

**THE CITY AND COUNTY OF SWANSEA WELSH
CHURCH ACT FUND**

**FINANCIAL STATEMENTS AND ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

REGISTERED CHARITY NUMBER: 1071913

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The trustees present their report along with the Financial Statements of the charity for the year ended 31st March 2023. The Financial statements have been prepared in accordance with the accounting policies set out on page 10 and comply with the charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards for Smaller Entities (the FRSSE) (effective 1 January 2015).

Objectives & Activities

The aim of the Trustee is to make grants in line with the governing document.

Achievements and Performance

The Charity made the following grants in 2022/23:

Anxiety Support Wales	2,000.00
Hub on the Hill (Primrose Hill Community Garden)	1,500.00
Morrison Tabernacle -Cronfa Adfer y Tabernacl	5,000.00
Bryn Road Group of Bowling Clubs	1,500.00
Llanmorlais Community Hall Charity	2,000.00
Legacy Network	1,500.00
St Catherines PCC Gorseinon	3,500.00
Vibe Youth CIC	1,500.00
Brynawel AFC	2,000.00
BME Mental Health Support	2,000.00
Sadies Butterflies	1,500.00
Total Grants Awarded 2022/23	24,000.00

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

Financial Review

Investment Policy and Performance

The investor shall have power to invest all or any part of the said property and the income thereof from time to time not immediately otherwise required in furtherance of the said object in or upon such investments securities or property as the Trustee thinks fit. The Chief Executive shall act as the Clerk to the Trustee and the Director of Finance shall act as the Treasurer of the fund.

If the Trustee at any time decides that it is expedient to discontinue the fund any money held in the fund after the payment of all expenses or liabilities properly incurred shall be distributed among such exclusively charitable organisations operating within the City and County of Swansea, as the Trustee may determine.

Grant Making Policy

The object of the Fund shall be to receive applications from organisations and charities for grant payments. Applications will not be considered for grants, which would normally be dealt with out of the annual budgets of the Council's service departments or by public agencies or that would commit the Fund to regular payments for a particular purpose.

Structure, Governance and Management

The City and County of Swansea Welsh Church Act Fund is a Registered Charity, number 1071913.

The Welsh Church Act Fund was established by a trust deed in 1914. It originally covered the old Glamorgan County Council area. The original Fund was apportioned in 1974, following Local Government Reorganisation to the 3 new Glamorgan Counties, South, Mid & West. Following further Local Government Reorganisation in 1996, the Fund of the former West Glamorgan County Council was apportioned on a population basis between the City & County of Swansea and Neath Port Talbot County Borough Council. This report covers the portion of the Fund now managed by the City & County of Swansea. The principal address is:

City & County of Swansea
Finance Department
Civic Centre
Oystermouth Road
Swansea
SA1 3SN

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

Structure, Governance and Management Continued

Trustee

The City & County of Swansea is the Corporate Trustee of the Charity.

Advisors

The following advisors assisted the Trustee in the year:

Honorary Treasurer

The role of Honorary Treasurer of the City & County of Swansea Welsh Church Act Trust Fund is undertaken by the Section 151 Officer of Swansea Council or his/her suitably qualified nominee.

The financial statements and annual report 2022/23 are signed and approved on behalf of the Trustees by Mr Ben Smith, Honorary Treasurer.

Mr Ben Smith
Director of Finance & Section 151 Officer
City & County of Swansea
Civic Centre
Swansea
SA1 3SN

Independent Examiner

Mr R Dolbear CPFA
11 Hen Parc Avenue
Upper Killay
Swansea
SA2 7HA

Bankers

Lloyds TSB Bank Plc
Oxford Street
Swansea
SA1 3AF

Fund Manager

Fieldings Investment Management Ltd
Salisbury House
London Wall
London
EC2M 5QS

For and behalf of the Trustee





_____ (Honorary Treasurer)

10/5/2023 (Date)

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEE OF THE CITY AND COUNTY
OF SWANSEA WELSH CHURCH ACT FUND**

I report on the accounts of the charity for the year ended 31 March 2023, which are set out on pages 7 to 12.

Respective responsibilities of trustee and independent examiner

The charity's trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year (under section 145(5) (b) of the Charities Act 2011 (the Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the Act) ;
- Follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145 (5) (b) of the Act ; and
- State whether particular matters have come to my attention.

Basis of independent examiner's report

I conducted my examination in accordance with the General Directions for Independent Examination issued by the Charity Commission. 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 of explanations from you as trustee concerning 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.

