Conservation. These areas include Braybrook Woods, Martin Bell's Wood and the Central Woodland Copse.

Habitats include woodland (plantation), scrub and grassland. Animals include common lizards, approximately 100 species of bird and 20 species of butterfly. There are also approximately 250 native plant species which make up one sixth of UK native flora.

Structure, Governance and Management

Responsibility for the management of the Trust rests with the Wormwood Scrubs Charitable Trust Committee of The London Borough of Hammersmith and Fulham. The Committee was created in 2013. This consists of three Councillors advised by senior Council Officers. The Committee is charged with managing all the affairs of the Trust, improving the focus and performance of the Trust and ensuring it achieves its charitable objectives. The Committee members for 2013/14 were Councillors Joe Carlebach, Andrew Brown and Elaine Chumnerly.

The London Borough of Hammersmith and Fulham (LBHF or 'The Council') is the sole corporate trustee for the Trust.

Day to day running of the Trust is undertaken by officers in line with the Committee's scheme of delegation. The de facto chief executive of the Trust, is the Council's Chief

Executive, Mr Nicholas Holgate. Ms Lyn Carpenter (Executive Director of Environment, Leisure & Residents' Services) and Mr David Page (Director, Safer Neighbourhoods) are the main officers responsible for the day to day running of the Trust.

Mrs Jane West, the Council's Executive Director of Finance and Corporate Governance is the Trust's Chief Finance Officer but day to day financial management of the Trust is undertaken by Mr Mark Jones (Director for Finance and Resources, Environment, Leisure & Residents Services).

Objectives

Wormwood Scrubs is the subject of a charitable trust created by the Wormwood Scrubs Act 1879. The Council of the London Borough of Hammersmith & Fulham is the sole corporate trustee and holds the land in trust for the "use by the inhabitants of the metropolis for exercise and recreation". This is the Trust's sole objective.

The Trust therefore seeks to encourage sporting and recreational use of Wormwood Scrubs through the provision and maintenance of an environment that is conducive to its objective. The Trust is not linked with the prison located nearby.

The Linford Christie stadium is sited on Wormwood Scrubs and was built by the Greater London Council when that body was responsible for the Scrubs. The stadium is operated by the Council and the Trust makes an annual contribution to its running costs.

In addition to supporting the recreational activities provided by the Council through the Linford Christie stadium, the Trust's main activity relates to the maintenance of the scrubs itself. Since 6th May 2008 Quadron Services Ltd has provided a grounds maintenance service at Wormwood Scrubs following a procurement exercise run by the Council.

The Trustee has had due regard to the Charity Commission's public benefit guidance in preparing its annual report. The Trust delivers public benefit in meeting its charitable objective of holding the land in trust in accordance with the 1879 Act.

Working with the Friends of Wormwood Scrubs

During 2013/14 the Council has sought to continue liaising with the Friends of Wormwood Scrubs. There are plans to maintain and improve this relationship and officers propose a bi-yearly walkabout with the friends.

The majority of works highlighted by the friends at the meeting in November 2012 were delivered during the last financial year.

One of the Friends said "I can't tell you what a great deal of difference it makes to be able to see through into the copses and, most important, to have evidence of some sort of proper sustainable maintenance activity taking place on the Scrubs."

High Speed 2

In November 2013, the Department for Transport submitted to the House of Commons the High Speed 2 (HS2) Hybrid Bill. The Bill includes a station to the north of Wormwood

Scrubs common at Old Oak Common, connecting the HS2 line to London Crossrail and the Great Western Main Line.

