

**Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting**

**BIRMINGHAM CITY COUNCIL**

**TRUSTS AND CHARITIES COMMITTEE**

**THURSDAY, 17 DECEMBER 2015 AT 10:30 HOURS**  
**IN COMMITTEE ROOM 2, COUNCIL HOUSE, VICTORIA SQUARE,**  
**BIRMINGHAM, B1 1BB**

**A G E N D A**

1 **NOTICE OF RECORDING**

Chairman to advise meeting to note that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 **APOLOGIES**

3 **MINUTES**

**5 - 12**

To note Part 1 of Minutes of the last meeting of Committee on the 12 November 2015.

4 **MATTERS ARISING**

To discuss matters arising.

5 **DECLARATIONS OF INTERESTS**

Members are reminded that they must declare all relevant pecuniary interests and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

6 **CENTRE FOR THE CHILD TRUST**

Verbal update from Linda Monk - Children's and Music Library Manager on the charity's activities.

7	<b><u>CORPORATE FINANCE &amp; LEGAL SERVICES REPORTS</u></b>
<b><u>13 - 26</u></b>	8 <b><u>ANNUAL REPORT AND ACCOUNTS - HARRIET LOUISA LOXTON TRUST FOR THE PERIOD 2014/15</u></b>  Report of Director of Finance
<b><u>27 - 46</u></b>	9 <b><u>ANNUAL REPORT AND ACCOUNTS - ELFORD TRUST FOR THE PERIOD 2014/15</u></b>  Report of Director of Finance
<b><u>47 - 58</u></b>	10 <b><u>ANNUAL REPORT AND ACCOUNTS - Highbury Trust for the Period 2014/15</u></b>  Report of Director of Finance
<b><u>59 - 70</u></b>	11 <b><u>ANNUAL REPORT AND ACCOUNTS - 2014/15 MOSELEY ROAD COMMUNITY CENTRE ("FRIENDS INSTITUTE").</u></b>  Report of Director of Finance
<b><u>71 - 80</u></b>	12 <b><u>ANNUAL REPORT AND ACCOUNTS 2014/15 SIR WHITWORTH WALLIS TRUST</u></b>  Report of Director of Finance
<b><u>81 - 90</u></b>	13 <b><u>ANNUAL REPORT AND ACCOUNTS - 2014/15 JOHN BILLINGSLEY THE ELDER</u></b>  Report of Director of Finance
<b><u>91 - 104</u></b>	14 <b><u>ANNUAL REPORT AND ACCOUNTS - 2014/15 LORD MAYORS CHARITY</u></b>  Report of Director of Finance
	15 <b><u>PROPERTY REPORTS</u></b>
<b><u>105 - 110</u></b>	16 <b><u>WILLIAM WALTER HINDE FOR OPEN SPACE (REG. CHARLITY NO 522893) - THE WHITE HOUSE, COFTON PARK - LEASEHOLD DISPOSAL OF PART</u></b>  Item Description
<b><u>111 - 112</u></b>	17 <b><u>SCHEDULE OF OUTSTANDING MINUTES</u></b>  To consider outstanding Minutes

18 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

19 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

20 **EXCLUSION OF THE PUBLIC**

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

Minutes - Exempt Paragraphs 3 and 4

**P R I V A T E   A G E N D A**

21 **MINUTES (PRIVATE)**

Item Description

22 **MATTERS ARISING - PRIVATE**

To discuss matters arising.

23 **OTHER URGENT BUSINESS (EXEMPT INFORMATION)**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.





# BIRMINGHAM CITY COUNCIL

<b>TRUSTS AND CHARITIES COMMITTEE 12 NOVEMBER 2015</b>
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**PRESENT:** Councillor Phil Davis in the Chair

Committee Members:  
Councillor John Alden (JA)  
Councillor Hendrina Quinnen (HQ)  
Councillor Paul Tilsley (PT)

Officers:  
Rajesh Parmar, (RP) Senior Solicitor, Legal & Democratic Services, Rahema Begum (RB),  
Legal & Democratic Services, Mark Szurminski (MS), Senior Business Analyst, Corporate  
Finance, Nigel G Oliver (NGO), Property Manager, BPS.

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738      **NOTICE OF RECORDING & PRELIMINARY MATTERS**

The Chairman advised the meeting to note that members of the press/public may record and take photographs except where there are confidential or exempt items.

RB explained to Members that item 12 on the agenda was not included at the time of send out, but was sent as a supplementary. Some members expressed that they had not received this and hard copies were provided.

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739      **APOLOGIES**

Apologies for non-attendance were submitted on behalf of:

Councillor David Pears  
Councillor Ian Cruise  
Councillor Ansar Ali Khan

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740      **MINUTES**

The public minutes of the meeting on 23 September 2015, were confirmed as an accurate record.

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741      **MATTERS ARISING**

Cllr Alden pointed out a number of drafting errors. These were noted.

**DECLARATIONS OF INTERESTS**

The Chairman reminded Members that they must declare all relevant pecuniary interests and/or non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest is declared a Member must leave the room or Chamber where the meeting is being held, unless a dispensation has been obtained from the Authority's Standards Committee. Any declarations or leaving of the room/chamber will be recorded in the minutes of the meeting.

None were declared.

**SOLE CORPORATE TRUSTS - GRANTS**

MS presented the report and stated that the report was to inform members to consider the various officer recommendations of increasing more charitable activities. Subject to Committee approving the recommendations these can be advanced in the short, medium and long term. One of the recommendations was for Birmingham Municipal Charity (BMC) and Elford Trust to use the administrative resources within the Harriet Louisa Loxton (HLL) administer grants on the trusts behalf. HLL would then be able to charge the trusts for the support. Another suggestion was to review the mechanics of the (BMC) to increase the level of grants awarded by reviewing the current objectives to explore the possibility of transferring funds from the endowment to the unrestricted funds, as well as increasing the level of charitable donations that can be transferred to the unrestricted funds. MS further advised that the long term goals were to review all sole corporate charitable trusts in order to establish if charitable objectives could be changed to disburse grants. This however may require formal approval by the Charity Commission.

The Chairman stated the aim was to create greater charitable grant activity focused via the BMC, involving a more flexible grant level and improved ability to respond, to the benefit of the community and people of Birmingham.

Councillor Tilsley asked for more detail of the Elford Estate funds.

Councillor Alden asked that his objection be noted in relation to BMC, to transferring the amount proposed annually from Restricted Funds to Unrestricted. Noted.

The Chairman confirmed that the driver for this was to become better at engaging people and not end up sitting on the money. Cllr Davis said members would have further power of decision on any changes concerning particular trusts, including fund transfers into BMC, if and when these arose. Councillor Alden queried whether Charity Commission approval will be sought for the transfer. RP advised that Charity Commission approval would be required if changing the objectives of the trust and transfer of funds.

Councillor Alden queried what progress had been made in terms of the key tasks. MS advised in respect of the consolidation of trusts that it was an ongoing process, WJ Loxley has been consolidated and there are possibly three more custodian trusts that can be consolidated into the BMC. However, approval would be needed from the trustees of these Trusts.

**RESOLVED:-**

Committee noted the report and agreed the recommendations.

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744

**BIRMINGHAM MUNICIPAL CHARITY – REVISED MECHANICS OF FUNDING**

MS advised members that this report links to the earlier reform of the TCC grants process and was seeking to review the mechanics of funding as set out in paragraph 5 of the Report. It proposed to identify £50K per annum for grant-aid, with appropriate transfers from Restricted to Unrestricted Funds. The level of grants to be awarded per application would be raised to £10K. The Chairman stated that amendments to the Mechanics of Funding paper would give greater flexibility to grant awards on a case by case basis. The Chairman also informed Members that there has been limited applications received, and around 2-3 grants have been awarded in this financial year. The Chairman also informed Members that Jon Warlow, Director of Finance raised his concerns over the lack of activity taking place with Sole Corporate trusts. The Chairman also advised that a Grants Panel (made up from Members of Committee) vetted the applications and then brought back their recommendations to Committee for approval.

Councillor Alden stated that he did not agree with the proposed transfer of funds from the trusts endowment to the restricted funds. He also queried why the funds balances had gone down. MS advised that CCLA are the Trusts appointed fund managers and that unfortunately the investments had underperformed due to the volatility of markets.

Councillor Tilsley raised the point about Members responsibility and stated that as long as it accords with 6.1 of the report then Members were safe from any criticism. Councillor Alden pointed out that as part of the Members appointment by BCC, there would be indemnity insurance to cover Councillors. RP advised that generally speaking if Members are acting in the best interests of the Charity and in accordance with legal advice then they would be covered under the Council's insurance policy for Members and Officers.

Councillor Alden requested that his objection against the £50k transfer of restricted funds is recorded and voted against the recommendations of the report.

**RESOLVED:**

Committee agreed the Report.

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745

**BIRMINGHAM MUNICIPAL CHARITY – AWARD OF GRANT (SEQUEL)**

MS introduced the Report and referred Members to the application details set out in Appendix 3, which sets out application in more detail.

Councillor Alden pointed out that at section 5.6 of the report, there is reference to the funds as 'income' but it should be referred to as an 'asset' or 'combined value' not income.

**RESOLVED:**

Committee approved the Report and grant to the Sequel Trust a sum of £500.00 to support a beneficiary of the trust who resides in Northfield, Birmingham.

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746

**HIGHBURY TRUST APPOINTMENT OF AUDITOR TO UNDETAKE INDEPENDENT EXAMINATION OF THE TRUST ACCOUNTS.**

Again, MS presented the report and informed committee of the action taken by the Chairman to authorise the appointment of an auditor to undertake an independent examination of Highbury Trusts 2014/15 accounts, as required by the Charity Commission.

**RESOLVED:**

Committee noted the Report.

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747

**CENTRE FOR THE CHILD TRUST**

RB informed the Chairman that the report author had contacted the Council House reception to inform committee that she has been involved in an accident and will not be able to make it to the meeting. The Chairman noted this and asked for the matter to be referred to the next committee and sent the Committee's well wishes to Linda Monk.

**RESOLVED:**

Deferred to the next committee.

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748

**WILLIAM WALTER HINDE FOR OPEN SPACE (REG. CHARITY NO.522893) – LAND ADJOINING 18 ROSE HILL, LICKEY HILLS**

NGO presented the report to Members for noting the court action in relation to the adverse possession and the settlement agreed. The full detail of the settlement needs to be read in conjunction with the private report.

**RESOLVED:**

Committee noted the report.

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749

**EVENTS & ACTIVITIES IN PARKS ON TRUST LAND**

Peter Short presented the report and gave background to the procedures for events in parks and confirmed all events held in 2014/15 are listed in the appendix. Peter explained that there are over 22 different park sites which

hold various events over the year. There is a formal application process in place for holding events in parks. All holders are encouraged to follow this procedure to ensure proper safeguards are in place for the event. PS also confirmed that various franchises are granted in the parks which provide facilities to encourage the use and activities within the Parks and provide some opportunity for income generation to assist in responses to the current budgetary restraints. One of the more popular parks is Cannon Hill Park. Peter explained that they are currently negotiating with a company to operate amusement rides, boats etc. and seeking to replace the contract in 2016/17.

The Chairman welcomed the report and queried with members what degree of reporting would they like.

A discussion followed on reporting arrangements, how park usage was recorded, the role of Friends groups and how this was policed.

NGO asked at what point does an event start? Peter Short stated that nothing could be done if just people turn up, but the public are encouraged to register their event with the Council so that officers can carry out a risk assessment. If the event was registered and approved then they would be covered by BCC's Public Liability insurance. The public would also get notification of the event as do local ward Councillors.

In response to questions raised by Councillor Quinnen and Councillor Alden over the list of BCC parks registered as charities. MS explained that it where a charity has an income of below £5,000 it was not required to register with the Charity Commission until the accounts showed that its income exceeded the threshold. Accounts had not currently been produced for all BCC parks on trust.

#### **RESOLVED:**

The Recommendations within the Report were approved.

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#### **750 APPOINTMENT OF THE CHAIRMAN OF THE NEW Highbury Independent Trust – FOR INFORMATION & NOTING ONLY**

The Chairman reported to Committee on the successful interview process for the appointment of the shadow chair of the proposed new Trust for the management of Highbury Hall and estate. Following competitive interview, the interviewing panel had offered the role to Mr Les Sparks OBE.

Mr Sparks was Director of Planning & Architecture for Birmingham City Council from 1991 to 1999. From 1999 to 2001 he chaired the Expert Panel for Land & Buildings at the Heritage Lottery Fund (HLF) and from 2001 to 2008 he was a Commissioner of English Heritage. Since 2010 he has been chair of the West Midlands Committee of the HLF, a position he will vacate in March 2016, and chair of the Steering Group of the Ironbridge Gorge World Heritage Site. During an 11 year term as Director of Environmental Services at Bath City Council, he founded the Historic Towns Forum. He was awarded the OBE in 1997. He was born in Hall Green and now lives in Selly Park.

Members welcomed the appointment as a significant step towards the improved governance and protection of the Highbury estate, held in trust for the people of Birmingham. Further progress reports would be provided to Committee as the process of forming the new Trust - to be called the Chamberlain Highbury Trust - progressed.

**RESOLVED:**

Committee noted the verbal update from the Chairman.

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751      **SCHEDULE OF OUTSTANDING MINUTES**

Minute 395

Committee agreed that this was a rolling item and committee to be advised of progress as and when.

Minute 651

NGO reported that they have had some discussions and cannot go back to the historical accounts. Councillor Alden stated that the Committee requires a report stating this. It was agreed that NGO would progress this report.

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752      **OTHER URGENT BUSINESS**

None reported to Committee.