I wish to record my thanks to the Board for its cooperation during the difficult circumstances arising from the pandemic. My audit relied on the electronic transfer of data rather than prime documents, never the less I was able to conclude all the necessary checks to form my conclusions

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 proper accounting records in accordance with section 41 of the Act
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act,
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEE OF THE CITY
AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND CONT'D**

Name : Mr R Dolbear

Signature :

Relevant Professional Qualification : CPFA

Address : 11 Hen Parc Avenue,
Upper Killay,
Swansea,
SA2 7HA

Date :

THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31/03/23	Total Funds 31/03/22
	£	£	£	£	£
Income & Endowments from :					
Donations Received					
Charitable Activities					
Other Trading Activities					
Estate Rental Income	1,842			1,842	1,835
Investments Income	23,112			23,112	12,018
Repayment of Grant	0			0	1,297
Other	876			876	325
Total	25,830	0	0	25,830	15,476
Expenditure On :					
Raising Funds	6,213			6,213	4,652
Charitable Activities	24,000			24,000	33,650
Other	256			256	94
Total	30,469	0	0	30,469	38,395
Net Income (expenditure)					
Transfers between funds					
Net Income/Expenditure	-4,639	0	0	-4,639	-22,919
Other recognised gains (losses):					
Gains/(losses) on disposal/revaluation of assets	12,377			12,377	
Unrealised gains (losses) on investment assets	-13,131			-13,131	-16,270
Total Other Gains & Losses	-754	0	0	-754	-16,270
Net movement in funds	-5,393	0	0	-5,393	-39,189
Reconciliation of funds :					
Total funds brought forward	1,227,495			1,227,495	1,266,684
Total funds carried forward	1,222,102	0	0	1,222,102	1,227,495

Note

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**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
BALANCE SHEET AS AT 31 MARCH 2023**

	Total Funds 3/31/2023 £	Total Funds 3/31/2022 £	Notes
Fixed Assets :			
Intangible Assets			
Tangible Assets	162,000	184,000	10
Heritage Assets			
Investments	296,940	310,071	9
Total fixed assets	458,940	494,071	
Current Assets :			
Stocks			
Debtors	11,989	9,516	12
Investments	720,000	620,000	9
Cash at bank and in hand	34,765	126,125	11
Total current assets	766,754	755,640	
Liabilities			
Creditors : Amounts falling due within one year	-3,591	-22,216	13
Net Current Liabilities	-3,591	-22,216	
Creditors : Amounts falling due after more than one year			
Provisions for Liabilities			
Total net assets	1,222,102	1,227,495	
The funds of the Charity			
Endowment funds			
Restricted Income funds			
Unrestricted funds	1,222,102	1,227,495	
Revaluation reserve			
Total Unrestricted funds	1,222,102	1,227,495	
Total charity funds	1,222,102	1,227,595	8

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

1. Accounting Policies

General

The Financial statements have been prepared in accordance with the accounting policies set out in page 10 to 16 and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards for Smaller Entities (the FRSSE) (effective 1 January 2015).

Basis of Accounting

The accounts have been prepared using the accruals basis.

Investments

Investments have been valued at market value, in accordance with the SORP.

2. Income on Deposits

Short Term Deposits

The Welsh Church Acts Fund has investments managed by the City & County of Swansea. Previously this was invested wholly on seven days notice with the interest rate based on the Money Market's seven-day rate. However, with the prominence of falling rates some of this has been channelled to short term fixes to sustain income levels whilst maintaining an acceptable level of liquidity.

Consequently the interest earned by seven days notice investment in 2022/23 was £1,556 and the interest rate applied was 3.89%. The fixed investments realised £7,964.47 at an average rate of 2.69%. Total interest accrued for the year was £4,133.46.

The Trust's current account, used for operational purposes is with Lloyds Bank. No interest is earned on a credit balance, as a consequence balances are kept at a minimum where possible.

Long Term Deposits

The Welsh Church Act Fund has investments in Treasury Stock, which is managed by Fieldings Investment Management Ltd. Interest is received half-annually on these investments. The stocks held as at 31st March 2023 were as follows:

Holdings	Market Value 31/03/22 £	Market Value 31/03/23 £	Dividend 2022/23 £
2.25% Treasury Gilt 2023	93,801	91,896	2,081
2.00% Treasury Gilt 2025	102,190	96,450	2,000
5.875% National Grid 2024	114,079	108,593	6,198
Total	310,071	296,940	10,279

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

3. Estate Rental Income

The Welsh Church Act Fund receives rental income from various properties. These properties are mainly located in the Vale of Glamorgan and generated income of £1,842 during 2022/23.