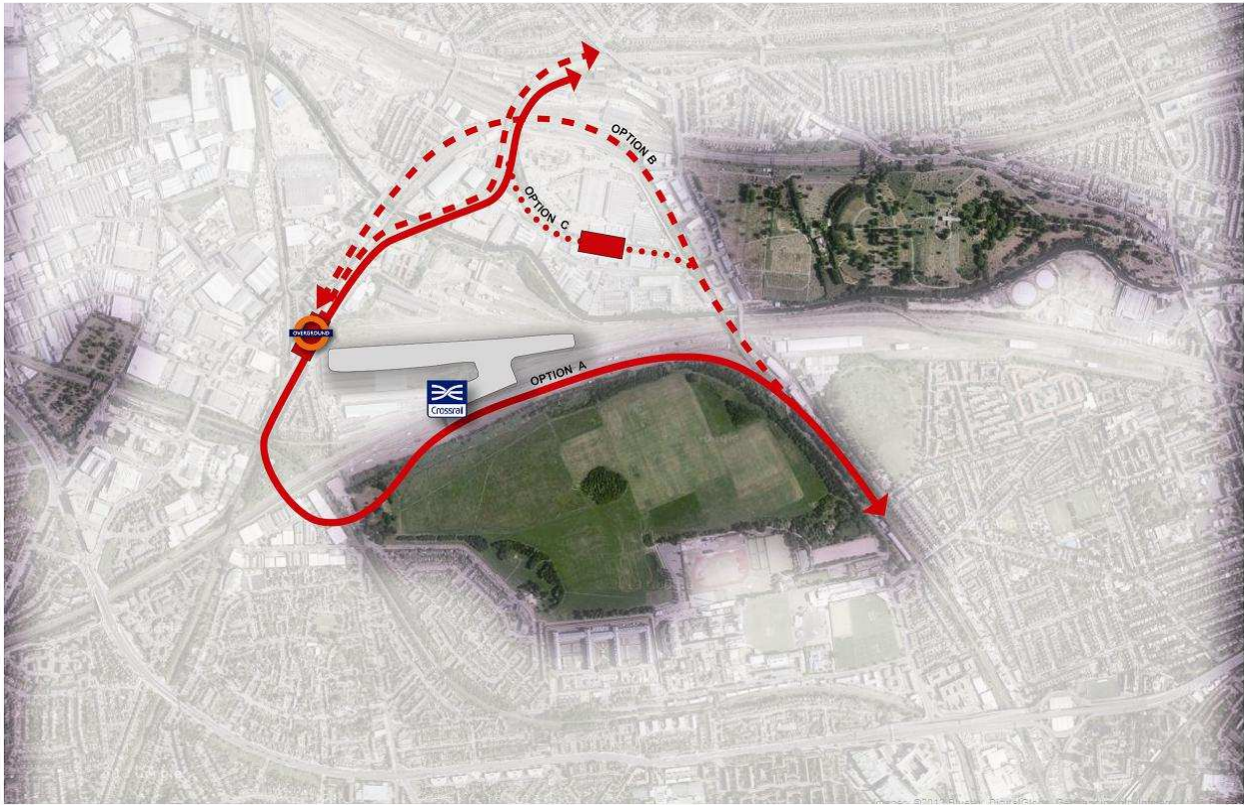
As part of the Bill, HS2 Ltd are proposing to use a significant area of land in the south of Wormwood Scrubs Common as a "compensatory area of new wetland planting". The proposal appears to be included in order to provide mitigation for significant ecological effects from elsewhere along the HS2 construction corridor.

The creation of a wetland habitat would result in loss of valuable recreational space at one of the most well used sections of Wormwood Scrubs adjacent to its two largest car parks. It would act as a barrier to users who access the Scrubs from Hammersmith Hospital and the south and would make it more difficult to access the numerous recreational activities that operate in this area of the Scrubs, including baseball, football, weekend park runs and cross country running and would cut them off from the facilities in the Linford Christie Stadium.

Furthermore, the area that is intended to be replaced already contains important species and habitat which would be lost if replaced with the proposed compensatory wetland area. The mitigation measures proposed are inadequate, because they would not provide a new area of habitat at all but instead impose a new wetland area on Scrubs land that is already ecologically rich and well used for recreation.

