

Subject: Opening of LLDC Trading Bank Accounts
Agenda item: Public item 7
Report No: 4
Meeting date: 19/02/2013
Report to: Board
Report of: Jonathan Dutton, Executive Director of Finance and Corporate Services

FOR DECISION

This report will be considered in public

1. SUMMARY

- 1.1. In accordance with the Legacy Corporation's Financial Regulations, this report seeks Board approval for the opening of two bank accounts to support LLDC trading activities at the AcelorMittal Orbit and 3 Mills Studios.

2. RECOMMENDATIONS

- 2.1. The Board is invited to **APPROVE** the opening of additional bank accounts for transactions relating to LLDC's trading activities.

3. TIMING

- 3.1. It is important that the bank accounts are in place prior to the commencement of the Orbit trading activity, scheduled for the end of March 2013, and the 3 Mills Studios operator change also at the end of March 2013. Accordingly, this decision should be regarded as **URGENT**.

4. BACKGROUND

- 4.1. LLDC has Barclays bank accounts for running its core operations. As the organisation grows and the nature of business activities changes, it is appropriate to keep LLDC's core operations quite separate from its trading activities.
- 4.2. Separate bank accounts for each of the distinct trading activities are considered to provide a number of important benefits. Firstly, a physical separation of the cash provides increased control and is consistent with the proposed, trading account, accounting arrangements. Secondly, enhanced transparency of the receipts and payments of each trading activity will better provide for the expectations of partners e.g. the ArcelorMittal organisation and the repayment of

their loan from the trading profits generated by the attraction and associated activities.

- 4.3. A separate 3 Mills Studios bank account is being introduced to coincide with the change of operator to Deloitte Real Estate, from GVA, that will take effect from 1st April 2013. This will fully align the 3 Mills Studios accounting arrangements with those intended for all future trading activities of the Corporation.
- 4.4. The bank accounts will be Barclays current accounts with the same operating arrangements as the existing accounts and in the names of LLDC Orbit Trading Account and LLDC 3 Mills Studios Trading Account.

5. FINANCIAL IMPLICATIONS

- 5.1. None.

6. LEGAL IMPLICATIONS

- 6.1. The LLDC's Financial Regulations (as amended and adopted by the Board April 2012) set out the Corporation's duty under section 127 of the Greater London Authority Act 1999 for the proper administration of the Corporation's financial resources.

List of Background Papers:

London Legacy Development Corporation Financial Regulations

Report originator: Trevor Waggett, Director of Finance

Telephone: 0203 288 1773

Email: trevorwaggett@londonlegacy.co.uk