

STATEMENT BY MR M J W GILSON as CHAIRMAN of THE FRIENDS OF BATH RESIDENTS' RECREATION GROUND to THREE COUNCILLORS representing B&NES COUNCIL as CORPORATE TRUSTEES of CHARITY No.1094519 at THE BATH GUILDHALL on WEDNESDAY, 14th APRIL 2010, at 1 p.m.

It is absolutely clear to beneficiaries and anyone else who reads yet another irresponsibly negative agenda for today's meeting that B&NES Councillors are still showing no intention of remedying the continuing and ever escalating maladministration of the Charity's affairs on all levels either in response to previous complaints recorded in the minutes of previous meetings or honouring your statutory responsibilities as Trustees.

It is only possible therefore, for me to update this Trustee Sub-Committee with regard to beneficiaries' complaints, of which you have repeatedly been made aware in the past, and to seek an amendment to the proposed minutes of the meeting held on 20th January 2010 in which Councillors make the false pronouncement that Bath Rugby Plc still has an un-expired 60 year period on the ultra-vires lease, which was assigned about fifteen years ago in Breach of Trust and abuse of power to facilitate Trustee-favoured private gain and inappropriate use in defiance of beneficiaries which, since 2002, has been in contempt of the High Court and throughout to the enormous detriment of the Charity.

It is seen as totally wrong that Trustees, who should be defending the best interests of the Charity rather than the commercial interests of their associates, should even be thinking of extending such mis-use and abuse.

Beneficiaries therefore totally object to this false statement by the errant Trustees, which is so clearly outside the scope of lawful use for the Charity's property and is, therefore, void in law and must be extinguished without further delay and prevarication as no Trustees

can lawfully contract beyond the limit of their powers in breach of trust or outside of the law.

A second amendment necessary to past minutes is the suggestion that a Cy-pres is in any way in place, relevant or necessary with regard to the temporary suspension of the demolition of the illegally built Sports Centre and Car Parks on the South side of the Rec. No such device is appropriate or acceptable in these circumstances where no change in the Charity's proper purpose and objectives is necessary or lawful having regard to the very specific constitution of the Charity and related contractual obligations incumbent upon all successive councils, as re-affirmed by the High Court Judgment of 2002.

It is absolutely clear that such a device is totally inappropriate merely to bridge a short stay of execution for the demolition of the unlawfully built Sports Centre and where any attempt to alter the charitable status and constitution of the Charity would automatically be barred by Estoppel should you, or the Charity Commission, continue to defiantly make it necessary for beneficiaries to seek a Court Injunction against any change that would endanger the Charity's tenure of the land beneath the illegal buildings or the logistical and financial benefits of treating the Charity's property as a whole pending its return to an "Open Space" after the future demolition of the illegally built Sports Centre at the end of its useful life at the cost of the errant Council.

Similarly Mr A R Bartlett's letter dated 17th February 2010 is refuted in almost all respects and we would remind Councillors that far from waiting for Customs & Revenue to approach you, it is you who have a statutory obligation to file appropriate accounts on a consecutive annual basis at least back to 1993 in order to come completely clean with the Charity's trading and tax affairs where continuing concealment of information must in the end lead to the further avoidable cost of a police investigation if it is not remedied immediately to enable the proper assessment of any potential Trustee liability for fraud through false accounting as we now see being applied to Charity's elsewhere; and in this respect we would refer

you in particular to the Mail on Sunday, 4th April 2010 page 21. We therefore urge you yet again not to delay any further in filing full and accurate accounts for the past 17 years with Customs & Revenue without further defiant delay.

Unless you file proper accounts back to 1993 immediately and make them available as a matter of public record, the Trustees liability for back interest and penalties of compensation to both the Charity and the Revenue will continue to increase on a daily basis despite the deviousness and failure of the Charity Commission, which will be seen as no excuse in law for the defiant breaches of trust by the Council Trustees who should know better, especially after wasting enormous amounts of tax payers' money for clarification in the High Court in July 2002.

Unless, as Trustees, you can prove that all income from the Charity's property, car parking and other trading revenues have been cleared by Customs and Revenue and applied totally for the Charity's benefit and purpose, it would appear that not only might you be continuing to put the Charity's preferential tax status at risk, but also that any consequent indictment for concealment of information relative to the Charity's affairs and the Trustees' indebtedness to the Charity, whether directly or due to possible misappropriation of funds for inappropriate purpose or benefit.

This could have the potential of carrying with it the possibility of liability for fraud through concealment or false accounting which should now be investigated by the police and Customs and Excise to quantify and decide, as in other cases being reported in the National press and TV, which is a consequence beneficiaries wish to see avoided if the Trustees will co-operate fully in respect of the Bath Rec Charity through appropriate voluntary disclosure and filing of properly audited consecutive annual accounts and balance sheets for the charity back to 1993 without further delay or prevarication.

On the assumption that Councillors' admissions in 2004 that the South Car Parking revenues alone, and without the addition of

beneficial use by Council staff, etc., exceeded £445,000 in that year, then with the addition of the Council's beneficial occupation of office accommodation, parking and other letting revenues (including the inappropriate commercial lettings to Bath Rugby Plc) it seems evident that the figure of £500,000, quoted in Mr Bartlett's letter of 17th February 2010 has been far exceeded for many years, but still remains un-audited, undeclared and unaccounted for in any meaningful or responsible way on an accumulative and consecutive basis, together with interest charges due to the Charity as appropriate.

The maladministration of the Charity is now seen to have escalated to a point where no effective Review of such a wide ranging scale of Trustees' defiant breaches of trust can possibly be summarised in a 3-minute slot at these irresponsible meetings and therefore attendance at them may have to be suspended at least until a new subcommittee is appointed and/or there has been a Parliamentary Select Committee Review of the Charity Commission's unacceptably secretive conduct and deplorable failure since 2002 and pending a full Judicial Review to be initiated by the new Attorney General on an 'ex-officio' basis as recommended by the Charity Tribunal.

This must take place as a matter of extreme urgency in the public interest in order to prevent a precedent being created for similar misuse and abuse of Charity assets nationally, and thus damaging public confidence in the probity of the Commission and charities everywhere.

The greatest service those Councillors on the present B&NES Council sub-Committee can be seen to render the Charity and its beneficiaries now is for you to tender your resignations before more damage is done and as you have repeatedly been requested to do.



(M. J. W. Gilson – Chair/Friends of Bath Rec Charity)

11/4/2010