

**DUDLEY METROPOLITAN BOROUGH COUNCIL**

**STOURBRIDGE AREA COMMITTEE -  
21st MARCH 2005**

**REPORT OF THE DIRECTOR OF FINANCE**

<p><b>Wards affected Pedmore &amp; Stourbridge East, Norton, Wollaston and Stourbridge Town, Lye and Wollescote, Cradley &amp; Foxcote</b></p>
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**GRANT APPLICATIONS:        STEVENS PARK AND RECREATION  
   GROUND FOUNDATION TRUST**

**1.0    PURPOSE**

1.1    Members of the Committee are asked to consider the following applications for funding from the Trust.

**2.0    BACKGROUND**

2.1    Members will be aware that of the four Ernest Stevens Trusts now combined under the control of this Committee, only one, the Stevens Park and Recreation Ground Foundation Trust, has funds available for disbursement for charitable purposes.

2.2    The annual income of the Fund may be applied under the terms of the Trust Deed in one of the under-mentioned ways:-

- (a)    the maintenance and improvement of the property for the time being belonging to the Foundation;
- (b)    the acquisition and layout of additional land to be held in Trust;
- (c)    the maintenance and the improvement of the property held under the terms of the original Trust;
- (d)    the provision of facilities for recreation or other leisure time occupation with the object of improving the conditions of life of residents in the area of the former borough of Stourbridge.

2.3    In so far, in the opinion of the Council, that the net income of the Trust cannot be usefully and beneficially applied in accordance with the provisions in the foregoing paragraph, it may be applied for such other charitable purposes for the benefit of persons resident within the area of the former Borough of Stourbridge as the Council may determine.

- 2.4 In the application of the income of the Foundation, the Council should give preference to the area of the former Urban District of Lye and Wollescote and to meeting the needs of the people resident therein.
- 2.5 There is no set maximum amount stipulated in the Trust deed for a grant. However, in the past, the Trustees have tended to apply the criteria that the grant should be a maximum of £5,000 or 50% of the total cost of a capital project.

### 3.0 PROPOSALS

- 3.1 That the committee considers the following applications:-

- **BEECH TREE MINERS & WOLLESCOTE WELFARE INSTITUTE**

The applicant is a registered charity, No. 523194. The institute is in Wollescote and is soon to celebrate its 50<sup>th</sup> year

The aims of the organisation are to promote and improve the health and social well being of people. They also provide a base for other local organisations ranging from the local pigeon fanciers club and local children and pensioners groups.

Current membership is 800 people mainly from the Lye & Wollescote area.

The Committee are requested to consider a retrospective application for a grant of £5000 towards the cost of providing disabled facilities including toilets and access. Two copy invoices dated October 2004 for work on the toilets have been submitted totalling £17,550, and these have been paid by the institute.

The applicant has submitted its audited annual accounts to 31<sup>st</sup> December 2003 (*Appendix 1*). These show a surplus for the year of £2179 and net current assets of £8851 being mainly funds held in a bank current account and a building society account.

The applicant has also submitted an application for funds from the Halesowen Area Committee.

- **WOLLESCOTE ST. ANDREW'S SCOUT GROUP**

The applicant is a registered charity , No. 1104802 based at 26, Queensway, Wollescote. The aim of the organisation is to promote the development of young people to fulfil their physical, intellectual, social and spiritual potentials as responsible citizens within their communities. Currently it has 70 members from the Lye & Wollescote area.

The Committee are asked to consider the application for a grant of £4900 towards the cost of installing a central heating system. Quotations have been obtained for the site work and the installation totalling £5901. Electric heaters currently used have been declared unsafe to be used with young children present, therefore central heating is urgently required.

The applicant has submitted a financial statement for the year to 31<sup>st</sup> December 2003 (*Appendix 2*) which shows a deficit for the year of £924 and current assets of £3991 being cash held in bank deposit and current accounts.

At the Area Committee meeting on 9<sup>th</sup> February 2004 the applicant was awarded a grant of £5000 towards the cost of the roof replacement.

#### 4.0 FINANCE

4.1 The Trust income for 2003/4 is summarised as follows: -

	<b>£</b>
Investment Income	16,213
Rental Income	<u>1,116</u>
	<u>17,329</u>

It is anticipated that the income for 2004/05 will be maintained at this level. Grants totalling £17,500 have been awarded in 2004/05 to date, and consequently all available projected income has been utilised  
There are also accumulated funds from past years.

4.2 At a previous meeting of the former Finance (*Stevens' Bequests*), Sub-Committee, Members agreed to maintain the "real" spending power of the bequest as a fundamental part of the investment strategy. The total sums shown in 4.1 above could be spent without jeopardising the strategy. However, should the value of the investment fall, any income then generated would need to be reinvested and would not be available for disbursement.

