

POLICY & RESOURCES CABINET BOARD

7th JANUARY 2011

FINANCE & CORPORATE SERVICES

**REPORT OF THE HEAD OF FINANCIAL SERVICES
– H. JENKINS**

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PART 1
SECTION A – MATTERS FOR DECISION

ITEM 1

MOBILE PHONES

1. Purpose of Report

To seek Members approval to award the contract for the Authority's Mobile Phones from 1st April 2011 to 31st March 2013 (with an option to extend for a period of up to 12 months).

2. Background

- 2.1. The Council's current supplier of Mobile Phones is Orange.
- 2.2. The Buying Solutions Mobile Solutions (II) Framework Agreement specialises in the provision of mobile services. The Framework Agreement is OJEU compliant having been competed in accordance with the OJEU restricted procedure.
- 2.3. The Buying Solutions Mobile Solutions (II) Framework is accessible to Public Sector Organisations and allows the Council to order directly from a supplier on the framework without subjecting our requirement to further competition.
- 2.4. Orange can deliver best value for money when you take into account the cost to buy out the existing contracts, the increased call charges due to cross network calls until all phones have been transferred to an alternative provider, and the time and resources required to transfer to an alternative provider.
- 2.5. Orange offer a variety of line rental and price plan options under the Buying Solutions Mobile Solutions (II) Framework.

3. Outcome of Price Plan Comparison Exercise

- 3.1. A price plan comparison, based on historical usage data, has been carried out to determine which line rental and price plan options are the most competitive for the Council, based on the following options:
 - Tariff Type: Line rental excluding care (insurance) or line rental including care.
 - Call Rates
 - Receive a techfund or a monthly recurring airtime credit.

- 3.2. Standard handset connections and BlackBerry device connections were analysed separately.
- 3.3. The analysis of historical data carried out showed that care (insurance) cover was not cost effective on the standard handset connections. There is a need to continue with care cover on the BlackBerry devices due to the high cost of a replacement device.
- 3.4. For standard mobile phones, the price plan comparison showed that Price Plan 10 offers the most competitive call charges when combined with the line rental charges.
- 3.5. Plan 5 offers the most competitive call charges for the BlackBerry device connections.

4. Financial Implications

- 4.1. The annual expenditure for Mobile Phones is estimated at £155,000 per annum and it is estimated annual savings of £15,896 will be achieved by signing up to Orange with the recommended options listed below (see Appendix 1).

5. Recommendations

It is recommended that the Authority award a contract to Orange for Mobile Phones, with the following tariffs and price plans:

- Standard Handset Connections
 - 24-month contract
 - Line rental excluding care (£0.00 per month)
 - Price Plan 10
 - £35 Techfund credit per connection
 - Handsets only to be provided when a new connection is ordered or when a handset is lost/stolen/damaged.

- BlackBerry Device Connections
 - 24-month contract
 - Line rental including care (£3.50 per month)
 - BlackBerry Subscription Option 1 (£17.50 per month)
 - Price Plan 5
 - Monthly recurring airtime credit (£2.00 per month)
 - Discount (£135 per connection) toward new device.
Lost/stolen/damaged devices covered with care.

Reasons for Proposed Decision

To ensure the Authority complies with the European Union Procurement Directive and the Council's Contract Procedure Rules.

List of Background Papers

Appendix 1 – Savings Analysis

Wards Affected

All

Officer Contact

For further information on this report item, please contact: -

Mr Hywel Jenkins – Head of Financial Services

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COMPLIANCE STATEMENT

MOBILE PHONES

Implementation of Decision

The decision is proposed for implementation after the three-day call in period.

Sustainability Appraisal

Community Plan Impacts

Economic Prosperity	-	Positive
Education & Lifelong Learning	-	No Impact
Better Health & Well Being	-	No impact
Environment & Transport	-	No impact
Crime & Disorder	-	No impact

Other Impacts

Welsh Language	-	No impact
Sustainable Development	-	Positive
Equalities	-	No impact
Social Inclusion	-	No impact

Consultation

There has been no requirement under the Constitution for external consultation on this item.

