

**REPORT TO:** CHARITIES COMMITTEE                      **DATE:** 19 SEPTEMBER 2016  
**HEADING:** TRUST FUNDS  
**PORTFOLIO HOLDER:** N/A  
**KEY DECISION:** NO                                      **SUBJECT TO CALL-IN:** NO

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## **1. PURPOSE OF REPORT**

To provide an update to the report given to the Committee on 16 March 2016 regarding the William Booth Charity, the funds of which have remained unused for several years either due to the purpose no longer being relevant and/or there being limited funds available. It will be beneficial to the residents of Ashfield for the monies in these trust funds to be transferred to a charitable organisation with a similar purpose as the existing trust fund.

## **2. RECOMMENDATION(S)**

It is recommended the Committee recommend to Council that:

The funds from the William Booth Charity for the Poor continue to be held by the Authority until they can be transferred to the Community Food Bank.

## **3. REASONS FOR RECOMMENDATION(S)**

The decision made previously was to transfer the funds from the William Booth Charity for the Poor once they were awarded charitable status however the Food Bank does not yet have charitable status. The Food Bank has a similar purpose to the William Booth Charity for the Poor which is why it is recommended that the Authority continues to hold these funds until the Food Bank receive charitable status.

## **4. ALTERNATIVE OPTIONS CONSIDERED (with reasons why not adopted)**

The Committee could suggest alternative charities however the decision to close would then need to be deferred to allow further investigation into that charity.

The Committee could choose to spend the remaining trust monies before winding up, however, due to the small amounts involved and the lack of relevant purpose it is considered that greater benefit will be gained by transferring the funds to the Community Food Bank.

## **5. BACKGROUND**

### **a) William Booth Charity for the Poor – Balance as at 31.03.16 £1971.59 (in bank) Investment Value £2205.48 at 30.06.16**

This was established in 1944 and operates under a scheme from 1994 for the benefit of the residents of Annesley Woodhouse experiencing hardship.

The food bank run at All Saints Church, Annesley and St Johns Church, Kirkby Woodhouse is run by the Church themselves and is called the Community Food Bank. Enquiries have been made and they have confirmed that they are in the process of obtaining charitable status for the food bank. The food bank assists residents in Annesley, Newstead, Kirkby Woodhouse and the Nuncargate area by providing food parcels.

The previous decision of Council, following the recommendation of this Committee, was to transfer the funds from the William Booth Charity for the Poor to the Community Food Bank once they are awarded charitable status. The Food Bank has confirmed that following the last meeting it had significant difficulties with the submission to the Charity Commission, they were being assisted by a volunteer and during the process the necessary forms were changed which created further delay for the organisation. The application has now been submitted and is with the Charity Commission for their consideration.

## **6. IMPLICATIONS**

### **Corporate Plan:**

#### **Priority Theme: Health and Wellbeing**

Within this, the Council will have a targeted approach to improving health and well-being in areas of greatest need.

#### **Priority Theme: Place and Communities**

- Enable thriving, prosperous and self-sufficient communities where people shape their own futures.
- Develop resident-led partnerships across the district.
- More people involved in community/voluntary work.

### **Legal:**

The Law allows charities to be closed for a number of reasons. Such reasons include insufficient funds to achieve the purpose or that the original purpose is no longer relevant.

Before a charity can close the Trustees must consider if effective use of the remaining funds can be made by transferring them to another charity with a compatible purpose. Any debts or liabilities must also be cleared before spend/transferring any remaining assets.

If a registered charity is closed the Charity Commission must be informed.

After a charity is wound up the Trustees must ensure its financial records are retained for at least 6 years from when they were made.

If a charity was originally given property to be held by it forever it is said to be a “permanent endowment”. This could be the case where money was given for a charitable purpose and the donor specified the money should be invested with only the income to spend on the purposes of the trust. In such cases, to spend or transfer the money may require Charity Commission consent. To transfer the money Trustees must hold a meeting to make such a decision, agree by at least two thirds of them voting that it is the right thing to do, the trustees must decide how to transfer the assets and ensure they are used for substantially similar purposes.

### **Financial:**

The William Booth Charity for the Poor Trust Fund balance will be paid over once appropriate legal status arrangements are in place.

**Health and Well-Being / Environmental Management and Sustainability:** No implications

**Human Resources:** No implications

**Diversity/Equality:** No implications

**Community Safety:** No implications

**Other Implications:** None

## **BACKGROUND PAPERS**

None.

## **REPORT AUTHOR AND CONTACT OFFICER**

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