

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Charitable Trust Board – Alice Park Sub-Committee	
MEETING/ DECISION DATE:	6 December 2016	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Alice Park – Valuation of Land, Property, Plant & Equipment	
WARD:	Lambridge	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report:</p> <p>Appendix One – Alice Park SOA year ending 31 March 2016.</p> <p>Appendix Two – Valuation Report BNP.</p> <p>Appendix Three –Additional BNP Valuations.</p> <p>Appendix Four – Valuation of Play Equipment.</p> <p>Appendix Five – Fixed Asset Register 2015-16.</p>		

## **1 THE ISSUE**

- 1.1 To provide details of equipment held by Alice Park Trust including current values.

## **2 RECOMMENDATIONS**

- 2.1 The Trust is asked to note the treatment of assets, used to build the annual returns that are submitted to the Charity Commission each year.

## **3 BACKGROUND**

- 3.1 An exercise was undertaken during 2015/16 to obtain valuations for all Land, Property, Plant and Equipment held at Alice Park Trust. This resulted in a market value of assets as of 31 March 2015 and an indexed value as at 1 April 1996 (or date the asset came into being, if later.)
- 3.2 The Charity Commission SORP (statement of recommended practice) states that all property, plant and equipment may be recorded at cost. This discharges the need to carry out regular revaluations of PPE and avoids any complications with reserves reporting. With this in mind, the accounts of the Trust are prepared on a cost valuation of assets rather than current or net book value.

## **4 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 4.1 The value of all Land, Property, Plant and Equipment held by the Trust has a cost value of £171,393. This information has been included in financial returns for the Trust for year ending 31 March 2016. (Appendix One).

## **5 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 5.1 The Council is sole corporate trustee of the Alice Park Trust and the subcommittee's terms of reference are to undertake the operational management functions in respect of the Alice Park site and its resources, in accordance with the Trust's objects and the duties it owes pursuant to the Charities legislation.
- 5.2 Members in their capacity as Trustee must administer the Trust in good faith, abiding strictly to the Objects of the Trust and administering the Trust for the benefit of the public which may at times conflict with the interests of the Council.
- 5.3 The objects of the trust require the land bequeathed to be used as a public park and children's recreation ground. The committee must consider whether any proposed use falls within the trust's objectives, and if so whether to permit the use requested. If it permits the use then it must decide on what terms, in order to ensure effective use of the park whilst minimising any conflict between the different uses to which the park is subject to under the terms of the trust deed.
- 5.4 All valuations have been calculated in line with recommended codes of accounting practice and Charity Commission guidance has been followed in preparation of the Statement of Accounts.

## **6 THE REPORT**

- 6.1 The Trust holds a number of assets in the form of Land, Property, Plant and Equipment.
- 6.2 An exercise was undertaken during 2015/16 to obtain valuations for all Land, Property, Plant and Equipment held at Alice Park Trust (Appendices Two, Three and Four). A team of external surveyors, BNP Paribas, were commissioned to undertake this piece of work. This excluded valuations for play equipment, which were taken from the most recent capital asset register
- 6.3 The valuations noted in 6.2 above were to enable a cost value of all Land, Property, Plant and Equipment at 1 April 1996 (or when the asset came into being) to be confirmed for the purpose of preparing the Statement of Accounts. The cost value is £171,393. (Appendix Two page 21, Appendix Three, Appendix Four.)
- 6.4 A net book value (current value) can be also be given to these assets, after applying depreciation over their useful economic life. The net book (current) value of Land, Property, Plant and Equipment at 31 March 2016 is £95,506. (Appendix Five).
- 6.5 As noted in 3.2, the Charity Commission SORP (statement of recommended practice) can choose which accounting treatment to apply and whether to show assets at cost or current value. The recording of assets and equipment at cost

discharges the need to carry out regular revaluations of PPE and avoids any complications with reserve accounting.

## **7 RATIONALE**

7.1 The Trust is only required to submit asset valuations at cost to the Charity Commission.

## **8 OTHER OPTIONS CONSIDERED**

8.1 None, submission is in line with required practice. NBV figures have been prepared on request of the Trustees.

## **9 CONSULTATION**

9.1 S151 and Monitoring Officer have had opportunity to review and input into this report.

## **10 RISK MANAGEMENT**

10.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

<b>Contact person</b>	<i>Kate Clements</i> <a href="mailto:Kate_Clements@bathnes.gov.uk">Kate_Clements@bathnes.gov.uk</a> 01225 477340.
<b>Background papers</b>	<i>None</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	