

Report to:	TRUSTS AND CHARITIES COMMITTEE
Report of:	Strategic Director of Finance and Legal Services
Date of Decision:	20 July 2016
SUBJECT:	ANNUAL REPORT & ACCOUNTS – 2014/15 BODENHAM
Wards affected:	All

1. Purpose of report:

- 1.1 To present for information the Annual Report and Accounts for Bodenham Trust for the financial year ending 30 September 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- Appendix 1.

Contact Officer:	Mark Szurminski
Telephone No: E-mail address:	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 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 City Council acts as Sole Corporate Trustee for a number of charitable and non-charitable trusts and has delegated the management of these trusts to the Trusts and Charities Committee. Charitable trusts are governed by charity law and are regulated by the Charity Commission. However, day to day management decisions for this charitable trust are made by a separate and independent group of managing Trustees. This is because, the Council is custodian trustee. The function of the custodian trustee is simply to hold the legal title to the Trust's assets i.e. the asset is registered in the name of the Council. The Council has no role in the Charity's management and therefore cannot make any decisions.

This Report is therefore presented to Committee for information only, Committee are of course able to pass on observations to the managing Trustees for them to consider as appropriate.

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 is governed by a Charity Commission scheme dated 6 September 1989, a scheme dated 24 April 1995 and an order dated 19 February 1996.

5.2 The Trust has a permanent endowment and other capital funds which are invested in order to produce income for the following purposes:

- In promoting the educational and training of persons under the age of nineteen years who have special educational needs, by the provision of special facilities or equipment or otherwise.
- In promoting for such persons as aforesaid the facilities for recreational or other leisure time occupation with the objective of improving their conditions of life.
- In relieving such persons as aforesaid who special educational needs are attributable to physical or mental handicap, disabilities or illness by the provision of facilities for their treatment or care or otherwise.

5.3 Each Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, ten months after the end of the financial year, except where gross annual income is less than £25,000. 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 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 assets (before liabilities) exceed £3.26m, and the charity's gross income is more than £250,000

The attached accounts have not been independently examined as the trusts income for the year was £19,335.

6.Reasons for Decision(s):
6.1 This Report is for information only.

Signatures	Date
Strategic Director Finance and Legal Services
Chairman

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