The Trust has been in dialogue with HS2 Ltd and the Department for Transport to investigate the potential for an alternative arrangement to be agreed that would not remove a substantial proportion of Wormwood Scrubs common from recreational use.

Separately, Transport for London (TfL) are developing options for how the London Overground network could be connected to the HS2 station at Old Oak Common. This is not currently proposed as part of the HS2 scheme, but it is likely that TfL and the Greater London Authority will petition for the inclusion of the connection.



The Trust's position is that it will support no connection option that would adversely impact on the Scrubs. TfL are examining 3 ways in which this connection could be achieved. Options B and C involve using existing rail lines to the north of the Scrubs, whilst Option A involves constructing a new railway viaduct along the northern boundary of Wormwood Scrubs. The viaduct would be raised, causing visual intrusion onto the Scrubs, and to the west, it would loop onto the Scrubs itself, causing physical intrusion as well as potential impact on wildlife and recreation.

The Trust has been engaging with TfL and with the Council to understand the implications of this option and to encourage TfL to adequately consider and assess options B and C, which do not intrude into Wormwood Scrubs Common.

Achievements and Performance

Sport

The site currently boasts nine full size football pitches, three Junior pitches and two 7-side pitches. In addition to this are two Gaelic Football pitches, seasonal baseball pitches and the central area at Linford Christie stadium. The Stadium also offers a fully certified Athletics track and five all weather pitches. There is a weekly park run on the Scrubs averaging 90+ runners at each.

Total usage for the 2013/14 financial year at Scrubs is as follows:

Lacrosse - 16 Bookings
Gaelic - 92 Bookings
Full Size Football - 855 Bookings
9A Football - 105 Bookings

7A Football - 55 Bookings
5A Football - 5 Bookings
Flag Football - 60 Bookings
Baseball - 264 Bookings

Linford Christie held the following:

All Weather Pitch – 3307 Bookings
Hockey – 149 Bookings
Football – 120 Bookings
Rugby – 65 Bookings
Athletics – 138 Bookings

A number of other sports activities take place on the Scrubs:

- Tackle Africa Football Tournament
- London Baseball event
- 5K your way run
- Race for life event.
- Old Oak Community Day
- British Athletic League Meetings
- Parkrun
- Extensive school usage including district sports day

Birdwatchers

The bird watchers using the site are represented by David Lindo, “the Urban Birder” who has international acclaim as does the site for the diversity of its bird population. The careful management of the site in line with this bird population is thus critical.

In close consultation with the bird watchers, advisory signage regarding the Meadow Pipit and other important birds to the site were erected.

The Model Aircraft Club

This club has a substantial membership. At the initial meeting the club chairman suggested that a clearly defined take off and landing area needed to be both created and maintained.

An agreed protocol is now in place for an approved footprint to be regularly cut and marked out. A close liaison continues between the club and the Quadron static team.

Ground Maintenance and Site Management

This is a highly popular site attracting a diverse range of users – the appearance and cleansing of both the grounds on the main site and in the stadium is critical. Numerous tasks are thus undertaken on a routine basis to ensure the ground maintenance of the site is kept at a high standard.

In the past twelve months the following tasks have been carried out:

Activity
Inspecting daily three on site play areas
Maintaining three on site play areas
Strimming across the site and Linford Christie Stadium
Grass cutting all non pitch areas across the site
Grass cutting areas of Linford Christie Stadium
Maintaining all wildlife and copse perimeters
Maintaining and pruning of all shrub bed areas
Pruning and maintenance of all hedges
Low level tree works
Spraying of hard surface areas
Maintaining dog areas
Litter picking across the site
Litter picking within the Linford Christie Stadium
Emptying of litter bins
Emptying of dog bins
Cleansing hard surfaces across the site
Cleansing hard surfaces within the Linford Christie Stadium
Cleansing and sweeping synthetic pitch areas within Linford Christie Stadium
Maintenance of Redgra area
Leaf clearance across the site
Attending to fly tips
Attending to vandalised or damaged equipment, facilities or surfaces
Liaising with site and facility users
Liaising with Parks Constabulary
Assisting in the preparation for large events
Assisting with Groundwork/Volunteer initiatives