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753      **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

“That the Chairman is hereby authorised to act until the next meeting of the Committee except that, in respect of the exercise of the Council’s non-Executive functions, the appropriate Chief Officers are hereby authorised to act in consultation with the Chairman and that the Director of Legal and Democratic Services is authorised to affix the Corporate Seal to any document necessary to give effect to a decision of the said officers acting in pursuance of the power hereby delegated to them; further that a report of all action taken under this authority be submitted to the next meeting and that such report shall explain why this authority is used”.

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754      **EXCLUSION OF THE PUBLIC**

That in view of the nature of the business to be transacted which includes exempt information of the category indicated, the public be now excluded from the meeting.

Minutes of the last meeting

Exempt information paragraph 3

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**Cllr Philip Davis**  
**Chairman of Trusts and Charities Committee**





Report to:	Trust and Charities Committee	<i>Exempt information paragraph number – if private report:</i>
Report of: Date of Decision:	Director of Finance 17 <sup>th</sup> December 2015	
SUBJECT:	ANNUAL REPORT AND ACCOUNTS – HARRIET LOUISA LOXTON TRUST FOR THE PERIOD 2014/15	
Key Decision: Yes / No	Relevant Forward Plan Ref: No	
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>	
Relevant Cabinet Member(s):	N/A	
Relevant O&S Chairman:	N/A	
Wards affected:	All	

<b>1. Purpose of report:</b>
1.1 To present for approval the 2014/15 Annual Report and Accounts for Harriet Louisa Loxton Trust.

<b>2. Decision(s) recommended:</b>
2.1 The Committee acting on behalf of the Trustee (BCC) is recommended to approve the Annual Report and Accounts.
2.2 The Committee acting on behalf of the Sole Corporate Trustee authorises officers in Corporate Finance to submit all appropriate and necessary documentation to the Charity Commission in respect of recommendation 2.1.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b>	0121 675 0482
<b>E-mail address:</b>	Mark_szurminski@birmingham.gov.uk

<b>3. Consultation</b>
Consultation should include those that have an interest in the decisions recommended
3.1 <u>Internal</u>
The Chairman of the Committee has been consulted in the preparation of this report.
3.2 <u>External</u>
n/a

4. Compliance Issues:
<p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>N/A</p>
<p>4.2 <u>Financial Implications</u> (Will decisions be carried out within existing finance and Resources?)</p> <p>N/A</p>
<p>4.3 <u>Legal Implications</u></p> <p>Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.</p>
<p>4.4 <u>Public Sector Equality Duty (see separate guidance note)</u></p> <p>No adverse impact.</p>

<b>5. Relevant background/chronology of key events:</b>	
5.1	The Harriet Louisa Loxton Trust was established on the 2 <sup>nd</sup> February 1949 for the benefit 'of persons who by reason of Age, infirmity or any other circumstance, are in need of care and attention not otherwise available to them by providing or paying for items, services and facilities that are designed to meet that need'. Beneficiaries of the Trust must reside in Birmingham and the Trust is administered on behalf of Birmingham City Council as "Council as Trustee" by the Adults and Communities Directorate.
5.2	The Trust is registered with the Charity Commission No. 702446. The Trust was established by a deed dated 31 March 1932. The objectives of the Trust are general charitable purposes for the benefit of the citizens of Birmingham.
5.3	The Trusts has assets of cash and investments. The latter now being managed by the Trusts appointed Fund Manager - CCLA.
5.3	It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.
5.4	The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission was increased in April 2009 from £10,000 to £25,000.
5.5	The attached accounts identify that the trusts gross annual income for the year was £28,679 and therefore an independent examination was undertaken by the Trusts appointed auditors – Clement Keys.
<b>6. Evaluation of alternative option(s):</b>	
6.1	It is a Charity Commission requirement to compile annual accounts.
<b>7. Reasons for Decision(s):</b>	
7.1	For Committee to approve the accounts.

Signatures	Date
Director of Finance .....	.....
Chairman .....	.....

<b>List of Background Documents used to compile this Report:</b>
N/A

<b>List of Appendices accompanying this Report (if any):</b>
Highbury 2014/15 Accounts



Charity of Harriet Louisa Loxton  
Registered Charity Number 702446  
Report and Financial Statements  
Year ended 31 March 2015

Charity of Harriet Louisa Loxton  
Report and Financial Statements  
the year ended 31st March 2015

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**Charity of Harriet Louisa Loxton**

**Report of the Trustees for the Year Ended 31st March 2015**

The Trustees present their report along with the financial statements of the charity for the year ended 31st March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

**Reference and administrative information**

**Name of charity:** Charity of Harriet Louisa Loxton

**Charity number:** 702446

**Address for correspondence / donations is:** Mr Peter Hay  
Strategic Director for People  
Birmingham City Council  
10, Woodcock Street  
Aston  
Birmingham  
B7 4BL

Cheques should be made payable to "Birmingham City Council".

**The Trustees who served during the year were:** Birmingham City Council is the Solo trustee of the charity

**Bank:** The Co-operative Bank plc  
PO Box 82  
118-120 Colmore Row  
Birmingham  
B3 3BA

**Investment Manager:** Barclays Wealth  
1 Colmore Square  
Birmingham  
B4 6ES

**Independent Examiner:** Mr S Atkins BSc (Hons) FCA  
Partner in Clement Keys LLP  
No 8, Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

## Charity of Harriet Louisa Loxton

### Report of the Trustees for the Year Ended 31st March 2015

#### Structure, Governance and Management

##### *Governing document*

The Trust is governed by a Scheme approved by the Charity Commission on 16 October 1989 and is a registered charity, number 702446.

##### *Recruitment and appointment of trustees*

The Trustees who served during the year, and since the year end, are set out in the reference and administrative details on page one. There is no limit on the minimum or maximum number of Trustees.

##### *Trustee Meetings*

Three representatives from the sole trustee (Birmingham City Council) are necessary to form a quorum. Issues are decided by a simple majority of those present and voting, provided at least two representatives vote in favour of the resolution.

#### Objectives and Activities

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular the trustees have considered how planned activities will contribute to the aims and objectives set.

The objects of the trust are to apply the income from the fund "for the purpose of relieving in cases of need, persons who by reason of age, infirmity or any other circumstance, are in need of care and attention which is not otherwise available to them by providing or paying for items, services and facilities which are calculated to meet that need".

#### Achievements and Performance

Total incoming resources for the year were £28,679 (2014: £27,209) comprising solely of investment income.

Charitable expenditure increased to £31,757 (2014: £21,751). Grants of £19,755 were awarded at the end of 2014/15 (2014: £11,992)

#### Financial Review

##### *Reserves and Grant Making Policy*

The Trust Deed requires the capital and income of the Trust to be applied to meet the purposes of the charity, but permits the trustees to invest any part not required for the time being.

##### *Investment Policy*

The investment objective is therefore primarily to provide security of capital for such time until the funds are required.

Investments may therefore include Government gilts, with their maturity value in mind. In addition, where sums are expected to be invested for say five years or more, a limited exposure to equities may be appropriate. This will be via pooled investment vehicles only. All investment is subject to the Trustee Act 2000.

##### *Risk Management*

The Trustees keep under review the major strategic and operational risks which the Charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the Charity.



Charity of Harriet Louisa Loxton

Report of the Trustees for the Year Ended 31st March 2015

Trustees' Responsibilities in Relation to the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Date

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE CHARITY OF HARRIET LOUISA LOXTON**

I report on the accounts of the Charity of Harriet Louisa Loxton for the year ended 31 March 2015, which are set out on pages 6 to 8

**Respective responsibilities of trustees and examiner**

The Charity's trustees are responsible for the preparation of the accounts. The charities' trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Simon Atkins FCA

Partner in CLEMENT KEYS LLP  
Chartered Accountants

Date:

No.8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

Charity of Harriet Louisa Loxton

Statement of Financial Activities for  
the year ended 31st March 2015

	Notes	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
<b>Incoming Resources</b>					
Investment Income	2	28,679		28,679	27,209
<b>Total Incoming Resources</b>		<u>28,679</u>	<u>-</u>	<u>28,679</u>	<u>27,209</u>
<b>Resources Expended</b>					
Grants payable in furtherance of the charity's objectives	4	19,755		19,755	11,992
Support costs	5	8,485		8,485	7,235
Creditors Written Off		-		-	940
Portfolio management charge	5	3,516		3,516	3,464
<b>Total Resources Expended</b>		<u>31,757</u>	<u>-</u>	<u>31,757</u>	<u>21,751</u>
<b>Net (Outgoing)/Incoming Resources before other recognised gains and losses</b>		(3,077)	-	(3,077)	5,458
<b>Other realised &amp; unrealised losses</b>					
Total gains on investments		-	47,670	47,670	71,901
<b>Net Movement in Funds</b>		(3,077)	47,670	44,593	77,360
<b>Reconciliation of Movement in Funds</b>					
Balance at 1 April 2014		217,240	1,453,254	1,670,494	1,593,134
<b>Balance at 31 March 2015</b>		<u>214,162</u>	<u>1,500,924</u>	<u>1,715,087</u>	<u>1,670,494</u>

Balance Sheet at 31st March 2015

	Notes	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
<b>Fixed Assets</b>					
Investments	6	29,595	1,500,924	1,530,519	1,486,365
<b>Current Assets</b>					
Deposits with Birmingham City Council		182,143	-	182,143	182,052
Debtors		2,425	-	2,425	2,077
<b>Creditors - amounts falling due within one year</b>	7	-	-	-	-
<b>Net Current Assets</b>		184,567	-	184,567	184,129
<b>Total Net Assets</b>		<u>214,162</u>	<u>1,500,924</u>	<u>1,715,087</u>	<u>1,670,494</u>
<b>Funds</b>					
Permanent Endowment		-	1,500,924	1,500,924	1,453,254
Unrestricted Income		214,162	-	214,162	217,240
		<u>214,162</u>	<u>1,500,924</u>	<u>1,715,087</u>	<u>1,670,494</u>

Trustee

Date

**Charity of Harriet Louisa Loxton**  
**Notes Forming Part of the Financial Statements**  
**for the Year Ended 31st March 2015**

**Note 1 Principal Accounting Policies**

**a) Accounting Convention**

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and within the provisions of the Charities Act 2011.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

The trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

**b) Investment Income and Valuation**

Investment income is accounted for on an accruals basis. The investments are shown at market value. Realised and unrealised gains and losses are shown in the changes in resources available.

**c) Resources Expended**

Expenditure is included on an accruals basis.

**d) Fund Accounting**

Details and the nature of each fund is set below.

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Endowment Funds represents those assets which must be held permanently by the charity.

Note 2 Investment income	2015 £	2014 £
Income from securities	28,679	27,209
	<u>28,679</u>	<u>27,209</u>

Income from securities consists of the following, Fixed interest - £568 (2014: £99) and Equity investments £28,111, (2014: £27,110)

**Note 3 Taxation recoverable**

The Trust received investment income during the year from which tax has been deducted at source and to the extent it is recoverable, has been accrued for in the accounts.

**Note 4 Direct Charitable expenditure**

Distributions made during the year from the fund were all to individuals or organisations approved by the Advisory Panel and General Purposes Committee.

During the year grants totalling £19,755 were made (2014: £11,992).

**Note 5 Support costs and portfolio management fees**

Expenses of £12,001 (2014: £10,699) were incurred during the year as a result of the Advisory Panel meetings to consider the award of grants and Investment Portfolio Management Charge.

Charity of Harriet Louisa Loxton

Notes Forming Part of the Financial Statements  
for the Year Ended 31st March 2015 - continued

Note 6 Fixed assets

Analysis of movements in Investments

Investments managed by Barclays Wealth

	Fixed Interest	Equity Investments	Hedge Funds	Cash and Deposits	Property	Grand Total
Opening market value as at 1 April 2014	223,397	781,056	60,739	115,571	28,922	1,209,685
Purchases at Cost	-	270,888	13,683	(284,571)	-	-
Sale Proceeds	(88,056)	(145,851)	(13,449)	247,356	-	-
Change in Market Value	8,472	32,179	3,110	168	2,425	46,354
Portfolio M'gmt Fee	-	-	-	(3,516)	-	(3,516)
Closing market value as at 31 March 2015	143,813	938,272	64,083	75,008	31,347	1,252,523

Investments at Market Value	2015	2014
Barclays Wealth	1,252,523	1,209,685
Deposit with Birmingham County Council	277,996	276,680
	<u>1,530,519</u>	<u>1,486,365</u>

The following investments represent 5% or more of the year end portfolio balance

Investment	%	£
Franklin Templeton Global Bond W H 1 Inc Nav	5.7	66,684
Artemis Fund Managers Income DIS	5.5	64,636

Investments are included at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Note 7	Creditors	2015	2014
	Creditor for unpaid grants	-	-

Note 8 Trustees' Remuneration

None of the trustees have received any remuneration or reimbursed expenses from the Trust. (2014 - £nil).



<b>Report to:</b>	<b>Trust and Charities Committee</b>	<i>Exempt information paragraph number – if private report:</i>
<b>Report of:</b>	<b>Director of Finance</b>	
<b>Date of Decision:</b>	<b>17<sup>th</sup> December 2015</b>	
<b>SUBJECT:</b>	<b>ANNUAL REPORT AND ACCOUNTS – ELFORD TRUST FOR THE PERIOD 2014/15</b>	
<b>Key Decision: Yes / No</b>	<b>Relevant Forward Plan Ref: No</b>	
<b>If not in the Forward Plan: (please "X" box)</b>	<b>Chief Executive approved</b>	<input type="checkbox"/>
	<b>O&amp;S Chairman approved</b>	<input type="checkbox"/>
<b>Relevant Cabinet Member(s):</b>	<b>N/A</b>	
<b>Relevant O&amp;S Chairman:</b>	<b>N/A</b>	
<b>Wards affected:</b>	<b>All</b>	

**1. Purpose of report:**

- 1.1 To present for approval the 2014/15 Annual Report and Accounts for Elford Trust.

