

Guildford Borough Council

Report to: Executive Shareholder and Trust Committee

Date: 8th August 2024

Ward(s) affected: All

Report of Director: Joint Strategic Director of Finance

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Report Status: Open / Confidential / Part Confidential

Annual Returns for Charities 2022-23

1. Executive Summary

Guildford Borough Council, in its role as charitable trustee, is responsible for ensuring the completion and submission of the charity annual returns for and arrange a Trustees meeting to approve the return and accounts for:

- Guildford Sports Ground Charity (also known as the Woodbridge Road Sports Ground) (305056)
- Burpham War Memorial Recreational Grounds Charity (304982)
- Public Walks and Pleasure Grounds Charity (Allen House Grounds) (305054)
- Arundel House (Hamilton Fellows) (200491)
- The Mayor's Local Support Fund (258388)
- The Racks Close Open Space Charity (1058137)

The terms of reference for the Executive Shareholder and Trustee Committee include the completion and submission of Charity Annual Account returns and the Charity Trustee Report to the Charity Commission on behalf of the above-mentioned charities.

2. Recommendation to Committee

That the Committee approves:

- 2.1. The charitable accounts for the financial year 2022/2023 are approved to be presented at a Trustees meeting for the following charities:
 - Guildford Sports Ground Charity (also known as the Woodbridge Road Sports Ground) (305056).
 - Burpham War Memorial Recreational Grounds Charity (304982).
 - Public Walks and Pleasure Grounds Charity (Allen House Grounds) (305054).
 - Arundel House (Hamilton Fellows) (200491)
 - The Mayor's Local Support Fund (258388)
 - The Racks Close Open Space Charity (1058137)
- 2.2. That the Joint Strategic Director of Finance be authorised to convene a Trustees meeting for each of the charities to agree the accounts and annual return.
- 2.3. That the committee recommends the Finance Transformation Officer as an administrator of all the authority's charity accounts with The Charity Commission.

3. Reason(s) for Recommendation:

To comply with the legal requirement that the charities must submit annual returns to the Charity Commission. If the Trustee fails to submit these returns, it could result in the Charity Commission removing the charity from its register and taking further action.

4. Exemption from publication

None.

5. Purpose of Report

This report notes key actions related to the proper administration of charities administered by Guildford Borough Council. This report

also explains the legal requirement to submit the charity's Annual Trustee Report to the Charity Commission.

6. Strategic Priorities

The assistance offered by the charities supports the Council's priority to achieve a more inclusive borough by continuing to provide vital community services that our most vulnerable residents rely on and continue to heighten participation in sport and physical exercises.

7. Background

- 7.1. Charitable Trustees have overall control of the charity and are responsible for making sure it is managed to promote its charitable objects.
- 7.2. The Executive Shareholder and Trustee Committee acts as the Charitable Trustee on behalf of Guildford Borough Council. This structure permits the management of the charity to be kept separate, as far as possible, from the usual business of the Council.
- 7.3. The terms of reference for the Executive Shareholder and Trustee Committee include the completion and submission of an Annual Account return and, where required, an Annual Trustee Report to the Charity Commission.
- 7.4. The Charity Commission requires Guildford Borough Council, acting as a Charitable Trustee, to submit an annual return and charity accounts and, if relevant, a Trustee Report within 10 months of the end of each financial year. The accounts set out, amongst other items, the charities expenditure and income which have promoted the charitable objects.
- 7.5. A Trustee Report supplements an external audit of accounts and provides a summary of a charity's activities and financial position, future plans, risks and opportunities. It is required only for those charities whose gross income exceeds £25,000.00.

- 7.6. The Council's Auditors have reviewed the charity accounts and have provided an independent audit view. All charity accounts, except for Mayor's Local Support Fund and Arundel House (Hamilton Fellows) are well overdue for submission to the Charity Commission. Audited accounts must be submitted to the Charity Commission on or before 31st January of the following year.
- 7.7. The Racks Close Open Space Charity has not had any financial movement and therefore no accounts are required. It is still necessary to file an annual return on behalf of the charity recording the income and spending.

8. Consultations

The Parks and Countryside Development Lead has been consulted and will respond to auditor queries regarding the financial activity for the Guildford Sports Ground Charity.

9. Key Risks

Charities must submit annual returns to the Charities Commission. If the Trustee fails to submit these returns, it could result in the Charity Commission removing the charity from its register and taking further action.

10. Financial Implications

- 10.1. The preparation of accounts will be done in accordance with the Charity Commission's financial rules. Where required, external auditors will review accounts prior to their submission to the Executive Shareholder and Trustee Committee.
- 10.2. Charities with a gross income exceeding £25,000 must file accounts and an annual report with the Charity Commission, whereas those whose gross income exceeds £10,000 but is below £25,000 complete an online annual return only and are not required to submit annual accounts. If the gross income is £10,000 or less, charities are asked to complete only certain sections of the annual return, including Trustee details.

- 10.3. Charities with a gross income of more than £25,000 in their financial year are required to have their accounts independently examined or audited.

11. Legal Implications

- 11.1. The Charity Commission registers and regulates charities in England and Wales and is responsible for ensuring that charities meet their legal requirements, including providing information on their activities each year. Local Authorities are empowered under s139 of the Local Government Act 1972 to receive and hold gifts on charitable trust.
- 11.2. The Executive Shareholder and Trustee Committee (“the ESTC”) is responsible for ensuring that the annual returns and accounts are submitted to the Charity Commission and for arranging a Trustee’s meeting. This helps to ensure that the management of the charity is kept separate from the business of the Council. The recommendations in this report enable the Council to fulfil its legal responsibilities as a charity Trustee.

12. Human Resource Implications

None

13. Equality and Diversity Implications

The effective monitoring of charitable activities will ensure that all residents of Guildford Borough Council enjoy access to charitable support and recreational grounds.

14. Climate Change/Sustainability Implications

This has been considered without any implications arising from this report.

15. Background Papers

None

16. Appendices

Appendix 1 – Schedules

Appendix 2 - Equalities Impact Assessment