Additionally the majority of works identified with the Friends of Wormwood Scrubs in November 2012 have been delivered, these have included:

- On-going replacement and re-siting of bins and benches
- On-going tree management – including maintenance of existing stock and planting of new trees, the latter with volunteers
- Tree planting of native species
- Habitat creation – logs from tree management works being used to create wildlife havens
- Review of grass cutting schedule to create more meadow areas
- Planting of shrubs and perennials with volunteers
- New interpretation boards for the meadow areas

Schools have also been using the site to self-deliver the Forest Schools education programme (www.forestschoollassociation.org).

Community Safety

The new Bi-Borough Parks Police Team has now been operating for just over twelve months. A team of thirty staff are responsible for patrolling almost ninety parks and open

spaces across Hammersmith and Fulham and Kensington and Chelsea, including the Scrubs. The Team provide cover from 7am until 11pm, 365 days a year.

The Team's activities are recorded on a database and officers are also tracked using GPS technology fitted to their UHF radios. During the year the Team dealt with 105 Incidents and carried out 817 patrols of Wormwood Scrubs. The incidents encountered obviously reflect the pattern of use and a large number involve dogs and their owners or walkers; persons under the influence of alcohol (and other substances); anti-social behaviour and illegal vehicle use.

The new vehicle fleet comprises of four 4X4 vehicles and an electric van which have enhanced the ability to reach all areas of the Scrubs, as well as improving carbon reduction targets. The team also utilise ten pedal cycles which allow for greater interaction with the public as well as conserving fuel.

In December 2013 a traveller incursion onto the Redgra area resulted in a very challenging time when officers came under sustained abuse as well as a hail of stones and debris from the more juvenile element of the visitors. Having gained control of the Woodmans Mews barrier council officers were able to severely restrict the traveller's vehicle movements and after a forty-eight hour occupation, legal notices were served and they were eventually convinced of the merits of moving to another location. Whilst a large amount of rubbish was left behind, the swift resolution of the issue saved the Trust from the considerable expense of a long-term occupation.

Defibrillators are carried on all Parks Police vehicles and staff have trained over 170 park users in basic CPR technique. If any Scrubs users would like to learn how to save a life you are welcome to give us a call and we will let you know the date of our next 'pop up' CPR session.

The Team can be contacted during their operating hours on 0300 3655 101 and we encourage park users and residents to use the same number contact us, at any time, if an incident is occurring. Of course in case of emergency dial 999 as usual.

Financial Review

Financial performance in 2013/14 was better than budgeted and was an improvement over the previous year. The Trust reported a loss of £79,051 which was less than anticipated, and which was better than the £171,652 loss seen in 2012/13. However the Trust still has some way to go to reach a breakeven point in its finances.

Losses reduce the Trust's cash reserves which therefore stood at £333,051 at 31st March 2014.

Summary of Financial Position	2013/14	2012/13	2011/12	2010/11	2009/10
	£	£	£	£	£
Total Incoming Resources	638,525	546,201	579,106	654,208	735,258
Total Resources Expended	(717,576)	(717,853)	(687,501)	(673,004)	(785,444)
Net Outgoing Resources	(79,051)	(171,652)	(108,395)	(18,796)	(50,186)
Total funds brought forward	5,399,404	5,571,056	5,679,451	5,698,247	5,748,433
Total funds carried forward	5,320,353	5,399,404	5,571,056	5,679,451	5,698,247
Cash Balance	333,051	411,403	584,504	690,950	708,111

The main income sources are pay and display income from the 4 machines in Wormwood Scrubs Car Park and licence income for the use of the car park. Expenditure incurred by the Trust is deemed to be in line with the objectives of the Trust.