**2. Decision(s) recommended:**

- 2.1 The Committee acting on behalf of the Trustee (BCC) is recommended to approve the Annual Report and Accounts.
- 2.2 The Committee acting on behalf of the Sole Corporate Trustee authorises officers in Corporate Finance to submit all appropriate and necessary documentation to the Charity Commission in respect of recommendation 2.1.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b>	0121 675 0482
<b>E-mail address:</b>	Mark_szurminski@birmingham.gov.uk

**3. Consultation**

Consultation should include those that have an interest in the decisions recommended

**3.1 Internal**

The Chairman of the Committee has been consulted in the preparation of this report.

**3.2 External**

n/a

#### **4. Compliance Issues:**

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications  
(Will decisions be carried out within existing finance and Resources?)

N/A

4.3 Legal Implications

Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.

4.4 Public Sector Equality Duty (see separate guidance note)

No adverse impact.



<b>5. Relevant background/chronology of key events:</b>	
5.1	The Elford Estate Charity is regulated by a Scheme dated 14 May 1990. It is a registered charity with charity number 1000692.
5.2	<p>The objects of the charity are to promote the healthy recreation of the citizens of Birmingham.</p> <p>The charity owns land of an approximate area of 187 hectares, comprising a mix of agriculture and residential property and it uses this to generate income to help deliver its objectives.</p>
5.3	<p>On 4 March 2015, Trust and Charities Committee approved the transfer of £53,054, from the Trusts restricted to unrestricted balances, to meet the cost of essential works on the Elford Estate. A copy of this report can be found at Appendix 2.</p> <p>There is no requirement to reimburse the restricted funds for the proposed transfer, however, this would be good practice. In the event that income exceeds expenditure within unrestricted funds in future years, approval will be sought to transfer resources to restricted funds, whilst maintaining a working balance within unrestricted funds.</p>
5.4	It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.
5.5	The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission was increased in April 2009 from £10,000 to £25,000.
5.6	The attached accounts identify that the trusts gross annual income for the year was £61,724 and therefore an independent examination was undertaken.
<b>6. Evaluation of alternative option(s):</b>	
6.1	It is a Charity Commission requirement to compile annual accounts.
<b>7. Reasons for Decision(s):</b>	
7.1	For Committee to approve the accounts.

Signatures	<u>Date</u>
------------	-------------

Director of Finance	.....
Chairman	.....

<b>List of Background Documents used to compile this Report:</b>
N/A

<b>List of Appendices accompanying this Report (if any):</b>
<ol style="list-style-type: none"><li>1. 2014-15 Accounts</li><li>2. Trust and Charities 4 March 2015 Committee Report</li></ol>

THE ELFORD ESTATE CHARITY  
REPORT AND FINANCIAL STATEMENTS  
31 MARCH 2015

Registered charity number: 1000692

## The Elford Estate Charity

### Report of the Trustees for the Year Ended 31 March 2015

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

#### Reference and administrative information

Name of charity:	The Elford Estate Charity
Registered charity number:	1000692
Address for correspondence:	Mr N Oliver Local Property Management Team Birmingham City Council Economy Directorate Woodcock Street PO Box 16306 B2 2XR
Trustee:	Birmingham City Council
Independent Examiner:	Mr S Atkins FCA Partner in Clement Keys LLP No. 8 Calthorpe Road Edgbaston Birmingham B15 1QT
Bank:	Barclays Bank plc 15 Colmore Row Birmingham B3 2BH

# **The Elford Estate Charity**

## **Report of the Trustees for the Year Ended 31 March 2015**

### **Structure, Governance and Management**

#### *Governing document*

The Elford Estate Charity is regulated by a scheme dated 14 May 1990. It is a registered charity with charity number 1000692.

#### *Recruitment and appointment of trustees*

The sole Corporate Trustee is Birmingham City Council. Day to day activities are managed by the Trusts and Charities Committee. Any other items such as disposals or issuing long term leases are to be recommended by Trusts and Charities Committee by Full Council

Full Council, as sole Corporate Trustee, meets separately and makes decisions before its meetings on City Council business.

### **Objectives and Activities**

The object of the charity is to promote the healthful recreation of the citizens of Birmingham.

The charity owns an approximate area of 187 hectares, comprising a mix of agricultural and residential property and it uses this asset to generate income to help deliver its objectives.

### **Achievements and Performance**

In order to meet its objectives, the Charity's ongoing activities cover the maintenance and upkeep of its land, which encompass a cricket pitch, school playing field and garden grounds.

### **Financial Review**

Unrestricted income for the period amounted to £61,724 (2014: £55,878) and the principal funding sources were rents and easements of £53,307 (2014: £48,287) and interest earned on deposits of £8,417 (2014: £7,360).

In March 2015, Birmingham City Council's (Council as Trustee), Trust & Charities Committee, approved the transfer of £53,054 from Elford Trust restricted balance funds to unrestricted balances. This was to meet the cost of essential works on the Elford Estate. (2014: nil)

Unrestricted expenditure totalled £204,146 (2014: £48,897) and comprised charitable expenditure of £202,966 (2014: £47,476) and governance costs of £1,180 (2014: £1,421).

# **The Elford Estate Charity**

## **Report of the Trustees for the Year Ended 31 March 2015**

### **Financial Review – continued**

The Trustees are of the opinion that the Balance Sheet discloses funds adequate for the purpose of fulfilling the obligations of the charity.

#### *Reserves Policy*

It is the policy of the charity to retain unrestricted funds, which are the free reserves of the charity, accumulated through the collection of rent from the Trust's property portfolio. This provides sufficient funds to cover 12 months estimated operating costs

#### *Investment policy*

The Trustees have the power to invest trust money in the purchase of, or an interest in the security of, such stocks, funds, shares, securities or other investment or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

All investment is subject to the Trustee Act 2000.

#### *Risk Management*

The Trustees keep under review the major strategic and operational risks which the charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the charity.

Retaining the property portfolio in Trust and the investment of the accumulated income in the Birmingham City Council Loan Account minimises the risk to the Trust. Systems are in place which likewise lessens any risk associated.

During the year, the Trusts & Charities Committee agreed that the investments of BCC's sole trustee funds should be managed by CCLA.

On 31 March accumulated income has been transferred from the Birmingham City Council Loan Account to the CCLA, to manage and invest in COIF Funds.

### **Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:



# The Elford Estate Charity

## Notes forming part of the Financial Statements for the year ending 31 March 2015

### Note 1: Principal Accounting Policies

#### a) Accounting Convention

The financial statements are prepared under the historic cost convention, modified to include fixed assets at valuation, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and within the provisions of the Charities Act 2011.

In preparing the financial statements the Charity follows best practice as laid down in the Statement of Recommended Practice: "Accounting and Reporting by Charities" issued in March 2005.

The Trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

#### b) Incoming Resources

Income from rents and easements are credited to income in the year in which they are receivable. Interest on short-term deposits is credited to income in the year in which it is received.

#### c) Expenditure

Expenses are charged in the financial statements in the year to which the liability relates.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of the activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the Charity.

#### d) Fund Accounting

Details and the nature of each fund are set below:

**Unrestricted Funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

**Restricted Funds** represent those assets that must be held permanently by the charity.

THE ELFORD ESTATE CHARITY

Statement of Financial Activities for the Year Ended 31 March 2015

		Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Incoming resources					
Rents and easements		53,307	-	53,307	48,257
Interest		8,417	-	8,417	- 7,360
Other Incoming resources					
Misc Income		-	-	-	261
Total incoming resources		61,724	-	61,724	55,878
Resources expended					
Charitable expenditure	2	202,966	-	202,966	47,476
Governance costs		1,180	-	1,180	1,421
Total resources expended		204,146	-	204,146	48,897
Net (outgoing)/incoming resources before transfers		(142,422)	-	(142,422)	6,981
Transfer					
Transfer from restricted to unrestricted		53,054	(53,054)	-	-
Transfer from unrestricted to restricted		(4,535)	4,535	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		(93,903)	(48,519)	(142,422)	6,981
Revaluation of fixed assets for charity's own use		-	-	-	350,000
Net movement in funds		(93,903)	(48,519)	(142,422)	356,981
Reconciliation of funds					
Balance of funds brought forward at 1 April		120,096	3,261,033	3,381,129	3,024,148
Balance of funds carried forward at 31 March		26,193	3,212,514	3,238,708	3,381,129

Balance sheet as at 31 March 2015

		Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Fixed assets					
Tangible assets	4	-	2,350,000	2,350,000	2,350,000
		-	2,350,000	2,350,000	2,350,000
Current assets					
Short term deposits	5	27,393	862,514	889,907	1,033,961
Debtors: Amounts falling due within one year.	6	-	-	-	2,115
Creditors: Amounts falling due within one year.	6	1,200	-	1,200	4,947
Net current assets		26,193	862,514	888,707	1,031,129
Net assets		26,193	3,212,514	3,238,707	3,381,129
Funds		26,193	3,212,514	3,238,707	3,381,129

Approved by the Trustees and signed on their behalf by:



# The Elford Estate Charity

Notes forming part of the Financial Statements  
for the year ending 31 March 2015

## 2. Resources Expended

Charitable expenditure	2015	2014
	£	£
Contributions towards:		
Purchase of land & assets at Moor Pool Estate by MPHT	10,000	-
 Premises costs for the year	161,921	33,888
Agents' Management Fee	10,450	10,325
Advertising and other costs	<u>20,595</u>	<u>3,263</u>
	<u>202,966</u>	<u>47,476</u>

## Governance Costs

Legal Fees	-	231
Independent Examiners fee	<u>1,180</u>	<u>1,190</u>
	<u>1,180</u>	<u>1,421</u>

## 3. Transfers between Funds

The Charity Commission Scheme of 14 May 1990 sanctioned expenditure of £227,180 which represented the proceeds of the sale of land. The sale proceeds were to be used for the purpose of promoting the objects of the trust.

A recoupment order is in place so that the endowment fund is replenished over a period of 60 years. Therefore, a sum of £3,786 plus interest of £749 has been transferred to restore the endowment in 2015 (2014: £3,786 plus £858) interest was transferred).

On 4 March 2015, Birmingham City Council's (Council as Trustee), Trust & Charities Committee, approved the transfer of £53,054 from Elford Trust restricted balance funds to unrestricted balances, to meet the cost of essential works on the Elford Estate.

## The Elford Estate Charity

### Notes forming part of the Financial Statements for the year ending 31 March 2015

#### 4. Tangible Assets

	2015 £	2014 £
Land and Property		
Value of Land and Property At 31 March	2,350,000	2,000,000
Value of property sold	-	-
Market value adjustment	-	350,000
Market Value	<u>2,350,000</u>	<u>2,350,000</u>

The land and property that comprises the Elford Estate is a mix of residential and agricultural property covering an area of approximately 187 hectares at Elford in the County of Staffordshire.

The land was gifted to the City in 1936 and has no recorded original cost or value. The estate was valued by Bruton Knowles in March 2011 using the Open Market basis of valuation at £2,000,000. In February 2014 Home Farm, which forms part of the estate, was valued by Bruton Knowles, using the Open Market basis of valuation. This resulted in an uplift in value, of £350,000.

#### 5. Short Term Deposits

Funds are invested in CCLA and COIF (2014: Birmingham Loans account)

#### 6. Debtors & Creditors

Debtors amounting to nil (2014:£2,115) are included in the accounts.

Creditors amounting to £1,200 are included in the accounts for Independent Examination fees. (2014: £4,460). Nothing has been included for Lichfield Council - Rates (2014: £487)

#### 7. Remuneration and Expenses

None of the Trustees receive remuneration or other benefits from the Charity or reimbursement for any expenses incurred on behalf of the Charity (2014: none)

# The Elford Estate Charity

Notes forming part of the Financial Statements  
for the year ending 31 March 2015

## 8. Restricted Funds

	2015 £	2014 £
<b>Tangible fixed assets</b>		
Market Value		
At 31 March 2015	<u>2,350,000</u>	<u>2,350,000</u>
<b>Short term deposits</b>		
<i>Recoupment Order</i>		
At 1 April 2014	144,046	139,402
Funds recouped in year	3,786	3,786
Interest Allocated	<u>749</u>	<u>858</u>
At 31 March 2015	<u>148,581</u>	<u>144,046</u>
<i>Funds on deposits in respect of sale of Elford Properties</i>		
Net proceeds brought forward	766,986	766,986
Transfer of resources to unrestricted	(53,054)	-
Net proceeds at 31 March 2015	<u>713,932</u>	<u>766,986</u>
<b>Total funds</b>	<u>3,212,513</u>	<u>3,261,032</u>



## Birmingham City Council – Council as Trustee

## PUBLIC REPORT

Report to:	Trust and Charities Committee	Exempt information paragraph number – if private report:
Report of:	Director of Finance	
Date of Decision:	4 <sup>th</sup> March 2015	
SUBJECT:	ELFORD TRUST – TRANSFER OF FUNDS	
Key Decision: No	Relevant Forward Plan Ref: No	
If not in the Forward Plan: (please "tick" box)	Chief Executive approved <input type="checkbox"/>	
	O&S Chairman approved <input type="checkbox"/>	
Relevant Cabinet Member:	N/A	
Relevant O&S Chairman:	N/A	
Wards affected:	Outside of the City boundaries	

1. Purpose of report:
1.1 To seek approval to transfer funds within the Elford Trust accounts in order to meet the costs of essential works on the Elford Estate.

2. Decision(s) recommended:
2.1 The Committee approve the transfer of £53,054 from Elford Trust restricted balance funds (permanent endowment) to unrestricted balances to meet the cost of essential works on the Elford Estate.

