



ALEXANDRA PARK AND PALACE CHARITABLE TRUST BOARD

14 December 2023

Report Title: Finance, Resource, Risk and Audit Committee (FRRAC)
Chair's Feedback report

Report of: Claire Pape, Independent Member, in the chair.

Local Government (Access to Information) Act 1985 N/A

1. Introduction

- 1.1 FRRAC is a non-decision-making committee established by the Trustee Board to support the Board in delivering its finance, resource, risk and audit responsibilities.
- 1.2 The minutes of FRRAC meetings are circulated to the Trustee Board Members in their information pack.
- 1.3 This report highlights relevant considerations of the FRRAC at its meeting held on 6th November 2023 and makes recommendations to the Trustee Board. The meeting was attended by Claire Pape (in the chair), Cllr Anne Stennett, Emma Dagnes (CEO), Richard Paterson (FD) and Natalie Layton.

2. Recommendation

To note this report and to approve the recommendations:

- i. For a lending agreement to be established between the Trust and Trading Subsidiary outlined in section 3;
- ii. To approve the Risk Register and consider Fundraising as the next deep-dive risk area.

3. Financial Update

- 3.1 We considered the latest projections for the Group and the budget assumptions for next year and agreed to convene an additional FRRAC meeting in early December to consider the 2022/23 financial statements and first draft budgets. FRRAC would then make recommendations to the Trustee and APTL Boards to sign-off the accounts.
- 3.2 We provided feedback on the draft Trustees' Annual Report for 2022/23 and agreed to make recommendations to the Trustee Board at the same time as considering the 2022/23 financial statements.
- 3.3 We supported the proposal for a loan agreement to be established between the Trust and Trading Subsidiary to alleviate short term cashflow challenges in the Trust.

We noted that:

- Combining the cashflows was a recommendation initially put forward by the Corporate Trustee and was not unusual for group structures.
- The lending agreement would enable short-term working capital loans between the entities with fixed pre-defined circumstances, purely to manage short-term internal cashflows.
- The agreement document would set out the broad terms: how and when the agreement would be enacted and, once approved by the Trust and APTL boards, would be added to the Group's cost sharing agreement.
- The transactions would be short-term working capital loans that would be repaid within the quarter to alleviate cashflow difficulties for the Trust in March.

FRRAC RESOLVED to support the proposal for a mechanism to be put in place for short term capital loans between the two entities, outlined in the report, and to recommend approval by the Trustee and APTL Boards.

4. Other items considered

- 4.1 We considered the 2023 Pay Review and made recommendations, as approved by the Trustee Board at its meeting on 9th November 2023.
- 4.2 We considered the Risk Register and recommended it for approval by the Trustee Board with a deep-dive into Fundraising (strategic approach). Security changes arising from the Protect Duty was also suggested as a deep-dive area in the future.
- 4.3 We noted that the Q2 Health & Safety update report would be circulated to FRRAC members after the Fireworks event.

5. Legal Implications

The Council's Head of Legal & Governance has been consulted in the preparation of this report.

6. Financial Implications

The Council's Chief Financial Officer has been consulted in the preparation of this report.

7. Additional meeting of FRRAC on 4th December

On 4th December 2023 FRRAC met the Auditor and resolved to recommend approval of the 2022/23 Trustees Annual Report and Accounts.

8. Appendices - None