For 13/14, total incoming resources include a one off grant of £99,500 made by the Council to the Trust. The purpose of this was to extend the period of time that the cash reserves would last, allowing more time for the Trust to achieve a breakeven or better position in its accounts.

There has been a general reduction in parking activity in the borough in 2013/14 and that has affected parking revenues for the Trust too. Parking income has a certain volatility due to the multiple factors which affect the demand for parking spaces.

The Trust contributes to the Linford Christie athletic stadium and other sports facilities located on the Trust grounds, in furtherance of the objectives of the Trust to support exercise and recreation. Whilst the Charity contributes to the running costs of the stadium and other facilities, the Council does not seek to generate a profit from this arrangement and only draws down from the Trust any year end budget variance on the Linford Christie and other facilities account. For 2013/14 a commitment was made to the committee that everything would be done to limit the contribution, and that was achieved with a contribution of £31,500.

In total funds brought forward, the Trust has designated funds of £5,000,001 relating to the valuation of the car park and tangible fixed assets in their existing use. The remaining, cash backed, unrestricted income funds (£320,352 at 31 March 2014, see the Statement of Accounts note 11) are 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.

In 2013/14 the Council made some significant investments in the assets on the Scrubs:

- £528,000 was spent to improve the very poor standard of the indoor facilities at the Linford Christie Stadium, including a new roof, and improved kitchen, changing rooms, electricity and water systems.

- £123,000 was spent on feasibility studies and repairs to various fencing and boundary walls.

These amounts are not recognised as donations in the Trust's financial statements as they are deemed within the scope of the Council's responsibilities and activities.

Plans for future periods

The Committee is determined to bring the financial performance of the Trust to breakeven or better, but expects this to take more than a year to achieve.

In approving the budget for 2014/15 the Committee expects a loss of £124k in 2014/15. This is less than the underlying loss seen in 2013/14 if the one-off grant from the Council of £99,500 is excluded from the 2013/14 performance. This improvement is anticipated to come from income from events (although these are not all yet certain), and from income from the use of the vehicle parking area of the Scrubs. The Trust plans to sustain and develop income sources like these every year.

It is assumed that pay and display parking receipts will stay at the same levels as in 2013/14 and that grounds maintenance costs will go up marginally for inflation.

To create a secure financial position in the longer term the Trust is working on optimising the use of its assets (principally the car park and accommodation), and getting the best possible benefits from the development of High Speed 2.

Reserves and Treasury Management Policy

The Trust's reserves policy is to consider the level of its balances annually, taking into account;

- Whether the Trust has approved a balanced budget
- The robustness of the assumptions and calculations that have underpinned the budget strategy
- The frequency and effectiveness of in year budget monitoring
- The effectiveness of Risk Management
- The affordability of its commitments in respect of grounds maintenance and support of the Linford Christie Stadium
- The review of, and the opinion on, the Trust's financial statements by the External Auditor
- The condition of the Trust's assets
- The affordability considerations of prudential borrowing

Currently, the Fund's undesignated funds of £320,352 are in the region of 50% of the turnover of the Trust, which is considered prudent given the factors identified above. The Trust recognises that balancing its income and expenditure has become more challenging for the Trust in the last few years. The Committee established by the Council to run the Trust has a key role in improving financial performance.

Determining an adequate level of balance requires professional judgement in the context of assessing performance against the key criteria listed above. Consequently, it is considered inappropriate to stipulate either a minimum or a maximum level of balances held. It is

considered more important that the key criteria are reviewed annually at the time of preparing the annual Revenue Budget and reviewing the previous year's performance.