Contact Officer:	Paul Quinney, Head of City Finance
Telephone No:	0121 303 6901
E-mail address:	paul.quinney@birmingham.gov.uk

3. Consultation
Consultation should include those that have an interest in the decisions recommended.
3.1 <u>Internal</u>
The Chairman of the Committee has been consulted in the preparation of this report.
3.2 <u>External</u>
The report deals with matters relating only to the Trust and its financial arrangements. The Elford Estate is outside of the City boundaries within the parishes of Elford and Whittington and Fisherwick. No further consents or consultation are required.



#### 4. Compliance Issues:

##### 4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The recommendations relate solely to matters relating to the Elford Trust and its financial arrangements.

##### 4.2 Financial Implications. (Will decisions be carried out within existing finances and Resources?)

4.2.1 The resources of the Trust are outside of Birmingham City Council.

4.2.2 The purpose of this report is to enable the Trust to effectively manage its resources to meet the costs of works required to maintain Trust assets.

4.2.3 The balance of Unrestricted Funds at 1<sup>st</sup> April 2014 was £120,096. Estimated income for the financial year 2014/15 is £58,000, which together with the opening fund balance amounts to estimated resources of £178,096. Estimated expenditure for the same period totals £201,150 and so exceeds estimated resources available in unrestricted funds by some £23,054. In order to meet the estimated shortfall in the unrestricted fund it is appropriate to transfer resources from the Restricted Funds. It is also necessary to maintain a working balance of unrestricted funds to meet routine running costs and it is proposed that this should be £30,000 going into 2015/16. It is therefore proposed to transfer resources of £53,054 from the Trust's Restricted Funds balances to the Unrestricted Funds in order to meet costs incurred in 2014/15 and maintain a balance estimated at £30,000 in the Unrestricted Fund at 31<sup>st</sup> March 2015.

The Restricted Funds balance at 1<sup>st</sup> April 2014 was £3,261,033 and so will reduce to £3,207,979 based on the proposal. There is no requirement to reimburse the Restricted Funds for the proposed transfer, however, this would be good practice. In the event that income exceeds expenditure within Unrestricted Funds in future years, approval will be sought to transfer resources to Restricted Funds, whilst maintaining a working balance within Unrestricted Funds.

The estimated financial impact of the proposals on the Trust's funds is detailed in attached Appendix 1.

The final figures for 2014/15 will be reported in the annual accounts which will be submitted to the Committee for approval.

#### 4.3 Legal Implications

Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by charitable law, failing which this will give rise to a breach of trust, Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times.

The statutory power to spend permanent endowment can be found at sections 281 to 291 of the Charities Act. Section 281 deals with those unincorporated charities that fall below the threshold for the larger charities set out in section 282. Section 281 of the Charities Act sets out the provisions for charities that are not regarded as Section 282 charities.

In the case of these charities one of the following may apply:

- i) the gross annual income is £1000 or less; OR
- ii) the market value of the whole of its permanent endowment is £10,000 or less;  
OR
- iii) the permanent endowment (however large) is not entirely given.

'Entirely given' is used for the condition at section 282(1) and 289(1). This refers to charities whose permanent endowment "consists entirely of property given by:

- i) a particular individual (including a bequest made in a will); or
- ii) a particular institution (by way of grant or otherwise); or
- iii) two or more individuals or institutions for the same purpose"

In practice this condition covers most charities with permanent endowment. Charities with permanent endowment which is not entirely given include those that have created their own permanent endowment using a power in their governing document.

Upon review of the charity's constitution and governing trust document, it is the view of officers that the charity's permanent endowment was NOT "entirely given", having been established by officers who manage the charity's financial affairs. In those circumstances, Charity Commission consent is not needed. The relevant extract from the Charity Commission Scheme dated the 14 May 1990 is set out below:

*"8. Expenditure of capital. The expenditure by the Trustee of the Charity of sums totalling £227,180 and representing the proceeds of sale of land for the purpose of promoting the healthy recreation of the inhabitants of the City of Birmingham is hereby sanctioned subject to recoupment of the amount so expended in the manner following or in such other manner as the Commissioners shall direct -*  
*(1) The Trustee shall set aside, in each year for the period of 60 years, a sum of £3,786.33 out of the income of the Charity;*  
*(2) The sums so set aside shall be held and invested as permanent endowment of the Charity."*



#### 4.4 Public Sector Equality Duty (see separate guidance note)

None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.

#### 5. **Relevant background/chronology of key events:**

5.1 The Trust has ownership of land and premises at Elford village which through the grant of leases generates funds to the Trust for essential estate management and repairs and to be able to make occasional grants to other charities and causes, in line with the objects of the Elford Estate trust.

5.2 In the financial year 2014 -15 the allocation of funds for various works and grants has included:

- Woodhouse Farm : £172,000 (current estimate)
- Moor Pool Heritage Trust contribution : £10,000
- Tree survey and maintenance work : £5,000 (current estimate)
- Avenue Wall Repair : £2,326
- New Cottage repairs : £1,432

In addition the Trust incurs costs for management of the estate of around £10,600.

5.3 This has been an exceptional year in terms of the level of work required to maintain Trust assets and the costs incurred exceed the balances readily available in the unrestricted funds used to meet routine running costs. This report therefore seeks approval to use some Restricted Funds.

#### **Aims and Objectives of the Charity**

5.4 The objects and purposes of the Elford Estate trust are for the healthful recreation of the citizens of Birmingham and for the preservation of the rural aspects of the Elford Estate. For a purpose to be charitable it must be one which falls within the definition of S3(1) Charities Act and is for "public benefit" as set out within S4 Charities Act 2011. The Trustees are referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives of the charity and in planning any future activities (S17 Charities Act 2011).

#### **Trustee Powers**

5.5 In addition to the general law applying to charitable trusts, the Deed of Gift dated 29 September 1936, under which the estate passed to BCC, requires that the estate should be held in trust to promote "the healthy recreation of the inhabitants of the City of Birmingham". Further s86(2) West Midlands County Council Act 1980 requires that BCC preserves, as far as is possible, the rural character of Elford Hall Estate. The charity's governing document is a Scheme of the Charity Commission sealed on 14 May 1990. The management of the estate is delegated to the Trusts & Charities Committee except for disposals.



**6. Evaluation of alternative option(s):**

- 6.1 There are no other options identified to meet these costs from the available Trust resources. The works are considered essential to maintain Trust assets to an appropriate standard and to have delayed works further could have led to additional maintenance requirements and higher costs.

**7. Reasons for Decision(s):**

- 7.1 To make funds available to meet the cost of essential works to Trust assets and to ensure compliance with financial and charity regulations and demonstrate continuing support for community projects.

**Signatures**

Director of Finance



**Date**

13/2/15

Chairman

.....

.....

**List of Background Documents used to compile this Report:**

Charity Commission Scheme 14 May 1990

**List of Appendices accompanying this Report (if any):**

1. Cost and Funding Summary



<b>Report to:</b>	<b>Trust and Charities Committee</b>	<i>Exempt information paragraph number – if private report:</i>
<b>Report of:</b>	<b>Director of Finance</b>	
<b>Date of Decision:</b>	<b>17<sup>th</sup> December 2015</b>	
<b>SUBJECT:</b>	<b>ANNUAL REPORT AND ACCOUNTS – Highbury Trust for the period 2014/15</b>	
<b>Key Decision: Yes / No</b>	<b>Relevant Forward Plan Ref: No</b>	
<b>If not in the Forward Plan: (please "X" box)</b>	<b>Chief Executive approved</b>	<input type="checkbox"/>
	<b>O&amp;S Chairman approved</b>	<input type="checkbox"/>
<b>Relevant Cabinet Member(s):</b>	<b>N/A</b>	
<b>Relevant O&amp;S Chairman:</b>	<b>N/A</b>	
<b>Wards affected:</b>	<b>All</b>	

**1. Purpose of report:**

- 1.1 To present for approval the 2014/15 Annual Report and Accounts for Highbury Trust.

**2. Decision(s) recommended:**

- 2.1 The Committee acting on behalf of the Trustee (BCC) is recommended to approve the Annual Report and Accounts.
- 2.2 The Committee acting on behalf of the Sole Corporate Trustee authorises officers in Corporate Finance to submit all appropriate and necessary documentation to the Charity Commission in respect of recommendation 2.1.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b>	0121 675 0482
<b>E-mail address:</b>	Mark_szurminski@birmingham.gov.uk

**3. Consultation**

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Chairman of the Committee has been consulted in the preparation of this report.

3.2 External

n/a

#### **4. Compliance Issues:**

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications  
(Will decisions be carried out within existing finance and Resources?)

N/A

4.3 Legal Implications

Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.

4.4 Public Sector Equality Duty (see separate guidance note)

No adverse impact.

<b>5. Relevant background/chronology of key events:</b>
5.1 The Trust was established by a deed dated 31 March 1932. The objectives of the Trust are general charitable purposes for the benefit of the citizens of Birmingham.
5.2 The Trust is registered with the Charity Commission No. 1039194.  The Highbury Estate comprises of a variety of properties – Highbury Hall, Chamberlain House, residential properties 92 and 98 Queensbridge Road, The Gatehouse and the Caretakers House as well as having land of 13 hectares, of which 11 hectares relate to parkland.
5.3 It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.
5.4 The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission was increased in April 2009 from £10,000 to £25,000.
5.5 The attached accounts identify that the trusts gross annual income for the year was £179,382 and therefore an independent examination was undertaken by the Trusts appointed auditors.
<b>6. Evaluation of alternative option(s):</b>
6.1 It is a Charity Commission requirement to compile annual accounts.
<b>7. Reasons for Decision(s):</b>
7.1 For Committee to approve the accounts.

<b>Signatures</b>	<b><u>Date</u></b>
Director of Finance .....	.....
Chairman .....	.....

<b>List of Background Documents used to compile this Report:</b>
N/A

<b>List of Appendices accompanying this Report (if any):</b>
1. 2014-15 Accounts



Highbury Trust

Registered Charity Number  
1039194

Report and Accounts

For the Year Ended 31 March 2015

Highbury Trust  
Report and Financial Statements  
for the year ended 31 March 2015

Report of Trustees	1 - 2
Independent Examiner's Report to the Trustees	3
Statement of Financial Activities and Balance Sheet	4
Notes Forming Part of the Financial Statements	5



## Highbury Trust

### Report of the Trustees for the Year Ended 31 March 2015

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

These accounts have been prepared from information held by the Council. They assume that arrangements will be established under which the Trust Leases assets to the Council and uses the rental income to maintain the properties. It is further assumed that any shortfall will continue to be funded by contributions from the Council.

#### Reference and administration information

**Name of Charity :**

Highbury Trust  
P O Box 16306  
Birmingham B2 2XR

**Charity Number:**

1039194

**Address for correspondence / donations is:**

Highbury Trust

**The Trustees who served during the year were:**

Birmingham City Council is the Sole Corporate Trustee

**Bank:**

Co-operative Bank plc  
PO Box 82  
118 - 120 Colmore Row  
Birmingham  
B3 3BA

**Independent Examiner:**

Simon Atkins BSc (Hons) FCA  
Clement Keys LLP  
No 8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

## Highbury Trust

### Report of the Trustees for the Year Ended 31 March 2015

#### Structure, Governance and Management

##### *Governing Document*

The Fund was established by a Trust Deed dated 1 March 1932.  
It is a registered charity, charity number 1039194.

##### *Recruitment and appointment of Trustees*

The Trustees who served during the year, and since the year end, are set out in the reference and administration details on page one.

##### *Trustee Meetings*

Day to day management decisions are made by Trust and Charities Committee which is made up of 8 Council Members. Three Members acting as Trustees are necessary to form a quorum. Issues are decided by a simple majority of those and voting, provided at least two Trustees vote in Favour of the resolution. Decisions such as disposals are made by Full Council sitting separately as Corporate Trustee.

##### **Objectives**

The objects of the Fund are to use the bequest for the benefit of the citizens of Birmingham.

##### **Public Benefit**

The trustees confirm that, in the exercise of their powers as a charity trustees, they have had due regard to the published guidance from the Charity Commission on the operation of the public benefit requirement.

##### **Achievements and Performance**

Total income for the year was £179,382 (2013/14 £151,290).  
Charitable expenditure totalled £113,432 (2013/14 £64,290).

##### **Financial Review and Investment Policy**

The funds represent the value of the properties owned by the Trust. The repair and maintenance of the property is funded by rental income and contributions from Birmingham City Council.

##### **Trustees' Responsibilities in Relation to the Financial Statements.**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

---

Trustee

---

Date

---

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF Highbury Trust

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I report on the accounts of the Charity for the year ended 31 March 2015, which are set out on pages 4 to 5.

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to;

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

CLEMENT KEYS LLP  
Chartered Accountants  
No 8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

  
Mr S Atkins BSc (Hons) FCA  
Partner in Clement Keys LLP

30 November 2015

Highbury Trust

Statement of Financial Activities For The Year Ended 31 March 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 31-Mar-15 £	Total 31-Mar-14 £
<b>Incoming Resources</b>					
Rent Receivable		2,209	65,950	68,159	89,290
Contribution from Birmingham City Council		111,223	-	111,223	62,000
<b>Total Incoming Resources</b>	2	113,432	65,950	179,382	151,290
<b>Resources Expended</b>					
<u>Charitable Activities</u>					
Repairs & Insurance		112,532	-	112,532	63,380
Grants Payable		-	-	-	-
		112,532	-	112,532	63,380
<u>Governance Costs</u>					
Management Expenses		900	-	900	910
		900	-	900	910
<b>Total Resources Expended</b>	3	113,432	-	113,432	64,290
<b>Net Incoming Resources</b>		-	65,950	65,950	87,000
<b>Revaluation of Assets</b>		-	-	-	-
<b>Balance of Fund Brought Forward at 1 April</b>		-	1,892,000	1,892,000	1,805,000
<b>Balance of Fund Carried Forward at 31 March</b>		-	1,957,950	1,957,950	1,892,000

Balance Sheet as at 31st March 2015

		Unrestricted Funds £	Restricted Funds £	Total 31-Mar-15 £	Total 31-Mar-14 £
<b>Fixed Assets</b>					
Investment Properties	4	-	1,805,000	1,805,000	1,805,000
Other Reserves		-	152,950	152,950	87,000
		-	1,957,950	1,957,950	1,892,000
<b>Current Assets</b>					
Cash at Bank		-	-	-	-
<b>Total Net Assets</b>		-	1,957,950	1,957,950	1,892,000
<b>Reserves</b>		-	1,957,950	1,957,950	1,892,000
<b>Funds</b>	6	-	1,957,950	1,957,950	1,892,000

Approved by the Trustees and signed on their behalf by:

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Date



# Highbury Trust

## Notes forming part of the Financial Statements for the Year Ended 31 March 2015

### Note 1 Principal Accounting Policies

#### a) Accounting Convention

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP 2005.

