

WAVERLEY BOROUGH COUNCIL

COUNCIL (ACTING AS TRUSTEE OF THE JOSEPH EWART BEQUEST)

15 DECEMBER 2020

Title:

Annual Financial Report and Accounts for the year ended 31 March 2020

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder Finance, Assets and Commercial Services

Head of Service: Peter Vickers, Head of Finance

Key decision: No

Access: Public

1. Purpose and summary

- 1.1 This report seeks approval of the Annual Trustee's Report and Accounts of the Ewart Bequest for the year ended 31 March 2020.

2. Recommendation

It is recommended that the Annual Trustee's Report and Accounts for the year ended 31 March 2020 are approved.

3. Reason for the recommendation

- 3.1 The annual report and accounts for the year ended 31 March 2020 have been prepared by the Trustee in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice effective from 1 January 2015.
- 3.2 The Trustee has also complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.
- 3.3 The report and accounts were subject to an independent examination carried out by Roffe Swayne.
- 3.4 A copy of the Trust's report and accounts is attached as Annexe 1. The draft Independent Examiner's report is at Annexe 2. The work for the Independent Examination is complete but the report remains draft until the accounts are signed. Following the signing the Independent Examiner will issue the final report.

- 3.5 The transactions relating to the Joseph Ewart Bequest also have to be included in the Council's Group Accounts because the Council, as sole trustee, has a significant interest and influence over it, which, in consideration of accounting statements overrides the legal form of the relationship.

Reserves

- 3.6 The Reserves Policy determines the minimum level of reserves to be held is £105,000 which is considered to be the equivalent of running costs for a year.
- 3.7 Actual usable reserves are £1,376,000 as at 31 March 2020. Most of this will be used for the approval given by Executive (Acting as Trustee of the Joseph Ewart Bequest) on the 1 March 2016 for the delivery of new properties at Greenfield Road, Farnham. The cost of land purchase and construction is estimated to be £870,000. The new properties will increase the rent income to the Trust in the future.

4. Relationship to the Corporate Strategy and Service Plan

- 4.1 The Bequest provides dwellings for elderly people of limited financial resources which supports the Council's vision of housing to rent for those at all income levels.

5. Implications of decision

5.1 Resource (Finance, procurement, staffing, IT)

The Annual Report and Accounts details the reserves held by the Trust.

6.2 Risk management

Consideration has been given to the major risks to which the Trust is exposed. In the event that the Ewart Bequest falls into difficulty it is reasonable to assume that the Council would step in to resolve the situation in line with its vision of housing to rent for those at all income levels.

6.3 Legal

There are no direct legal implications relating to this report. In December 2011 the Trust approved a delegation to the Executive, acting as Trustee, to make all decisions on behalf of the full Trustee Board. The only exception was the approval of the annual report and financial statements because it is a requirement of the Charity Commission that this is approved by Full Council, acting as sole Trustee.

6.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

6.5 Climate emergency declaration

There are no direct impacts on the Council's Climate emergency declaration.

7. Other options considered

- 7.1 The Charity prepares an annual report and accounts in accordance with Charity Commission requirements which are then independently examined and filed with the Charity Commission.

8. Governance journey

- 8.1 The Annual Financial Report and accounts of the Trust are required to be submitted to the Charity Commission by the 31 January 2021.

Annexes:

Annexe 1 – Annual Financial Report and Accounts for 2019-2020

Annexe 2 – Independent Examiner's Report

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

CONTACT OFFICER:

Name: Graeme Clark
Position: Strategic Director
Telephone: 0148 3523099
Email: Graeme.clark@waverley.gov.uk