The cash balance (£333,051) has reduced in recent years mainly due to reductions in pay and display parking income, increased grounds maintenance costs due to annual contract inflation and a contributions to the running costs for Linford Christie Stadium. The Trust continues to closely monitor and scrutinise its income and expenditure. Council officers are focussing on reducing the net cost of the Trust in the short, medium and long term. Increased income is being targeted through a review of the existing car park lease with the hospital as well as plans to optimise use of the scrubland. Expenditure is restricted to a few significant budget lines.

The Trust's cash balances are managed by the Council. The Council's Treasury Management Strategy Report governing the investment policy adopted, was adopted by the Council in February 2014. The Committee report can be found on the Council's website at the following location:

[http://lbh-vmw-p-mgov1:9070/Published/C00000114/M00002480/AI00020642/\\$063TreasuryManagementStrategy.docA.ps.pdf](http://lbh-vmw-p-mgov1:9070/Published/C00000114/M00002480/AI00020642/$063TreasuryManagementStrategy.docA.ps.pdf)

Risk Management

The Trustee has a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- Establishment of plans to mitigate those risks identified;
- Implementation of steps designed to minimise any potential impact on the charity should those risks materialise.

The work has identified only a few risks and the situation is being monitored. A key element in the management of risk is managing income and expenditure and setting a reserves policy with regular review by the Committee. The full schedule of risks can be found later in this report.

Detailed Financial Information, Administrative Details, and Risk Management



Image by Sloetry

Statement of Trustee's Responsibilities in respect of the Trustee's Annual Report and the financial statements

Under charity law, the Trustee is responsible for preparing the Trustee's Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed [and rules], subject to any material departures disclosed and explained in the financial statements;]
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustee is required to act in accordance with the trust deed (and the rules) of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Information To Auditors

The Trustee who held office at the date of approval of this Trustee's Report confirms that, so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and the Trustee has taken all steps that ought to have been taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditors

The Trustee appointed KPMG LLP during the year to undertake the audit of accounts in this year and in the following year. The Independent auditor's report to the Trustee of Wormwood Scrubs Charitable Trust follows on page 14.

For and on Behalf of Wormwood Scrubs Charitable Trust

Signed

Name

Date

Independent auditor's report to the Trustee of Wormwood Scrubs Charitable Trust

KPMG LLP

15 Canada Square,
London
E14 5GL
United Kingdom

Independent auditor's report to the Trustees of Wormwood Scrubs Charitable Trust

We have audited the financial statements of Wormwood Scrubs Charitable Trust for the year ended 31st March 2014. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12 the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2014 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

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 Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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.

Andrew Sayers

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square,

London E14 5GL

Date: September 2014

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

WORMWOOD SCRUBS CHARITABLE TRUST

STATEMENT OF ACCOUNTS 2013/14

Wormwood Scrubs Charitable Trust**Statement of Financial Activities for Year ended 31 March 2014**

		2013/14	2012/13
		£	£
Income and Expenditure			
Note			
	Incoming Resources		
2	Incoming Resources from Charitable Activities:		
	Pay and Display Parking Meters	309,218	313,378
	Hammersmith Hospital Car Park Licence	226,000	226,000
	Incoming Resources from Generated Funds:		
3	Voluntary Income - Grant Contribution from LBHF	99,500	0
4	Income from Activities for Generating Funds	2,491	4,703
5	Interest Receivable	1,316	2,120
	Total Incoming Resources	638,525	546,201
Resources Expended			
	Charitable activities:		
	Costs of generating Parking Income	400	0
6	Contribution to Linford Christie Stadium	31,500	31,812
	Non Routine Maintenance of Wormwood Scrubs	0	900
7	Routine Grounds Maintenance of Wormwood Scrubs	667,743	667,200
8	Governance costs	17,933	17,941
	Other resources expended	0	0
	Total Resources Expended	717,576	717,853
	Net Outgoing Resources	(79,051)	(171,652)
Reconciliation of Funds			
	Total funds brought forward	5,399,404	5,571,056
	Total funds carried forward	5,320,353	5,399,404

All income was unrestricted.