#### b) Investment Income

Investment income is accounted for on an accruals basis and relates to rentals and other income generated from investment properties.

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with accuracy.

#### c) Resources Expended

Expenditure is included on an accruals basis as the liability is incurred. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its objectives. Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees and costs of a strategic management of the charity.

#### d) Investment Properties

Investment properties are included in the Balance Sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. As at 9 October 2012 the Investment properties were revalued to £1,805,000 by Edwin Bray on behalf of Drivers Jonas Deloitte.

#### e) Fund Accounting

Details and nature of each fund is set out below.

Unrestricted Funds comprise of those funds which the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represents those assets which must be held permanently by the Charity.

### Note 2 Incoming resources

	2015 £	2014 £
Rental Income	68,159	89,290
Birmingham City Council Funding	111,223	62,000
	<u>179,382</u>	<u>151,290</u>

### Note 3 Resources expended

	2015 £	2014 £
Insurance	2,344	2,344
Repairs	55,175	-
Grounds Maintenance	55,013	61,036
Other	900	910
	<u>113,432</u>	<u>64,290</u>

### Note 4 Investment Properties

	Freehold Investment Properties £
Valuation at 1 April 2014	1,805,000
Revaluation in Period	-
Value at 31 March 2015	<u>1,805,000</u>

### Note 5 Trustees Remuneration

None of the Trustees have received any remuneration or reimbursement of expenses from the Trust (2013/14 £nil).

### Note 6 Reserves

	At 1 April 2014 £	Incoming Resources £	Outgoing Resources £	Revaluation £	At 31 Mar 2015 £
Unrestricted Reserves	-	112,532	112,532	-	-
Restricted reserves Endowment	1,805,000	-	-	-	1,805,000
Earmarked Reserve	87,000	65,950	-	-	152,950
	<u>1,892,000</u>	<u>178,482</u>	<u>112,532</u>	<u>-</u>	<u>1,957,950</u>



<b>Report to:</b>	<b>TRUSTS AND CHARITIES COMMITTEE</b>
<b>Report of:</b>	<b>Director of Finance</b>
<b>Date of Decision:</b>	<b>17 DECEMBER 2015</b>
<b>SUBJECT:</b>	<b>ANNUAL REPORT &amp; ACCOUNTS – 2014/15 MOSELEY ROAD COMMUNITY CENTRE ("FRIENDS INSTITUTE")</b>
<b>Wards affected:</b>	<b>All</b>

**1. Purpose of report:**

- 1.1 To present for information the Annual Report and Accounts for Friends Institute for the financial year ending 31 March 2015.

**2. Decision(s) recommended:**

- 2.1 That Committee is receiving this report for information as Custodian Trustee and is asked to note the attached Annual Report and Accounts.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b>	0121 675 0482
<b>E-mail address:</b>	Mark_szurminski@birmingham.gov.uk

**3. Compliance Issues:**

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Chairman of the Committee has been consulted in the preparation of this report.

3.2 External

N/A

**4. Compliance Issues:**4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications

(Will decisions be carried out within existing finance and Resources?)

N/A

4.3	<u>Legal Implications</u>
	<p>Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.</p>
4.4	<u>Public Sector Equality Duty (see separate guidance note)</u>
	<p>None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.</p>



## 5. Relevant background/chronology of key events:

- 5.1 The charitable trust is governed by a scheme approved by the Charity Commission on 14 October 1982 as amended by a scheme of 29 August 1984 and a scheme of 12 April 1988 and is a registered charity, number 516602.

The objectives of the charity shall be the provision and maintenance of an institute or centre for the benefit of the inhabitants of the city of Birmingham or some part of it for:

- Educational purposes.
- Purposes of recreation and other leisure time occupation with the object of improving conditions of life for the said inhabitants.
- Other charitable purposes (including religious purposes but excluding the relief of property).

- 5.2 The Friends Institute is managed by Hall Green District Committee and is currently used by arts and theatrical charitable organisations.

- 5.3 Each charitable Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, except where gross annual income is less than £25,000, no later than ten months after the end of each financial year. Below this threshold, external scrutiny is only needed if this is set out in the Charity's governing document. The accounts of such Trusts are required to have been independently examined if gross annual income is between £25,000 and £500,000, and if the income exceeds £500,000 a full audit is required. An audit will also be required if total gross assets exceed £3.26m, and the charity's gross income is more than £250,000.

- 5.3 As reported to Committee in at its meeting on the 5 November 2014, officers in Legal Services undertook a review of the Charity's constitution. As a result of this review they have determined that Birmingham City Council was in fact Custodian trustee of the Charity. The function of the Custodian trustee is simply to hold the legal title to the Trust (i.e. the asset is registered in the name of the Council and the Council holds the documents of title). The Custodian trustee have no role in the Charity's management and therefore cannot make any decisions in respect of it. The Managing Trustees were cited as members the then Leisure Services Committee of Birmingham City Council. As the Leisure Services Committee no longer exists within the Council, Sport and Leisure functions are now devolved to District Committees within the Council's current Constitution (see Volume B6 p 55).

The powers and duties of a custodian trustee are set out in Sections 4(2) & (3) of the Public Trustee Act 1906. This includes assisting the managing trustees. The managing trustees retain the management of the trust property and the exercise of any powers under the trust. The custodian trustee has a duty to concur in and perform all lawful acts necessary to enable the managing trustees to administer the charity efficiently. The custodian trustee can only assist the managing trustees – it cannot have any management responsibilities itself.

- 5.4 The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission is £25,000.

The trusts gross annual income for the year was £77,304 and therefore the accounts have been independently examined by the trusts appointed auditors.

- 5.5 The Charity's assets are the Friends Institute building which is valued at £0.242m.

**6.Reasons for Decision(s):**

6.1 This Report is for information only.

**Signatures****Date**

Director of Finance: .....

.....

Chairman .....

.....

**List of Appendices accompanying this Report (if any):**

1. 2014/15 Accounts

CC

Moseley Road Community Centre – The Friends Institute

**Financial Statements**  
**Year Ended 31<sup>st</sup> March 2015**

## Moseley Road Community Centre – The Friends Institute

The Trustees present their report along with the financial statements of the charity for the year ended 31<sup>st</sup> March 2015. The Financial statements have been prepared in accordance with the accounting policies set out in the notes and comply with the charity's trust deed and applicable law.

### Reference and administrative information

Name of Charity:	Moseley Road Community Centre
Charity Number:	516602
Address For Correspondence:	FAO Nigel Oliver Properties & Projects Section Economy Directorate 10 Woodcock Street Birmingham B7 4BL
The Trustee who served during the year was:	Birmingham City Council - sole Trustee
The Trust's Independent Examiner is:	Mr S Atkins BSC (Hons) FCA Partner in Clement Keys LLP No. 8 Calthorpe Road Edgbaston Birmingham B15 1QT
The Trust's Bankers are:	Barclays Bank plc 15 Colmore Row Birmingham B3 2BH

## Moseley Road Community Centre – The Friends Institute

### Report of the Trustees for the Year Ended 31<sup>st</sup> March 2015

#### Structure Governance and Management

##### *Governing document*

The Trust is governed by a scheme approved by the Charity Commission on 14<sup>th</sup> October 1982 as amended by a Scheme of 29 August 1984 and a scheme of 12 April 1988. It is a registered charity, the registration number is 516602.

##### *Trustees*

The sole Corporate Trustee is Birmingham City Council. Day to day activities are managed by the Trusts and Charities Committee. Any other issues such as disposals or issuing long term leases are to be recommended by the Trust and Charities Committee to full Council. Full Council as Sole Corporate Trustee meet separately and makes decisions before it meets on City Council business voting, provided at least two Trustees vote in favour of the resolution.

#### Objectives and Activities

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and in planning future activities.

In particular, the Trustees have considered how planned activities will contribute to the aims and objectives set.

The objectives of the Charity shall be the provision and maintenance of an institute or centre for the benefit of the inhabitants of the City of Birmingham or some part of it for:

- a) Educational Purposes
- b) Purposes of recreation and other leisure time occupation with the object of improving the conditions of life for the said inhabitants
- c) Other charitable purposes (not excluding religious purposes but excluding the relief of poverty)

The Moseley Road Community Centre comprises land containing 1,880 square yards of land with a further 722 square yards of land situated on the Moseley Road in Birmingham with the buildings known locally as the Friends Institute.

It is managed by Birmingham City Council for the Charity for the purposes of education, recreation and other charitable purposes and is currently used by arts and theatrical charitable organisations.

The property is managed on a day to day basis by the Council's Hall Green District with policy decisions affecting the premises made by the Council Business Management (Trusts and Charities) sub Committee.

#### Achievements and Performance

Total unrestricted incoming resources for the year were £77,304 (2014 £88,768)

Charitable expenditure decreased to £83,104 (2014 £94,568)

#### Financial Review

##### *Reserves and Risk Management*

The Charity has insufficient funds available to keep the premises in good repair, seeking additional regular income from regularised lettings to art/theatrical organisations at market rent and to levy service charges. At present any deficit made is covered by the City Council.

##### *Risk Management*

The Trustees keep under review the major strategic and operational risks which the Charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the Charity.

Moseley Road Community Centre – The Friends Institute

Report of the Trustees for the Year ended 31<sup>st</sup> March 2015

**Trustees Responsibility in relation to the Financial Statements**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice.)

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of those resources of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

Trustee



Date

27/10/15



---

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
MOSELEY ROAD COMMUNITY CENTRE**

---

I report on the accounts of the Charity for the year ended 31 March 2015, which are set out on pages 5 to 7.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to;

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**CLEMENT KEYS LLP**  
Chartered Accountants  
No 8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

  
Mr S Atkins BSc (Hons) FCA  
Partner in Clement Keys LLP

19/6/15

**Moseley Road Community Centre – The Friends Institute**  
**Statement of Financial Activities for the Year Ended 31<sup>st</sup> March 2015**

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2015 £	Total 2014 £
<b>Incoming Resources</b>					
Voluntary Income		51,499	-	51,499	57,474
Activities for generating funds		-	-	-	435
Grant Income		-	-	-	-
Income from Charitable activities		25,805	-	25,805	30,859
Total Incoming resources	2	<u>77,304</u>	<u>-</u>	<u>77,304</u>	<u>88,768</u>
<b>Total Resources Expended</b>					
Charitable activities	3	77,304	5,800	83,104	94,568
Total Resources Expended		<u>77,304</u>	<u>5,800</u>	<u>83,104</u>	<u>94,568</u>
Net incoming / Outgoing Resources for the Year		-	(5,800)	(5,800)	(5,800)
Other Recognised Gains & Losses		-	-	-	-
Net Movement of Funds		-	(5,800)	(5,800)	(5,800)
<b>Reconciliation of Movement of Funds</b>					
Balance at 1 <sup>st</sup> April 2014		-	247,600	247,600	253,400
Balance at 31 <sup>st</sup> March 2015		<u>-</u>	<u>241,800</u>	<u>241,800</u>	<u>247,600</u>

**Balance Sheet at 31<sup>st</sup> March 2015**

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2015 £	Total 2014 £
<b>Fixed Assets</b>					
Land and Buildings		-	241,800	241,800	247,600
Total Net Assets		<u>-</u>	<u>241,800</u>	<u>241,800</u>	<u>247,600</u>
<b>Funds</b>					
Permanent Funds		-	241,800	241,800	247,600
Unrestricted Income		-	-	-	-
Total Funds		<u>-</u>	<u>241,800</u>	<u>241,800</u>	<u>247,600</u>

Trustee

Date



## Moseley Road Community Centre – The Friends Institute

Notes forming part of the Financial Statements for the Year Ended 31<sup>st</sup> March 2015

### Note 1 Principal Accounting Policies

#### a) Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and within the provisions of the Charities Act 2011.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005)

The Trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the Charity's circumstances and activities.

#### b) Resources Expended

Expenditure is included on an accrual basis

#### c) Fund Accounting

The details and the nature of each fund is set out below

#### d) Tangible Fixed Assets

The building is depreciated at a rate of 4% per annum on a straight line basis.

