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**Ernest Stevens Trusts Management Committee – 31<sup>st</sup> October 2014**

**Report of The Treasurer**

**Ernest Stevens Trusts - Final Accounts**

**Purpose of Report**

1. To consider, approve and sign the accounts of the individual Trusts comprising the Ernest Stevens Bequests.

**Background**

2. Ernest Stevens made various donations of property which were to be used for specified purposes. These have been identified as individual Trusts and detailed below:
  - i. Mary Stevens Maternity Home and Public Park Charity.
  - ii. Mary Stevens Park, Recreation Ground and Park, Norton.
  - iii. Stevens Park, Quarry Bank.
  - iv. Stevens Park and Recreation Ground Foundation, Wollescote
3. Only the Stevens Park and Recreation Ground Foundation, Wollescote has investments, which generate income for disbursement.
4. The income of the Stevens Park and Recreation Ground Foundation Trust shall be applied in one or more of the following ways:
  - a. The maintenance and improvement of the property for the time being belonging to the Foundation;
  - b. The acquisition and laying out of additional land to be held in trust for the Foundation;
  - c. The maintenance and improvement of the property for the time being held by the Council on trust for the charitable purposes specified in deeds dated 6<sup>th</sup> December 1929( Mary Stevens Park, Norton ) and 13<sup>th</sup> February 1931 (Mary Stevens Maternity Home and Public Park)
  - d. The provision of facilities for recreation or other leisure time occupation, being facilities provided with the object of improving the conditions of life for persons resident in the Borough of Stourbridge.
  - e. Where in the opinion of the Council, the net income of the Foundation cannot be usefully and beneficially applied in accordance with the provisions of the last sub clause, it may be applied for such other charitable purposes for the benefit of persons resident in the Borough of Stourbridge as the Council may determine.
5. In 2001, the Charity Commission confirmed the opinion that because the Council uses its mainstream budget to maintain all the property in the trusts, it is permitted to give grants under paragraph (e)

6. In the application of the income of the Foundation, the Trustees have discretion to give preference to the area of the former Urban District of Lye and Wollescote and to meeting the needs of the people resident therein.
7. There is no set maximum amount stipulated in the Trust deed for a grant.
8. At a previous meeting the Trustees agreed that subject to retaining the flexibility to consider each and every application on its own merit and to award grants at their discretion in special and exceptional circumstances, in accordance with the overall terms of the Trust Deed, the Trustees will apply the general criteria as follows;
  - a. Applications will normally be considered if they are for capital purposes up to a maximum grant of £5,000 or 50% of the project cost, whichever is the lower.
  - b. Consideration will be given to the applicant's ability to self fund the expenditure or to obtain funding from alternative sources;
  - c. Applicants will be able to apply for further funding from the Trust upon the expiry of two years from the date of the Committee meeting at which the previous grant award was approved.
9. At a previous meeting of this Committee, the Trustees agreed to continue a policy setting out the level of reserves needed to meet the objectives of the Charity. This policy was to maintain the "Real" spending power of the bequest i.e. the permanent funds, as a fundamental part of the investment strategy. Therefore before any grants are awarded, it is confirmed that the value of the permanent funds adjusted for inflation has been maintained.
10. This Committee has the delegated power to act on behalf of the Trustee, Dudley MBC for the 4 Ernest Stevens Trusts as shown in paragraph 2.
11. A Statement of Accounts for the Trusts as detailed in paragraph 2 is attached as Appendix 1

## **Finance**

12. The Accounts of the Trust have been independently examined by the Head of Audit Services. The accounts and the signed Independent Examiner's certificate will be sent to the Charity Commissioners, after approval by the Trustees.
13. The investment of resources is regulated by the Trustee Investment Act 1961. This Act puts limits on the power of Trustees in investing the funds in stocks, shares and bonds

## **Law**

14. The Council is successor to the former Stourbridge Council by virtue of the Local Government Act 1972.
15. Section 139 of the Local Government Act, 1972 empowers the Council to accept, hold and administer gifts of property, where it enables them to discharge any of their functions, and where the gifts are for the purposes of benefiting the inhabitants of their area.

16. The law relating to Trusts, which are charitable, is contained in various acts, the main one being the Charities Act 2011.
17. The conditions under which a gift is to be administered, are contained in the Deed creating the Trust, and any subsequent schemes made by the Charity Commission.

### **Equality Impact**

18. The Trusts have been set up to benefit the public in certain geographical areas of the Borough as outlined in the Deeds of Gift.

### **Recommendation**

19. It is recommended that :
  - a. The Committee approve the accounts of the Trusts, on behalf of the Council in their capacity as Trustees.
  - b. The Chair be authorised to sign the accounts.



### **Treasurer**

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## **Independent Examiner's Report to the Trustees of Ernest Stevens Trust**

I report on the accounts of the Trust for the year ended 31<sup>st</sup> March 2014, which are set out on pages 1 to 2.

### **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;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners 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 Commissioners. 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 I do not express an audit opinion on the view given by the accounts.

### **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 Act have 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.



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1<sup>st</sup> October 2014