The market values of the investments are:-

	<b>Original Value</b>	<b>Current Value 31.12.2004</b>
	<b>£</b>	<b>£</b>
COIF - Fixed Interest	118,000	127,475
- Equity Based	118,000	173,514
	<u>236,000</u>	<u>300,989</u>

Short-term investments are also held to provide some flexibility in the event of an unusually high level of bids in any year.

The share valuation was obtained from CCLA Investment Management Ltd.

#### 5.0 LAW

5.1 The Trust is administered in accordance with the Trust Deed and as Trustees; the Council is under a fiduciary duty to ensure that the annual income of the Trust is properly applied for the purposes identified in the Trust Deed.

By virtue of a scheme dated the 24<sup>th</sup> May, 1966, made by the Secretary of State for Education and Science, the Trust income can be applied for the maintenance and improvement of property donated by Earnest Stevens, the acquisition and laying out of additional land and the provision of facilities for recreation or other leisure time occupation for the residents of Stourbridge. Furthermore, if the Council is satisfied that the income cannot be usefully and beneficially applied in accordance with the above purposes, it can be applied for other charitable purposes for the benefit of persons resident in Stourbridge.

## **6.0 EQUAL OPPORTUNITIES**

6.1 This report has no direct equal opportunities implication.

## **7.0 RECOMMENDATION**

7.1 It is recommended that members consider the funding applications detailed in this report and if approved, defer any payments until after 1<sup>st</sup> April 2005, to be paid out of income generated in 2005/06.



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**DIRECTOR OF FINANCE**

**Contact Officer: Diane Robbins - Ext. 4816**

## **BACKGROUND PAPERS**

Letter from each applicant

Completed Grant application questionnaires for each applicant.

Quotations from:

Transco plc

Premier Heating Company

Invoices from:

D & J Builders

Hadley Bros

Annual accounts for each applicant

Trust Scheme for Beech Tree & Wollescote Welfare Institute

BEECH TREE MINERS & WOLLESCOTE WELFARE INSTITUTE  
WASSELL ROAD, WOLLESCOTE, STOURBRIDGE, WEST MIDLANDS

THE  
ANNUAL MEETING  
OF MEMBERS

Will be held in the Club on  
Friday, 16th April 2004 at 7.45 pm

ANNUAL MEETING

BEECH TREE MINERS & WOLLESCOTE WELFARE INSTITUTE

FRIDAY, 16<sup>TH</sup> APRIL 2004, AT 7.45 PM

AGENDA

1. Apologies
2. Minutes of Annual General Meeting
3. Matters Arising
4. Chairman's Annual Report
5. Financial Report
6. Appointment of Trustees  
(as per Rule 6)

Beech Tree Miners & Wollescote Welfare Institute

Report of the Committee of Management

For the Year Ended 31<sup>st</sup> December 2003

The Committee of Management present their Report with the Financial Statements of the Institute for the year ended 31<sup>st</sup> December 2003.

PRINCIPAL ACTIVITY

The principal activity of the organisation in the year under review was that of landlords to Beech Tree & Wollescote Welfare Club.

FIXED ASSETS

In the opinion of the Committee of Management the market value of the freehold property is in excess of the historic cost included in the accounts.

COMMITTEE OF MANAGEMENT

The Officers, Trustees and Committee Members during the year under review were:-

Mr. J. Simpson	Mr. A. Hurdman	Mrs. J. Heathcote
Mr. F. Hunt	Mr. G. Phipps	Mr. E. McHale
Mr. D. McHale	Mr. S. Bywater	Mrs. I. McHale
Mrs. W. Garbett	Mr. M. Griffin	

STATEMENT OF THE COMMITTEE OF MANAGEMENT'S RESPONSIBILITIES

Law requires the Committee of Management to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the excess of income over expenditure/expenditure over income of the Institute for that period. In preparing those Financial Statements, the Committee is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Institute will continue in business.

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and to enable it to ensure that the Financial Statements comply with the rules of the Institute. They are also responsible for safe guarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE COMMITTEE OF MANAGEMENT

E.T. McHale - Secretary

Dated: 26<sup>th</sup> March 2004

**Report of the Auditors to the Members of Beech Tree Miners & Wollescote Welfare Institute**

We have audited the Financial Statements on pages 3 to 7, which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 7.

**Respective responsibilities of the Committee of Management and Auditors**

As described on page 1, the Committee of Management is responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those Statements and to report our opinion to you.

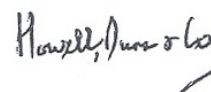
**Basis of opinion**

We have conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements by the Committee in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Institute's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud, or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

**Opinion**

In our opinion, the Financial Statements give a true and fair view of the state of the Institute's affairs at 31<sup>st</sup> December 2003 and of its excess of income over expenditure for the year then ended, and they have been properly prepared in accordance with the rules of the Institute.