Mobile Phones: Savings Analysis

	Handsets	Current Costs £	Projected Costs £
Standard Handset Line Rental	808	14,544	0
Blackberry Line Rental & Subscription (Including airtime discount)	242	52,272	60,176
Call Charges	-	87,866	83,610
Total Cost	1050	154,682	143,786
		Saving:	£10,896

PART 1
SECTION A – MATTERS FOR DECISION

ITEM 2

NEATH PORT TALBOT WELSH CHURCH ACTS FUND

1. Purpose of Report

This report is to inform Members of the 2009-10 Welsh Church Acts Fund financial performance and certification of the 2009/10 Financial Statements.

2. Neath Port Talbot Welsh Church Acts Fund –Financial Statements 2009/10

The Neath Port Talbot Welsh Church Acts Fund Financial Statements 2009/10 are attached for approval by the Policy & Resources Cabinet Board.

The statements showed a surplus of income over expenditure for 2009/10 of £69,155.

The certified Neath Port Talbot Welsh Church Acts Fund Financial Statements 2009/10 will be submitted to The Charity Commission in January 2011.

As Members are aware, the Wales Audit Office have been appointed auditors to the Fund. They have reviewed the accounts and statements and following Committee approval, the audit certificate will be finalised.

3. Neath Port Talbot CBC Accountancy Fee

Neath Port Talbot CBC as Trustees of the Neath Port Talbot Welsh Church Acts Fund are responsible for its financial administration and preparation of financial statements.

An annual charge of £2,000 is charged for these services.

4. Recommendation

Members are requested to:

- Review the Accounts and recommend their submission to the Charity Commission.

Appendices

Appendix – Annual Report and Financial Statements for the Year Ended
31st March 2010

List of Background Papers

WCAF 2009/10 Financial Statements

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

Mr. Hywel Jenkins - Head of Financial Services

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Management)

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E-mail: m.davies4@npt.gov.uk

COMPLIANCE STATEMENT

NEATH PORT TALBOT WELSH CHURCH ACTS FUND

Implementation of Decision

The decision is proposed for implementation after the three day call in period.

Sustainability Appraisal

Community Plan Impacts

Economic Prosperity	-	Positive
Education & Lifelong Learning	-	Positive
Better Health & Well Being	-	Positive
Environment & Transport	-	Positive
Crime & Disorder	-	Positive

Other Impacts

Welsh Language	-	Positive
Sustainable Development	-	Positive
Equalities	-	Positive
Social Inclusion	-	Positive

Consultation

There has been no requirement under the Constitution for external consultation on this item.

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

WELSH CHURCH ACT TRUST FUND

SCHEME 1999

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

REGISTERED CHARITY NUMBER: 1076440

Neath Port Talbot Welsh Church Acts Fund**Annual Report For The Year Ended 31st March 2010**

The Neath Port Talbot County Borough Council (Welsh Church Act Trust Fund) Scheme 1999, is a Registered Charity number 1076440.

The registered address is: Neath Port Talbot County Borough Council
Finance & Corporate Services Directorate
Civic Centre
Port Talbot
SA13 1PJ

The Welsh Church Acts 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 3 new Glamorgan Counties, South, Mid and West. Following further reorganisation in 1996, the Fund of the former West Glamorgan County Council was apportioned on a population basis between Neath Port Talbot County Borough Council and the City and County of Swansea.

This report relates to the portion of the Fund now managed by Neath Port Talbot County Borough Council.

Trustees: Neath Port Talbot County Borough Council,
who have delegated responsibility to the
Finance Panel, and its successors the Strategic
Resources Board, Policy and Resources Cabinet
Committee and Policy and Resources Board.

The following advisors have assisted the Trustees in the year:

Honorary Treasurer: Mr. D.W. Davies
Director of Finance & Corporate Services
Neath Port Talbot County Borough Council
Civic Centre
Port Talbot SA13 1PJ

Independent Examiner: Mr Ceri Stradling
Wales Audit Office
Civic Centre
Port Talbot SA13 1PJ

Bankers: Alliance & Leicester Commercial Bank
Bridle Road
Bootle
Merseyside L30 4GB

Fund Manager: Fieldings Investment Management Limited
6 Kinghorn Street
London EC1A 7HW

Restriction on Application of Income

The object of the fund shall be to receive grant applications from charities and voluntary bodies which are based in, or active in, or provide significant benefits to some or all of the residents of the Neath Port Talbot County Borough area, and in accordance with the 'Guidelines for Grant Applications'.