**Unrestricted Funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

**Restricted Funds** represent those assets that are held by the charity on a permanent endowment basis.

### Note 2 Incoming Resources

	2015 £	2014 £
Rental Income	51,499	57,474
Fees for services	-	253
Sales	-	182
Birmingham City Council Funding	25,805	30,859
<b>Total</b>	<u>77,304</u>	<u>88,768</u>

### Note 3 Resources Expended

	2015 £	2014 £
Employee Costs	37,001	42,040
Premises Costs	33,817	41,336
Transport Related	2,896	-
Communications Postage & Stationery	551	796
Equipment & Materials	2,574	1,232
Legal & Professional	369	3,170
Other including Depreciation	5,800	5,800
Sundry Costs	96	194
<b>Total</b>	<u>83,104</u>	<u>94,568</u>

## Moseley Road Community Centre – The Friends Institute

Notes forming part of the Financial Statements for the Year Ended 31<sup>st</sup> March 2015

### Note 4 Fixed Assets

	Land and Buildings
Valuation	£
As at 1 <sup>st</sup> April 2014	265,000
Revaluation in Year	-
As at 31 <sup>st</sup> March 2015	<u>265,000</u>
Depreciation	
Balance Brought Forward	17,400
Charge for the Year	5,800
Balance Carried Forward	<u>23,200</u>
Net Book Value	
As At 31 <sup>st</sup> March 2014	<u>247,600</u>
As at 31 <sup>st</sup> March 2015	<u>241,800</u>

The land and buildings value shown above relates to the property at 220 Moseley Road, Balsall Heath "The Moseley Road Community Centre or The Friends Institute." This property was acquired by the Council in 1903 and registered as a Charity on 14 January 1986. Up until 2005 no value had been recognised in the accounts for this property. In 2005, it was decided that its' value should be included and a valuation was undertaken.

The Land and Property have subsequently been re- valued on 27<sup>th</sup> October 2011 and was this carried out internally by Birmingham Property Services as a tangible asset at a Fair Value of £265,000. Non-depreciated land included within this valuation is held at a valuation of £120,000.

### Note 5 Trustee's Remuneration

None of the Trustees have received any remuneration or been reimbursed expenses from the Trust. (2014 £nil)

<b>Report to:</b>	<b>TRUSTS AND CHARITIES COMMITTEE</b>
<b>Report of:</b>	<b>Director of Finance</b>
<b>Date of Decision:</b>	<b>17 DECEMBER 2015</b>
<b>SUBJECT:</b>	<b>ANNUAL REPORT &amp; ACCOUNTS – 2014/15 SIR WHITWORTH WALLIS TRUST</b>
<b>Wards affected:</b>	<b>All</b>

**1. Purpose of report:**

- 1.1 To present for information the Annual Report and Accounts for Sir Whitworth Wallis Trust for the financial year ending 31 March 2015.

**2. Decision(s) recommended:**

- 2.1 That Committee is receiving this report for information as Custodian Trustee and is asked to note the attached Annual Report and Accounts.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b> <b>E-mail address:</b>	0121 675 0482 Mark_szurminski@birmingham.gov.uk

**3. Compliance Issues:**

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Chairman of the Committee has been consulted in the preparation of this report.

3.2 External

N/A

**4. Compliance Issues:**4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications  
(Will decisions be carried out within existing finance and Resources?)  
 N/A

4.3 <u>Legal Implications</u>
<p>Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.</p>
4.4 <u>Public Sector Equality Duty (see separate guidance note)</u>
<p>None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.</p>
<b>5 Relevant background/chronology of key events:</b>
<p>5.1 The Trust was established under a deed dated 26<sup>th</sup> July 1968 in memory of Sir Whitworth Wallis, the first curator of the Birmingham Art Gallery.</p> <p>5.2 The objects of the Trust are the promotion and study of paintings by students by offering scholarships, bursarships or prizes.</p> <p>5.3 It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.</p> <p>5.4 Each charitable Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, except where gross annual income is less than £25,000, no later than ten months after the end of each financial year. Below this threshold, external scrutiny is only needed if this is set out in the Charity's governing document. The accounts of such Trusts are required to have been independently examined if gross annual income is between £25,000 and £500,000, and if the income exceeds £500,000 a full audit is required. An audit will also be required if total gross assets exceed £3.26m, and the charity's gross income is more than £250,000.</p> <p>5.5 The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission is £25,000.</p> <p>The trusts gross annual income for the year was £1,299 and therefore there was no requirement for an independent examination.</p>
<b>6.Reasons for Decision(s):</b>
6.1 This Report is for information only.

**Signatures****Date**

Director of Finance: .....

.....

Chairman .....

.....

**List of Appendices accompanying this Report (if any):**

1. 2014/15 Accounts



**Sir Whitworth Wallis Trust**

**Registered Charity Number 529062**

**Report and Accounts**

**31 March 2015**

## **Sir Whitworth Wallis Trust**

### **Report of the Trustees for the Year Ended 31 March 2015**

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

#### **Reference and administrative information**

The Trust is registered with the Charity Commission, registration number 529062

#### **The Trustees are:**

The Chief Executive of Birmingham City Council  
Miss A M W Stokes-Roberts - Chairman  
Mr CS Bell  
Ms J Vaudeau  
Mr C Shaw  
Mrs M Barfield  
Mr T Watley

#### **The address for correspondence is:**

Ms Leigh Nash  
Birmingham City Council  
Zone 2  
Finance (WS)  
PO Box 16306  
Birmingham B2 2XR

#### **The Trust's bankers are:**

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ



## Sir Whitworth Wallis Trust

### Report of the Trustees for the Year Ended 31 March 2015

#### Structure, Governance and Management

The Trust was established under a deed dated 26 July 1968 in memory of Sir Whitworth Wallis, the first curator of the Birmingham Art Gallery. Whilst there are to be a minimum of 3 Trustees, currently there are 9 and they are listed above.

#### Objectives and Activities

The original objectives were the promotion and study of painting through the award of prizes to one or more students from the College of Art and Design (University of Central England) who had produced work in Fine Art of a sufficiently deserving standard.

In 2012 a review was conducted and the Trustees decided instead to fund an annual residency based at the Birmingham Museum and Art Gallery, in partnership with Birmingham City University's Birmingham Institute of Art and Design (BIAD). Applications are sought from full and part-time graduating BA and MA students, and graduates from the last two years of Margaret Street based BIAD students. The residency is in Fine Art with a focus on painting and drawing rather than other media, as these were of particular interest to Whitworth Wallis.

The objective of the residency, which is approximately 4 weeks in length, is to produce a piece of work inspired by items in the museum/art gallery's collection.

#### Financial Review

Investment income for the year amounted to £1,299.

During the year the value of investments increased by £3,299, to £35,561. This represents an increase of 10.2.%

Charitable Expenditure for the year was £1,200.

#### Trustees' Responsibilities in Relation to the Financial Statements.

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Trustee

20 August 2015 Date

# Sir Whitworth Wallis Trust

## Statement of Financial Activities For The Year Ended 31 March 2015

	Note	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
<b>Incoming Resources</b>					
Investment Income		1,299.28	0.00	1,299.28	1,275.25
<b>Total Incoming Resources</b>		<u>1,299.28</u>	<u>0.00</u>	<u>1,299.28</u>	<u>1,275.25</u>
<b>Resources Expended</b>					
Direct Charitable Expenditure		1,200.00	0.00	1,200.00	1,400.00
<b>Total Resources Expended</b>		<u>1,200.00</u>	<u>0.00</u>	<u>1,200.00</u>	<u>1,400.00</u>
<b>Net Incoming Resources / (Resources Expended)</b>		<u>99.28</u>	<u>0.00</u>	<u>99.28</u>	<u>(124.75)</u>
<b>Other Recognised Gains / (Losses)</b>		0.00	3,299.49	3,299.49	3,426.39
<b>Net Movement in Funds</b>		<u>99.28</u>	<u>3,299.49</u>	<u>3,398.77</u>	<u>3,301.64</u>
Balance of Fund Brought Forward at 1 April		1,621.28	32,261.85	33,883.13	30,581.49
<b>Balance of Fund Carried Forward at 31 March</b>		<u>1,720.56</u>	<u>35,561.34</u>	<u>37,281.90</u>	<u>33,883.13</u>

## Balance Sheet as at 31 March 2015

	Note	Unrestricted Fund £	Endowment Fund £	Total 2015 £	Total 2014 £
<b>Fixed Assets</b>					
Investments	2	0.00	35,561.34	35,561.34	32,261.85
<b>Current Assets</b>					
Cash at Bank		1,720.56	0.00	1,720.56	1,621.28
<b>Net Assets</b>		<u>1,720.56</u>	<u>35,561.34</u>	<u>37,281.90</u>	<u>33,883.13</u>
<b>Funds</b>		<u>1,720.56</u>	<u>35,561.34</u>	<u>37,281.90</u>	<u>33,883.13</u>

 Trustee

20th August 2015 Date

# Sir Whitworth Wallis Trust

## Notes to the Accounts for the Year Ended 31 March 2015

### Note 1 Principal Accounting Policies

#### Accounting Convention

##### a) Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and within the provisions of the charities Act 1993.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

The Trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

##### b) Investment Income

Investment income is accounted for on an accruals basis.

##### c) Resources Expended

Expenditure is included on an accruals basis.

##### d) Fixed Assets Investments

Investments are included at closing value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

##### e) Fund Accounting

Details and the nature of each fund is set below.

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Endowment Funds represents those assets which must be held permanently by the charity, principally investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the endowment fund.

### Note 2 Fixed Asset Investments

	2015 £	2014 £	
Market Value at 1 April	32,261.85	28,635.46	
Acquisitions at Cost	0.00	0.00	
Sales Proceeds from Disposals / Redemption	0.00	0.00	
Gain / (Loss) in the year	3,299.49	3,426.39	
Market Value at 31 March	<u>35,561.34</u>	<u>32,261.85</u>	
Investments at market value comprised:	31-Mar-15	31-Mar-14	% Change
UK Unit Trusts - 2795 COIF Shares	<u>35,561.34</u>	<u>32,261.85</u>	10.23%
All investments are listed UK securities.			



<b>Report to:</b>	<b>TRUSTS AND CHARITIES COMMITTEE</b>
<b>Report of:</b>	<b>Director of Finance</b>
<b>Date of Decision:</b>	<b>17 DECEMBER 2015</b>
<b>SUBJECT:</b>	<b>ANNUAL REPORT &amp; ACCOUNTS – 2014/15 JOHN BILLINGSLEY THE ELDER</b>
<b>Wards affected:</b>	<b>All</b>

**1. Purpose of report:**

- 1.1 To present for information the Annual Report and Accounts for John Billingsley the Elder for the financial year ending 31 March 2015.

**2. Decision(s) recommended:**

- 2.1 That Committee is receiving this report for information as Custodian Trustee and is asked to note the attached Annual Report and Accounts.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b> <b>E-mail address:</b>	0121 675 0482 Mark_szurminski@birmingham.gov.uk

**3. Compliance Issues:**

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Chairman of the Committee has been consulted in the preparation of this report.

3.2 External

N/A

**4. Compliance Issues:**4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications  
(Will decisions be carried out within existing finance and Resources?)  
 N/A

4.3 <u>Legal Implications</u>
<p>Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.</p>
4.4 <u>Public Sector Equality Duty (see separate guidance note)</u>
<p>None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.</p>
<b>5 Relevant background/chronology of key events:</b>
<p>5.1 The Trust was established by the will of John Billingsley the Elder on 24<sup>th</sup> March 1629. The trust was registered as a scheme with the Charity Commission on 1st July 1910 and updated on 11<sup>th</sup> December 1963.</p> <p>5.2 The objects of the Charity are to make payments for the benefit of poor and sick persons of the Birmingham Area.</p> <p>5.3 It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.</p> <p>5.4 Each charitable Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, except where gross annual income is less than £25,000, no later than ten months after the end of each financial year. Below this threshold, external scrutiny is only needed if this is set out in the Charity's governing document. The accounts of such Trusts are required to have been independently examined if gross annual income is between £25,000 and £500,000, and if the income exceeds £500,000 a full audit is required. An audit will also be required if total gross assets exceed £3.26m, and the charity's gross income is more than £250,000.</p> <p>5.5 The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission is £25,000.</p> <p>5.6 The trusts gross annual income for the year was £5 and therefore there was no requirement for an independent examination.</p>
<b>6.Reasons for Decision(s):</b>
6.1 This Report is for information only.

<b>Signatures</b>	<b>Date</b>
-------------------	-------------

Director of Finance: .....
Chairman .....

<b>List of Appendices accompanying this Report (if any):</b>
1. 2014/15 Accounts





**The Charity of John Billingsley The Elder**

**Report and Financial Statements**

**the year ended 31 March 2015**

**The Charity of John Billingsley The Elder**  
**Report of the Trustees for the Year Ended 31 March 2015**

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

**Reference and administrative information**

The name of the charity is The Charity of John Billingsley the Elder.  
The Trust is a registered charity number 220435.

**The Trust's Principal Office is:**

Sanjeev Bhopal -Senior Solicitor  
Birmingham City Council Legal & Democratic Services Department  
PO Box 15992  
Birmingham  
B2 2UQ

**The Trustees are:**

Councillor Anne Underwood  
Councillor Lyn Collin  
Councillor Mike Ward

In addition to these Trustees there are also 3 vacancies for trusteeship.

## **The Charity of John Billingsley The Elder**

### **Report of the Trustees for the Year Ended 31 March 2015**

#### **Structure, Governance and Management**

The charity was founded by the Will of John Billingsley the Elder dated 24th March 1629.

It was registered as a scheme with the Charity Commission on 1 July 1910, and updated on 11 December 1963.

The Trustees are appointed by Birmingham City Council's Cabinet. Trustees serve for a term of 3 years and can be reappointed.

#### **Objectives and Activities**

The objects of the charity are to make payments for the benefit of poor or sick persons of the Birmingham area generally, or of such deserving and necessitous persons resident therein as the Trustees select for this purpose.

#### **Financial Review**

Investment income and bank interest for the year amounted to £4.74 (2014: £4.71).

There was no expenditure made during the year.

#### **Investment Policy**

All of the charity's funds are placed on a 7 day interest bearing loan with Birmingham City Council.

#### **Reserves Policy**

As the charity has insufficient resources to carry out its objectives the Trustees, in accordance with the aims of the charity will give consideration in the near future as to the most appropriate method of utilising its funds.