4. Miscellaneous Income

A total of £734.52 was reclaimed from City & County of Swansea for the VAT element of invoices paid from the Fund during the year.

5. Grants to Organisations

A total of £24,000 was paid out in Grants from the Fund in 2022/23. A comprehensive list of grants appears on Page 2 of this report.

6. Management and Administration

The total cost of management and administration for 2022/23 was £6,468 This was made up of the following charges :

The City and County of Swansea levy a fee of £2,500 for administering the Fund.

Management fees are paid to Fieldings Investment management Ltd for Broker Services half annually. Fees are paid at 0.0025% of the Market Value of the investments as at 30th September and 31st March. The total amount paid for 2021/22 was £1,893

Auditors Fees of £200 for an Independent Examination of 2021/22 accounts.

LEI Registration Fee of £78

Lloyds Bank for Service Charges of £6

Valuation and Preperation Fees in relation to the sale of land of £1,620

Overseas Custoday Charge in relation to External Investments of £30

Return of Funds incorrect banked into the WCATF Account of £141

7. Unrealised Gains on Investments Assets and Revaluation on Disposal

The unrealised loss on external gilts for 2022/23 was £13,131 – see Note 9 below
Note 9 below.

The unealised gain for the revaluation on disposal for 2022/23 was £12,377 - see Note 9 below

8. Analysis of Funds

Restricted Funds	Balance @ 1/4/22	Receipts	Utilised/ Realised	Transfer & Losses	Unrealised Gains & Losses	Balance @ 31/3/23
WCAF	1,227,495	25,830	-30,469	0	-754	1,222,102
	1,227,495	25,830	-30,469	0	-754	1,222,102

**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

9. Investments

	Treasury stock £	Short term deposits £	Total £
Market Value as at 1 st April 2022	310,071	620,000	930,070
Additions (MV)		750,000	750,000
Disposals (MV)		-650,000	-650,000
Net unrealised investment gains/(losses)	-13,131		-13,131
Market Value as at 31 st March 2023	296,940	720,000	1,016,939
Book Cost as at 31 st March 2023	302,073	720,000	1,022,073

10. Tangible Fixed Assets

	Freehold reversions £
Valuation at 1 st April 2022	184,000
Additions	0
Disposals	-34,377
Revaluation	12,377
Valuation as at 31 st March 2023	<u>162,000</u>

11. Cash in Bank and In Hand

As per Bank Statement 31st March 2023	£ 34,765
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12. Debtors

Debtor Balance 2021/22 b/f	£ 9,516
CHARLES STANLEY CO	-6,198
Mr I V Watters	-663
Income on Internal Investments to 31/03/22 (Unpaid Interest)	-851
Income on External Gilts to 31/03/22 (Unpaid Interest)	-1,134
Estate Rental (Income not received during 2021/22)	-345
City & County of Swansea - VAT Reclaim	-325
CHARLES STANLEY CO	6,228
Income on Internal Investments to 31/03/23 (Unpaid Interest)	4,133
Income on External Gilts to 31/03/23 (Unpaid Interest)	1,134
City & County of Swansea - VAT Reclaim Fieldings	148
Estate Rental (Income not received during 2022/23 iro 2021/22)	345
	<u>11,989</u>

13. Creditors

	£
Creditor Balance 21/22 b/f	22,216
Various - WCA Grants	-18,700
Audit Fee - WCA Accounts 2021/22	-200
WCA SLA 2021/22	-2,500
Professional Fees - Management Expenses to 31/03/22	-816
Audit Fee - WCA Accounts 2022/2	200
WCA SLA 2022/2	2,500
Professional Fees - Management Expenses to 31/03/23	891
	<hr/>
	3,591
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**THE CITY AND COUNTY OF SWANSEA WELSH CHURCH ACT FUND
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

14. Commitments and Contingencies

The Welsh Church Act Fund had no commitments and contingencies as at 31st March 2023

15. Related Party Transactions

The charity's trustee is the City and County of Swansea which is therefore a related party. The charity's transactions and balances with the trustee were in relation to the charity's short term deposits as set out in notes 2 and 9 and are summarised below;

Balance owed to charity at 1 April 2022	<u>614,076</u>
New Investments during year	750,000
Withdrawal made during year	-650,000
Transfer to Current Account	0
Interest income accrued on investment	4,133
Interest paid out to Charity	-9,520
Balance owed to charity at 31 March 2023	<u><u>708,689</u></u>