A copy of these Guidelines are attached at *pages 5 and 6*.

Power of Investment

The Trustees may out of the Fund acquire any land which is required for the purposes of the scheme, and invest income in any investment from time to time sanctioned by law for the investment of trust funds or in authorised security created by the local authority.

The Chief Executive shall act as the Clerk to the Trustees and the Director of Finance and Corporate Services shall act as Treasurer of the Fund.

Aims of the Fund

The aim of the Trustees is to make grant payments for charitable purposes in accordance with Schedule 1 Paragraph 19 of the governing document.

A copy of this Schedule is attached at *pages 7-10*.

Review of Financial Activities 2009/10***Income***

Income for 2009/10 totalled £100,961 (£19,498 in 2008/09) and comprised of investment interest on Treasury Stock and short term investments, estate rentals and the sale of land.

The increase in income was due to the sale of land (£95,450). There was a significant fall in interest returns on cash investments from £15,056 (3.52%) in 2008/09 to £2,172 (0.5%) in 2009/10 as UK interest rates fell to record low levels.

Estate rental income totalled £941 in 2009/10.

Expenditure

Income in the year exceeded expenditure by £69,155 (£48,851 deficit in 2008/09) with a corresponding increase in the income accumulation fund balance. At 31st March 2010 this fund balance stood at £127,547.

The Charity made grant payments totalling £27,173 during the year, a decrease of £36,963 (58%) on the previous year. A full analysis of grants paid is attached at *page 22* of the Financial Statements.

In October 2008, in order to protect the future sustainability of the fund the Fund Grant Application Guidelines were amended so that:

- the maximum grant normally awarded was restricted to £2,000 for new applications, and
- an eligibility time limit of 2 years is applied from the date of approval.

Tangible Fixed Assets

There were no revaluations of tangible fixed assets during the year, and they totalled £84,722 at 31st March 2010.

Fixed Asset Investments

Following the maturity of Treasury Stock during 2009, there are no fixed assets investments at 31st March 2010. The maturity resulted in a realised loss of £2,216 on the previous year.

Short Term Investments

The total amount of short term cash investments with Neath Port Talbot CBC at the year end was £526,483, an increase of £142,656 from the previous year.

Signed for and on behalf of the Trustees.

_____ (Honorary Treasurer) _____ (Date)

Welsh Church Acts Fund

Guidelines for Grant Applications

- a) Each application will be considered on its merits.
- b) Grants will only be awarded to charities and voluntary bodies which are based in, or active in, or provide significant benefits to some or all of the residents of the Neath Port Talbot County Borough area.
- c) Grants will only be awarded to individuals in exceptional circumstances.
- d) Grants will not normally exceed £2,000 and in exceptional circumstances £10,000 per applicant and successful applicants will not normally be reconsidered for a further grant within 3 years of the date of approval of the last grant.
- e) Grants will have a time limit for the take up of said grant of two years from the date of approval.
- f) Grants will not normally be awarded where the service could be dealt with out of the annual budget of the Council's service Committees activities or by other public bodies.
- g) Grants will not normally be awarded where they would commit the fund to regular annual payments nor will recurring annual expenses be supported.
- h) Grants will only be made out of the income of the fund, preserving the Fund's capital assets.
- i) Priority will be given to applications which are of significant benefit to the Neath Port Talbot County Borough area.
- j) Grant aid will not normally cover the full cost of a project/proposal and normally will be approved at 60% of actual costs incurred up to the maximum as outlined in condition (d) above.
- k) Organisations assessed as being able to meet the cost (e.g. by size or nature) are unlikely to receive any grant aid.
- l) Grants towards work of a structural nature will only be considered where:
 - there is evidence that a professional assessment has been made of the works;
 - the applicant organisation can demonstrate that there is no other impediment to work proceeding at an early date (e.g. planning permission).
- m) In the case of Churches and Chapels grants will only be approved for the repair of the fabric of buildings which are more than 50 years old and of the highest architectural and historic interest. Church halls, however, where available and used significantly by the public for non-religious purposes will not be subject to these criteria.
- n) No retrospective applications are considered.
- o) The Panel will take into account the Church membership and the normal size of the congregation.