Wormwood Scrubs Charitable Trust**Balance Sheet at 31 March 2014**

	2013/14	2012/13
	£	£
Fixed Assets		
9 Tangible Assets	5,000,001	5,000,001
Total Fixed Assets	5,000,001	5,000,001
Add: Current Assets		
Cash in Bank	333,051	411,403
Total Current Assets	333,051	411,403
Less: Liabilities		
10 Creditors: Amounts falling due within one year	(12,699)	(12,000)
Total Liabilities	(12,699)	(12,000)
Total Net Assets and Liabilities	5,320,353	5,399,404
	£	£
11 The funds of the charity:		
Unrestricted income funds	320,352	399,403
Revaluation reserve	5,000,001	5,000,001
Total Charity Funds	5,320,353	5,399,404

Approval by the Board

For and on Behalf of

**The Mayor and Burgesses of the London Borough of
Hammersmith and Fulham**

A handwritten signature in blue ink, appearing to read 'M.A. Jones', is written over a faint rectangular stamp.

Mark Jones

Director, Finance and Resources TTS and ELRS

(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)

(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.

The Trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to accept the going concern basis of accounting in preparing the financial statements.

(ii) Depreciation

Depreciation has not been charged to tangible fixed assets (the land or the car park). Any changes in value will be reported as gains or losses on revaluations. The Trustee is 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 Trustee's consider that the arrangement is consistent with the Trust's objectives, as the arrangement can be terminated at any time.

(3) Grant contribution from LBHF

The Council made a one off grant to the Trust of £99,500. The purpose of this is to extend the period of time that the cash reserves would last, until at least partway through 2016/17. The Trust will seek further ways of improving its position with the intention of maintaining positive cash balance until the benefits of HS2 and Old Oak development start to become apparent.

(4) Income from Activities for Generating Funds

	2013/14	2012/13
	£	£
Filming income	(1,850)	(2,535)
Other rental income	(641)	(2,168)
	(2,491)	(4,703)

(5) 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 decreased from 0.42% in 2012/13 to 0.35% in 2013/14.

(6) 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 Environment Leisure and Resident Services Department.

On 27 November 2006 a yearly contribution of up to £110,000 to the running costs of the stadium was approved by Cabinet as an ongoing commitment. In 2013/14 a contribution of £31,500 (£31,812 in 2012/13) was made to the Linford Christie Stadium.

(7) 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 Environment Leisure and Resident 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 £667,200 in 2012/13 to £667,743 in 2013/14 due to a 0.08% 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.

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

Charitable activities

Resources expended on charitable activities comprise all the resources applied by the charity in undertaking its work to meet its charitable objectives. The Trust's objectives and work are detailed in the Trustees' Annual Report.

(8) Governance costs

The resources expended that relate to the governance of the charity consist of the following:

	2013/14	2012/13
	£	£
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.	4,993	5,919
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.	340	22
Audit Fees - It is a statutory requirement that the accounts of the trust should be independently audited.	12,600	12,000
	17,933	17,941

(9) Tangible Assets

The Trust's Land and Buildings include 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. The value included is £5,000,000. 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.

The car park is classified as a functional tangible fixed asset as the use of this land is considered as consistent with the charities objectives.

The Trust does not depreciate its assets as they are all either without a determinable finite useful life (i.e. land) or of a nominal value (i.e. £1)

(10) External Creditors

The creditors relate to audit services and financial administration and support fees.

	2013/14	2012/13
	£	£
Amount of creditor liabilities as at 31 March	<u>(12,699)</u>	<u>(12,000)</u>

(11) Fund Structure:

The Trust's Unrestricted Funds comprise:

	2013/14	2012/13
	£	£
General	320,352	399,403
Designated - Fixed Asset Revaluation	5,000,001	5,000,001
	<u>5,320,353</u>	<u>5,399,404</u>

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, as recharged by LBHF.