#### **Risk Management**

The Trustees keep under review the major strategic and operational risks which the charity faces and is satisfied that systems have been established in order to minimise the possible effects of such risks on the charity.

#### **Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

---

Trustee

---

Date

The Charity of John Billingsley The Elder

Statement of Financial Activities For The Year Ended 31 March 2015

	General Fund 2015 £	General Fund 2014 £
Incoming Resources		
Bank Interest and Investment Income	4.74	4.71
<b>Total Incoming Resources</b>	<b>4.74</b>	<b>4.71</b>
Resources Expended		
Charitable Activities	0.00	0.00
<b>Total Resources Expended</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Incoming Resources</b>	<b>4.74</b>	<b>4.71</b>
<b>Reconciliation of Funds</b>	<b>4.74</b>	<b>4.71</b>
Balance of Fund Brought Forward at 1 April	2,099.79	2,095.08
<b>Balance of Fund Carried Forward at 31 March</b>	<b>2,104.53</b>	<b>2,099.79</b>

Balance Sheet as at 31st March 2015

	2015 £	2014 £
Fixed Assets		
Investments	2,104.53	2,095.08
	<b>2,104.53</b>	<b>2,095.08</b>
<b>Total Net Assets</b>	<b>2,104.53</b>	<b>2,095.08</b>
Represented by:		
Funds	2,104.53	2,095.08

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Date

**The Charity of John Billingsley The Elder**

**Notes to The Accounts For The Year Ended 31st March 2015**

**Note 1 Principal Accounting Policies**

**a) Accounting Convention**

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the requirements of the Charities Act 2011.

The trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

**b) Incoming Resources**

Income is accounted for on an accruals basis.

**c) Resources Expended**

Expenditure is accounted for on an accruals basis.

Expenditure includes any VAT which can not be recovered, which is reported as part of the expenditure to which it relates.

**Note 2 Fixed Asset Investments**

Funds are placed on a 7 day interest bearing loan with Birmingham City Council.

**Note 3 Trustee remuneration**

The Trustees did not receive any remuneration or reimbursement of expenses during the year. (2014: £nil).



<b>Report to:</b>	<b>TRUSTS AND CHARITIES COMMITTEE</b>
<b>Report of:</b>	<b>Director of Finance</b>
<b>Date of Decision:</b>	<b>17 DECEMBER 2015</b>
<b>SUBJECT:</b>	<b>ANNUAL REPORT &amp; ACCOUNTS – 2014/15 LORD MAYORS CHARITY</b>
<b>Wards affected:</b>	<b>All</b>

**1. Purpose of report:**

- 1.1 To present for information the Annual Report and Accounts for the Lord Mayors Charity for the financial year ending 31 March 2015.

**2. Decision(s) recommended:**

- 2.1 That Committee is receiving this report for information as Custodian Trustee and is asked to note the attached Annual Report and Accounts.

<b>Contact Officer:</b>	Mark Szurminski
<b>Telephone No:</b> <b>E-mail address:</b>	0121 675 0482 Mark_szurminski@birmingham.gov.uk

**3. Compliance Issues:**

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Chairman of the Committee has been consulted in the preparation of this report.

3.2 External

N/A

**4. Compliance Issues:**4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

N/A

4.2 Financial Implications

(Will decisions be carried out within existing finance and Resources?)

N/A

4.3 <u>Legal Implications</u>
<p>Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be expedient in the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.</p>
4.4 <u>Public Sector Equality Duty (see separate guidance note)</u>
<p>None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.</p>
<b>5 Relevant background/chronology of key events:</b>
<p>5.1 The Trust was established by deed on 11th April 1994.</p> <p>5.2 The objects of the trust are to advance any charitable purpose and in particular to make contributions to both capital and income to the funds of any charitable body in furtherance of it's work in the United Kingdom or to apply such capital and income to any charitable purpose as the trustees see fit.</p> <p>5.3 It is a requirement for all trusts that are registered with the Charity Commission to compile and submit annual audited accounts to the Commission ten months after the end of the financial year.</p> <p>5.4 Each charitable Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, except where gross annual income is less than £25,000, no later than ten months after the end of each financial year. Below this threshold, external scrutiny is only needed if this is set out in the Charity's governing document. The accounts of such Trusts are required to have been independently examined if gross annual income is between £25,000 and £500,000, and if the income exceeds £500,000 a full audit is required. An audit will also be required if total gross assets exceed £3.26m, and the charity's gross income is more than £250,000.</p> <p>5.5 The Charity Commission's threshold for requiring trust fund accounts to be independently examined and forwarded to the Charity Commission is £25,000.</p> <p>The trusts gross annual income for the year was £69,234 and therefore an independent examination was undertaken by the trusts appointed auditors..</p>
<b>6.Reasons for Decision(s):</b>
6.1 This Report is for information only.



Signatures	Date
Director of Finance: .....	
Chairman .....	

List of Appendices accompanying this Report (if any):
1. 2014/15 Accounts



**The Lord Mayor of Birmingham's Charity**

**Registered Charity Number 1036968**

**Report and Financial Statements**

**31 March 2015**

**The Lord Mayor of Birmingham's Charity**

**Report and Financial Statements**

**Year Ended 31 March 2015**

	Pages
Report of the Trustees	1-3
Independent Examiner's Report to the Trustees	4
Statement of Financial Activities and Balance Sheet	5
Notes Forming Part of the Financial Statements	6-7

## The Lord Mayor of Birmingham's Charity

### Report of the Trustees for the Year Ended 31 March 2015

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

#### Reference and administrative information

Name of charity: The Lord Mayor of Birmingham's Charity

Charity number: 1036968

Address for correspondence / donations is: Secretary to the Trustees of the Lord Mayor of Birmingham's Charity  
Lord Mayor's Parlour  
Council House  
Birmingham  
B1 1BB

Cheques should be made payable to "Lord Mayor of Birmingham's Charity".

The Trustees who served during the year were:

**Ex officio Trustees:** The Lord Mayor of Birmingham from 19 May 2015 - Councillor Ray Hassall  
The Lord Mayor of Birmingham to 19 May 2015, Deputy Lord Mayor of Birmingham (until 11 Oct 2015) - Councillor Shafique Shah

**Nominated by Birmingham City Council:** Councillor John Cotton - (appointment expired 21 September 2015)  
Councillor Phil Davis - (appointed from 21 September 2015 to 18 January 2016)

**Co-opted Trustees:** Councillor Randal Brew - (appointed to 30 June 2017)  
Councillor Mike Leddy - (appointed to 30 June 2017)  
Councillor Anita Ward - (appointed to 30 June 2017)  
Saqib Bhatti - (appointed to 30 June 2017)  
Paul Faulkener - (appointed to 30 June 2017)  
Councillor John Alden - (appointment expired 1 July 2015)  
Councillor Mike Sharpe - (appointment expired 1 July 2015)  
Honorary Alderman Jim Whorwood - (appointment expired 1 July 2015)  
Honorary Alderman Michael Wilkes - (deceased 17 April 2015)

**Honorary Secretary:** Mr David Tatlow  
Lower Ground Floor  
10 Woodcock Street  
Aston  
Birmingham  
B7 4BL

**Bank:** CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

**Independent Examiner:** Mr S Atkins BSc (Hons) FCA  
Partner in Clement Keys  
8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

## **The Lord Mayor of Birmingham's Charity**

### **Report of the Trustees for the Year Ended 31 March 2015**

#### **Structure, Governance and Management**

##### **Governing document**

The Trust was established by deed on 11 April 1994 and it is a registered charity, number 1036968.

##### **Recruitment and appointment of trustees**

The Trustees who served during the year, and since the year end, are set out in the reference and administrative details on page one. The minimum number of Trustees is five and the maximum number is ten. The Trustees shall be:

- a) The Lord Mayor;
- b) The Deputy Lord Mayor;
- c) One or more nominated Trustees appointed by the Council; and
- d) Two or more Co-opted Trustees appointed by a resolution of the Trustees.

Nominated and Co-opted Trustees hold office for two years but on retirement are eligible for reappointment.

##### **Trustees Meetings**

Three Trustees are necessary to form a quorum. Issues are decided by a simple majority of those present and voting, provided at least two Trustees vote in favour of the resolution.

#### **Objectives and Activities**

The objects of the Trust are to advance any charitable purpose and in particular to make contributions of both capital and income to the funds of any charitable body in furtherance of its work in the United Kingdom or to apply such capital and income to any charitable purpose as the Trustees think fit.

#### **Public Benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charitable company and in planning any future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives set.

#### **Achievements and Performance**

Total incoming resources for the year were £69,234 (2014: £45,504). Donations received increased by 48.5% on the previous year and totalled £47,638 (2014: £32,079).

Activities for Generating Funds increased by 69.86% to £19,965 (2014 £11,754).

Charitable expenditure was £4,701 (2014: £70,686). An analysis of the areas supported by the charity is given in note 6 to the financial statements. This year the charity has concentrated its support on making donations for the relief for people with disabilities and in ill health, community focused donations and assistance towards young people. Deputy Lord Mayor has not yet distributed the funds he raised during his mayoral year and this is reflected in Charitable Expenditure being significantly less than 2014.

The Permanent Fund remains invested in Chariguard UK Equity Fund Income Units and in Schroder Charity Equity Fund Income Units. These investments increased in value by £1,428, from £32,273 to £33,701.

The remaining assets of the fund are invested in cash deposits.

#### **Financial Review**

##### **Reserves and Grant Making Policy**

Each year the Lord Mayor selects particular charities or charitable causes for the people of Birmingham to support through the Lord Mayor's appeal. Monies raised for these causes are paid out in full, during and after the Mayoral year. The Trust also maintains a general reserve into which miscellaneous income is paid. Requests for general donations are considered provided they fall within the remit of a charitable cause.

##### **Risk Management**

The Trustees keep under review the major strategic and operational risks which the Charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the Charity.

## The Lord Mayor of Birmingham's Charity

### Report of the Trustees for the Year Ended 31 March 2015

#### Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

  
Trustee

22 OCTOBER 15  
Date



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LORD MAYOR OF  
BIRMINGHAM'S CHARITY**

I report on the accounts of the Trust for the year ended 31 March 2015, which are set out on pages 5 to 7.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

CLEMENT KEYS LLP  
Chartered Accountants  
No. 8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

  
Mr S Atkins BSc (Hons) FCA  
Partner in Clement Keys LLP

Date: 22/10/15



The Lord Mayor of Birmingham's Charity

Statement of Financial Activities for  
the year ended 31 March 2015

	Notes	Unrestricted Fund £	Permanent Fund £	Total 2015 £	Total 2014 £
<b>Incoming Resources</b>					
Voluntary Income - Donations	2	47,638	-	47,638	32,079
Activities for generating funds	3	19,965	-	19,965	11,754
Investment Income	4	1,631	-	1,631	1,671
<b>Total Incoming Resources</b>		<b>69,234</b>	<b>-</b>	<b>69,234</b>	<b>45,504</b>
<b>Resources Expended</b>					
Cost of generating funds	5	4,120	-	4,120	9,190
Charitable expenditure	6	4,701	-	4,701	70,686
		<b>8,821</b>	<b>-</b>	<b>8,821</b>	<b>79,876</b>
<b>Governance Costs</b>					
Independent Examination fee		1,750	-	1,750	3,180
		<b>1,750</b>	<b>-</b>	<b>1,750</b>	<b>3,180</b>
<b>Total Resources Expended</b>		<b>10,571</b>	<b>-</b>	<b>10,571</b>	<b>83,056</b>
<b>Net Incoming / (Outgoing) Resources</b>		<b>58,663</b>	<b>-</b>	<b>58,663</b>	<b>(37,552)</b>
<b>Other Recognised Gains and Losses</b>					
Gains / (Losses) on Investments		-	1,428	1,428	2,917
<b>Net Movement Funds</b>		<b>58,663</b>	<b>1,428</b>	<b>60,091</b>	<b>(34,635)</b>
<b>Reconciliation of Movement in Funds</b>					
Balance at 1 April 2014		81,179	32,273	113,452	148,087
<b>Balance at 31 March 2015</b>		<b>139,842</b>	<b>33,701</b>	<b>173,543</b>	<b>113,452</b>

Balance Sheet at 31 March 2015

	Notes	Unrestricted Fund £	Permanent Fund £	Total 2015 £	Total 2014 £
<b>Fixed Assets</b>					
Investments	7	-	33,701	33,701	32,273
<b>Current Assets</b>					
Debtors	8	455	-	455	549
Balances held at bank		71,623	-	71,623	12,706
Deposits with Birmingham City Council		69,514	-	69,514	69,514
<b>Creditors: amounts falling due within 1 year</b>	9	<b>1,750</b>	<b>-</b>	<b>1,750</b>	<b>1,590</b>
<b>Net Current Assets</b>		<b>139,842</b>	<b>-</b>	<b>139,842</b>	<b>81,179</b>
<b>Total Net Assets</b>		<b>139,842</b>	<b>33,701</b>	<b>173,543</b>	<b>113,452</b>
<b>Represented by:</b>					
<b>Funds</b>		<b>139,842</b>	<b>33,701</b>	<b>173,543</b>	<b>113,452</b>

Trustee

Date

# The Lord Mayor of Birmingham's Charity

## Notes Forming Part of the Financial Statements for the Year Ended 31 March 2015

### Note 1 Principal Accounting Policies

#### a) Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the requirements of the Charities Act 2011.

The trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

#### b) Investment Income

Investment income is accounted for on an accruals basis.

#### c) Resources Expended

Expenditure is accounted for on an accruals basis.

#### d) Fund Accounting

Details and the nature of each fund is set below.

**Unrestricted Funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

**Endowment Funds** represents those assets which must be held permanently by the charity.

	2015	2014
Note 2 Donations	£	£
Donations received	<u>47,638</u>	<u>32,079</u>

Income from donations is recognised at the earlier of receipt or notification that funds are held. For practical reasons such income is reported net of any fundraising expenses incurred at a local level.