Beecher House  
Station Street  
Cradley Heath  
West Midlands B64 6AJ

Howell Dunn & Co.

Accountants and  
Registered Auditors

Dated: 29<sup>th</sup> March 2004



Beech Tree Miners & Wollescote Welfare Institute

Balance Sheet at 31st December, 2003

<u>2002</u>		£	£
	<u>Fixed Assets</u>		
95,993	Property		95,993
6,055	Fixtures and Fittings		5,450
102,048			101,443
	<u>Current Assets</u>		
228	Debtors and Prepayments	231	
3,731	Bank Current Account	4,799	
4,377	Coventry Building Society	4,391	
8,336		9,421	
	<u>Current Liabilities</u>		
560	Creditors and Accruals	570	
7,776			
	<u>Net Current Assets</u>		8,851
<b>109,824</b>			<b>110,294</b>
	<u>Represented By:</u>		
<b>109,824</b>	Surplus Carried Forward		<b>110,294</b>

These Accounts were approved by the Committee on 26th March 2004

Signed on behalf of the Committee:

F.S. Hunt	Chairman
E.T. McHale	Secretary
W.M. Garbett	Trustee

Beech Tree Miners & Wollescote Welfare Institute

Income and Expenditure Account

Year Ended 31st December, 2003

<u>2002</u>			£	£
£				
11,000	Rent Received		11,000	
2,378	Subscriptions		2,756	
17	Building Society Interest		57	
<hr/>			<hr/>	
13,395				13,813
	<u>Less:</u>			
1,922	Rates and Water Charges		2,139	
1,300	Insurances		1,400	
-	Repairs and Renewals		3,589	
923	Sundry Expenses		870	
650	Members Night		400	
54	Bank Charges		56	
632	Games Expenses		1,710	
1,050	Officers Salaries		1,050	
410	Auditors Remuneration		420	
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6,941				11,634
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6,454	<u>Excess of Income over Expenditure</u>			<u>2,179</u>

Beech Tree Miners & Wollescote Welfare Institute

Appropriation Account

Year Ended 31st December, 2003

<u>2002</u> £		£
6,454	<u>Excess of Income over Expenditure</u>	2,179
673	Depreciation	605
1,134	Transfers to Welfare Fund	1,104
<hr/>		<hr/>
4,647	Surplus for the Year	470
105,177	Surplus Brought Forward	109,824
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<b>109,824</b>	<u>Surplus Carried Forward</u>	<b>110,294</b>
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Beech Tree Miners & Wollescote Welfare Institute

Welfare Fund Account

Year Ended 31<sup>st</sup> December, 2003

2002  
£

£

1.134

Old Age Pensioners Parcels

1,104

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Beech Tree Miners & Wollescote Welfare Institute

Notes to the Accounts

Year Ended 31<sup>st</sup> December, 2003

1. Accounting Policies

Accounting Convention

The Financial Statements have been prepared under the historical cost convention.

2. <u>Fixed Assets</u>	<u>Property</u> £	<u>Fixtures &amp; Fittings</u> £
As at 1 <sup>st</sup> January 2003	95,993	6,055
<u>Less:</u> Depreciation	-	605
	————	————
At 31 <sup>st</sup> December 2003	95,993	5,450
	=====	=====

Wollescote St Andrews Scout Group  
Financial Statement Year to 31st December 2003

	Receipts		Payments	
	£	£	£	£
Membership Fees	410		248	
Grants	124			
Donations	144		10	
Bank Interest	<u>67</u>	745	<u>        </u>	258
<b>Fundraising</b>				
Spring Fayre	277		93	
Stourbridge Carnival	164		30	
Boat Festival	138		5	
Xmas Fayre	265		27	
Aluminium Cans	38			
Candle Party	17			
Jumble Sales	<u>105</u>	1004	<u>38</u>	193
<b>Overheads</b>				
Insurances			561	
Licenses			18	
Electricity			588	
Rent			25	
Telephone			<u>64</u>	
				1256
<b>Building</b>				
Maintenance			299	
Equipment			<u>14</u>	313
<b>Section Operational Costs</b>				
Camps	1570		1495	
Uniform			248	
Equipment			119	
Activities	<u>        </u>	1570	<u>361</u>	2223
		<u>3319</u>		<u>4243</u>
Excess Expenditure		-924		
Balances 31/12/02		4915		
Balances 31/12/03		<u>3991</u>		
Bank Deposit Account		4112		
Bank Current Account		-201		
Cash In Hand		<u>80</u>		
		<u>3991</u>		