The Trustees have designated funds relating to the valuation of the car park and tangible fixed assets in their existing use.

(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. There are no staff employed by the charity.

	2013/14	2012/13
	£	£
<u>a) London Borough of Hammersmith and Fulham as transacting party</u>		
- LBHF as contractor to the Trust		
Environment Leisure and Resident Services Department for the provision of Routine Grounds Maintenance of Wormwood Scrubs (Ref Note 7)	667,743	667,200

LBHF - Parking Control for the collection of Parking income	0	0
<i>- LBHF as recipient of contribution</i>		
Contribution to Linford Christie Stadium (Ref Note 6)	31,500	31,812
<i>- LBHF as provider of administrative and management support to the Trust</i>		
Environment Leisure and Resident Services Department for management & financial administration services of Wormwood Scrubs	4,993	5,919
Legal Services for the provision of legal advice required in the management of Wormwood Scrubs	340	22
	704,576	704,953
<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.

Reference and Administrative details

Charity Name and Number	Wormwood Scrubs Charitable Trust, Registration No. 1033705
Charity Correspondent	Mark Jones Director for Finance and Resources Environment, Leisure & Residents Services Department First Floor, 77 Glenthorne Road London, W6 0LJ
Trustees	The Council of the London Borough of Hammersmith & Fulham
Telephone	020 8753 6700
Email Address	mark.jones@lbhf.gov.uk
Governing Document	Wormwood Scrubs Act 1879 As Amended By Scheme Of The Charity Commissioners Dated 25 March 2002.
Objects	For Recreational Use As Set Out In The Wormwood Scrubs Act 1879
Area of Benefit	Wormwood Scrubs and West London. (Area prescribed by Governing Document)
Area of Operation	Greater London – Hammersmith and Fulham
Registration History	23 Feb 1994 Registered
Auditor Details	KPMG LLP, 12th Floor, 15 Canada Square, London, E14 5GL

Risk Assessment Schedule 2013/14

Risk Index No.	AREA OF RISK	IMPACT OF RISK	SEVERITY High/Medium/Low	POTENTIAL High/medium/Low	VALUATION	COMMENT
001	High Speed 2 Railway	Adverse impacts on the Scrubs that are contrary to the objectives of the Trust	High	Medium	May not be a financial loss	Trust is engaging with HS2 and TFL to agree outcomes that do not adversely impact.
002	Pay and Display income level	i) Theft of cash boxes. ii) Lower income levels due to decisions taken about Pay and Display tariffs.	High	High	Potential loss of income.	Usage fluctuates. Pay & display tariffs are set to match those in nearby streets.
003	Hammersmith Hospital Trust car park income	The licensing agreement with Hammersmith Hospital Trust has a three month notice period with a possible impact on the level of income.	High	Medium	Potential loss of income.	The Hospital relies on the car park. There may be an opportunity to secure greater income.
004	Condition – Wormwood Scrubs car park	Wormwood Scrubs car park is in need of resurfacing.	High	Low	Significant expenditure.	Repairs are not required urgently.
005	Insurance claims against Trust	Liability of trust in case of personal injury claims.	Low	Low	Possible liability of Trust in case of insurance claim.	Wormwood Scrubs would be covered by the Council's insurance.
006	Safety of Artillery Wall	Cost of demolition, collapse could possibly lead to damage or liability of Trust.	Low	High	Cost of demolition or insurance claims.	The condition of the wall is being monitored.

Risk Index No.	AREA OF RISK	IMPACT OF RISK	SEVERITY High/Medium/Low	POTENTIAL High/medium/Low	VALUATION	COMMENT
007	Costs of Operating Linford Christie Stadium	Contribution by the Trust varies according to the trading conditions for the Stadium	High	Medium	Expenditure could be significant	In some years this contribution has been small, but it is volatile. The financial performance of the Stadium is monitored closely