### Note 3 Activities for Generating Funds

The Charity stages a Gala Ball as one of its fund raising activities. Income from the sale of tickets was £6,630 (2014: £8,725).

Other fund raising activities include a Forties Night £2,643 (2014: nil); and a Comedy Evening £10,400 (2014: nil), and a Skydiving Event £293 (2014: nil).

Note 4 Bank and Investment Income	£	£
Unitised funds	1,151	967
Birmingham City Council - deposits	480	704
	<u>1,631</u>	<u>1,671</u>

Note 5 Costs of Generating Funds	£	£
Forties Night	2,249	-
IT Equipment	1,235	-
Akash Restaurant	420	-
Just Giving Subscription	216	216
Gala Ball	-	5,561
Oriental Evening	-	2,070
Catering for Murder Mystery event	-	1,343
	<u>4,120</u>	<u>9,190</u>

# The Lord Mayor of Birmingham's Charity

## Notes Forming Part of the Financial Statements for the Year Ended 31 March 2015

	2015	2014
<b>Note 6 Charitable Expenditure</b>	<b>£</b>	<b>£</b>
<b>Donations</b>		
Relief for People with Disabilities and in Ill Health	475	32,290
Community Focused Donations	3,451	38,276
Young People	775	120
	<u>4,701</u>	<u>70,686</u>

Deputy Lord Mayor has not yet distributed the funds he raised during his mayoral year and this is reflected in Charitable Expenditure being significantly less than 2014.

<b>Note 7 Investments</b>	<b>£</b>	<b>£</b>
Chariguard UK Equity Fund Income Units	14,505	14,117
Schroder Charity Equity Fund Income Units	19,196	18,156
	<u>33,701</u>	<u>32,273</u>

Investments are included at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

<b>Note 8 Debtors</b>	<b>£</b>	<b>£</b>
Accrued bank interest	170	311
Accrued investment income	285	238
	<u>455</u>	<u>549</u>

<b>Note 9 Creditors</b>		
Clement Keys Independent Inspection for 2013/14/15	1,750	1,590
	<u>1,750</u>	<u>1,590</u>

### Note 10 Trustees' Remuneration

None of the trustees have received any remuneration or reimbursement of expenses from the trust (2014: £nil).



## BIRMINGHAM CITY COUNCIL – “COUNCIL AS TRUSTEE”

### PUBLIC REPORT

<b>Report to:</b>	<b>TRUSTS AND CHARITIES COMMITTEE</b>	
<b>Report of:</b> <b>Date of Decision:</b>	<b>Director of Property</b> <b>17 December 2015</b>	
<b>SUBJECT:</b>	<b>WILLIAM WALTER HINDE FOR OPEN SPACE (REG. CHARITY NO.522893) – THE WHITE HOUSE, COFTON PARK – LEASEHOLD DISPOSAL OF PART</b>	
<b>Wards affected:</b>	<b>Northfield</b>	

#### **1. Purpose of report:**

- 1.1 To respond to Members concerns regarding a disposal of trust assets in 1991.

#### **2. Decision(s) recommended:**

- That Committee  
2.1 notes and agrees the report.

<b>Lead Contact Officer(s):</b>	Darren Share - Head of Parks Operations
<b>Telephone No:</b> <b>E-mail address:</b>	0121 675 0746 <a href="mailto:darren.share@birmingham.gov.uk">darren.share@birmingham.gov.uk</a>

<b>3.</b>	<b>Consultation</b>
	Consultation should include those that have an interest in the decisions recommended
3.1	<u>Internal</u> N/a
3.2	<u>External</u> N/a
<b>4.</b>	<b>Compliance Issues:</b>
4.1	<u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u> The objects/purposes of the Council's charitable trusts all have a commonality, namely for the benefit of the public and principally are to be held as public open space for the citizens of Birmingham and actions proposed are required to be consistent with the Council's Policies, Plans and Strategies which are focused on "fair, democratic and prosperous Birmingham" and are intended to preserve the trust estate for the future. Land at Cofton park is held for public open space.
4.2	<u>Financial Implications</u> (Will decisions be carried out within existing finance and resources?) No direct costs arise from this report. The capital receipt from the disposal in 1991 was small and was spent many years ago as part of the general expenditure on the Park. No records exist from then but as an example the accounts for 2014-15 showed a cost to Birmingham City Council of £139,638.22 compared to the available budget of £48,863.00 a technical loss of £90,775.22. The Park has little opportunity to develop income except the rent from the service tenancy on the remaining flat and occasional but infrequent profit on events.
4.3	<u>Legal Implications</u> Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000, other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing which this will give rise to a breach of trust. Trustees have a duty to preserve the assets of the trust. Decisions made by the charity must be expedient in the interests of the charity at all times. The disposal of trust assets is an exceptional event and must be in line with appropriate professional advice.
4.4	<u>Public Sector Equality Duty (see separate guidance note)</u> None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions.

## **5. Relevant background/chronology of key events:**

- 5.1 Cofton Park is the principal asset of the trust known as William Walter Hinde for Open Space (registered charity no. 522893) and measures approximately 130 acres of open space land. It was acquired on 9<sup>th</sup> November 1933 and registered as a charity on 29 October 1963.
- 5.2 The Park is comprised of land formerly known as Low Hill Farm and the premises now known as the White House was part of the original farm buildings on acquisition, became for some years the Refreshments Room once the Park was developed and may always have had at least one residential unit included within it but is now divided into two separate flats with no public functions incorporated into the building. The surrounding area is a depot and also site of the current sports changing rooms.
- 5.3 The ground floor flat is shown as having been disposed of and to respond to concerns raised by Members the principle of this disposal has been investigated as best as is possible with the information available 24 years after the event.
- 5.4 This was a disposal of a leasehold interest only. The only document available now is the lease. The lease gives no additional information as to the surrounding discussion or specific advice received however it does confirm that the disposal is the grant of a 125 year lease from 8<sup>th</sup> July 1991 and made specifically in response to an application made under the Housing Act 1985 Right To Buy legislation. The freehold interest has been retained by the City Council and the first floor flat continues to be directly rented by a retired employee.
- 5.5 It would appear that at the time there were a number of Right to Buy applications being processed on Parks properties though this is the only one known to be on trust land. The response to the Right To Buy application to proceed with a disposal was in line with legal advice at the time otherwise the matter could not have been legally completed by Legal Services. Policy on trust land and residential units thereon has for many years been tempered by concerns that occupiers could secure tenancies and the statutory right to buy and it is only recently that advice that such rights would not apply to trust land has been made by Legal Services.
- 5.6 Therefore while an application under the Right to Buy legislation on premises on trust land would not now be entertained it would have been considered by all involved in 1991 that a sale was as of right and that a disposal was unavoidable however undesirable.
- 5.7 A premium payment of £8740 for the lease of the ground floor flat was received along with a continuing rent of £10 per annum. The disposal price would have been subject to discounting in line with the statutory calculation under the Right to Buy applicable to the applicants number of years occupation. The capital receipt and rental would have been received by Parks and the monies used for the maintenance and enhancement of the Park. As financial records are only retained for six years it is not possible to confirm on how the monies were spent. However it is appropriate to note that the Parks service undertake all actions for the management and preservation of the park without call upon the Trust and average spend over the last five years has been £135k per annum and consistently far exceeds any income .

**5.8.a Aims and Objectives of the Charity**

Each park is held as a separate trust and decisions need to be in the best interests of that trust. The land in the William Walter Hinde for Open Space Trust is held as public open space.

**5.8.b Trustee Powers**

The charity's constitution is set out within the executed Trust Deed for each park principally the acquisition deeds unless subsequently amended by a scheme agreed with the Charity Commission. All decisions will be mindful of the original intention set out in the documents however subject to compliance with Charity law and Part 7 Charities Act 2011 sufficient powers exist for the Trustees to make decisions on the future of these assets including disposal in the Trustee of Land and Appointment of Trustees Act 1996.

**5.8.c. Charity Finances**

Formal accounts are prepared for the Charity Commission returns where appropriate. The premium was treated as accumulated income and has been spend on maintaining the Park.

**6. Evaluation of alternative option(s):**

6.1 There is no alternative action identified.

**7. Reasons for Decision(s):**

7.1 To ensure the Members are fully advised of the historic facts and continue to safeguard the Trust's assets.

**Date**

**Signatures**

**Chairman of the Trusts & Charities Committee**

.....

**Chief Officer**

**Director of Legal & Democratic Services**

.....

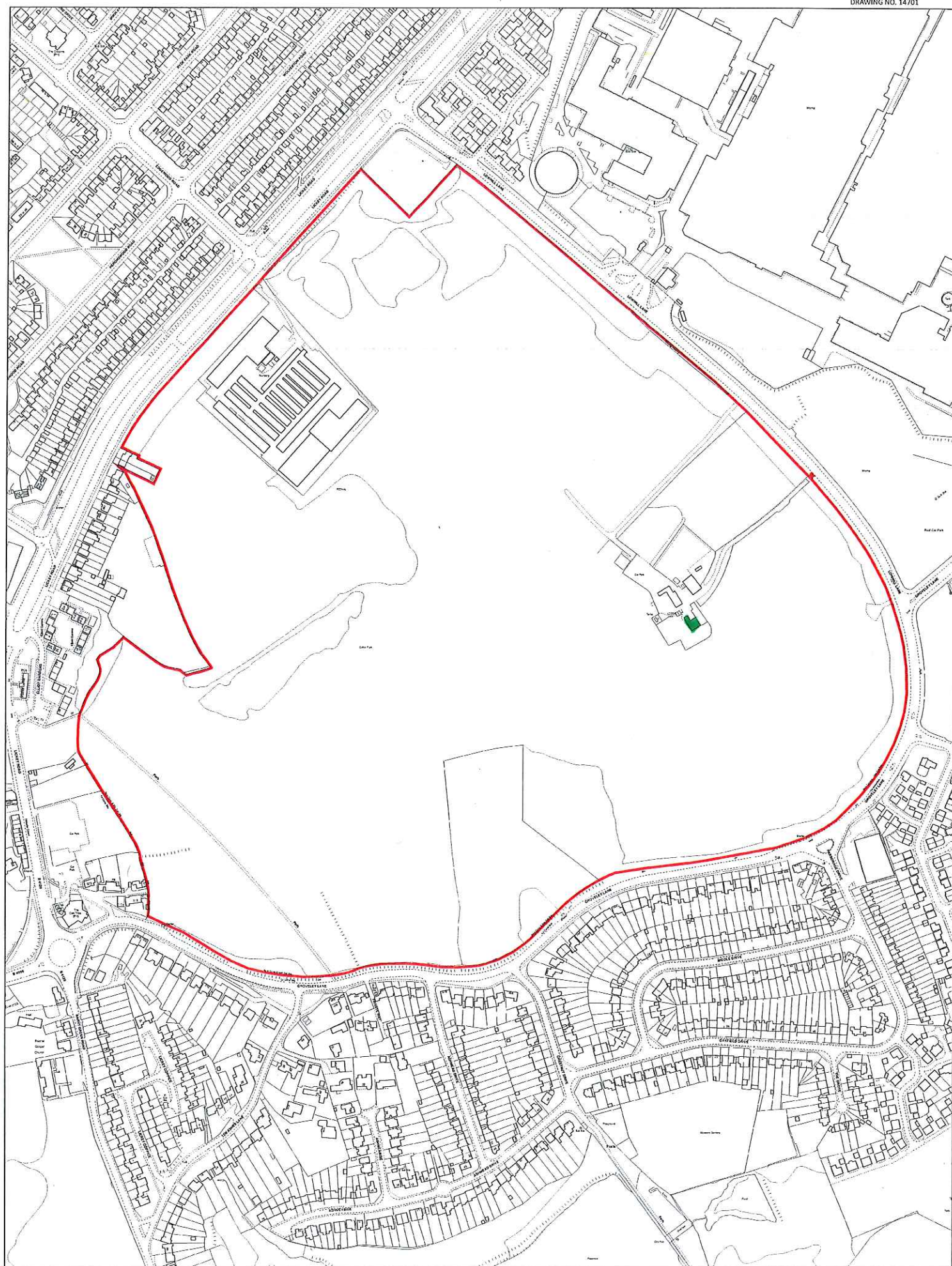
**List of Background Documents used to compile this Report:**

1. Acquisition Deed dated 9<sup>th</sup> November 1933
2. Lease dated 8<sup>th</sup> July 1991.

**List of Appendices accompanying this Report (if any):**

1. Plan showing the location and extent of the lease granted.







**TRUSTS AND CHARITIES COMMITTEE**  
**17 DECEMBER 2015**  
**SCHEDULE OF OUTSTANDING MINUTES**

<b><u>Date/ Minute No</u></b>	<b><u>Subject Matter/Response</u></b>	<b><u>Comment</u></b>
19/09/12 – 395	<b><u>Sole and Custodian Trustee Trusts and Charities</u></b> – officers to report on a sixth monthly basis on the activities undertaken by Sole and Custodian Trusts and Charities.	<p>Committee determined to retain this Minute on the 22 July 2015</p> <p>Committee in light of the fact that officers would continue to Report to Committee on a six monthly basis on the activities undertaken by the Sole and Custodian Trusts &amp; Charities.</p> <p>In addition Officers are to work towards drafting the next Annual Report to Full Council as Trustee, as determined by Committee on the 22 July 2015</p>
21/01/15 - 651	<b><u>Matters Arising</u></b> Cofton Park breach of trust– sale of flat at White House. Investigations are required to determine if any breach has occurred and action that may be required to remedy it.	Officers are to investigate this issue and provide a written Report at a future meeting of Committee, once these enquiries are complete. Minute will be retained pending a report on the matters identified.