- p) In the case of students undertaking further Education courses, contributions towards the costs of individual instruments or pieces of equipment etc. will be made on the following basis:-

50% of all costs over a threshold of £2000 up to a maximum grant of £1500.

SCHEDULE 1 Paragraph 19**The Charitable purposes for which the Fund may be applied****The Advancement of Education****Educational**

1. The provision of benefits which are not readily available from other sources for persons of any age in one or more of the following ways:-
 - (i) the award of scholarships, bursaries, loans or maintenance allowances to enable or to assist study at any school, university or other place of learning, approved by the Council, which may if the Council think fit include allowances to dependents.
 - (ii) the provision of financial assistance, outfits, clothing tools, instruments, other equipment, or books or loans to enable pupils or students on leaving school, university or any other educational establishment to prepare for, or to assist their entry into a profession, trade or calling.
 - (iii) the award of scholarships or maintenance allowances or loans to enable beneficiaries to travel abroad to pursue their education.
 - (iv) the provision, or assistance towards the provision of facilities of any kind not normally provided by a local education authority, or a grant maintained school, for recreation, social and physical training at a school, university or other educational establishment.
 - (v) the provision of financial assistance to enable pupils and students to study music or other arts.
 - (vi) the provision of financial assistance to enable beneficiaries to undertake apprenticeships.

Libraries, Museums, Art Galleries etc.

2. The advancement of knowledge and appreciation of the arts and literature of Wales and, in particular, in furtherance of those purposes but without prejudice to the generality thereof –
 - (i) the establishment, maintenance, replenishment or aiding of charitable institutions, libraries, museums, art galleries; or art, scientific or industrial exhibitions (including exhibitions relating to industrial archaeology); whether national or local, for the principal use and benefit of the Welsh people;

- (ii) the assistance of charitable societies for study and research in subjects connected with Welsh history, topography, literature and life;
- (iii) the provision of lectures, exhibitions and equipment;
- (iv) the acquisition, preservation and publication of records and documents;
- (v) the provision of suitable premises (by erection, purchase, lease or hiring for occasional use) for any of the purposes authorised by this paragraph.

The Relief of Poverty Relief in Need

3. The relief either generally or individually of persons who are in conditions of need, hardship or distress by the making of grants of money or the provision of, or payment for, items, services or facilities calculated to reduce the need, hardship or distress of such persons.

The Advancement of Religion Places of Worship and Burial Grounds

4. The contribution towards the restoration and maintenance of any place of public worship or any burial ground.

Other Purposes Beneficial to the Community Relief in Sickness

5. The relief in cases of need of persons who are sick, convalescent, disabled, handicapped or infirm by the provision of, or payment for, items, services or facilities which are calculated to alleviate the suffering or assist the recovery of such persons, but which are not readily available to them from other sources.

Elderly Persons

6. The provision, or assisting in the provision of accommodation for elderly persons who by reason of the infirmities and disabilities of age have need of such reception, care and attention. The provision of funds to organisations promoting the welfare of elderly persons.

Social and Recreational

- 7.(1) The provision of, or assisting in the provision of, facilities for recreation or other leisure time occupation being facilities which are available to the members of the public at large and which are provided in the interests of social welfare with a view to improving the conditions of life of the persons for whom they are intended and, in particular, in furtherance of those purposes but without prejudice to the generality thereof, the provision of, or assisting in the provision of, playing fields, other sporting facilities, parks, open spaces and centres or halls for meetings, lectures or classes.
- (2) Sub-paragraph (1) is intended, in particular, to be concerned with the provision of, or assisting in the provision of, facilities etc. to persons in need by reason of their youth, old age, infirmity or disablement, poverty or social and economic circumstances.

Aesthetic, Architectural, Historical and Scientific Matters

8. The advancement of the education and public benefit of the Welsh people by promoting their interest in aesthetic, architectural, historical or scientific matters relating to Wales and in particular in furtherance of those matters but without prejudice to the generality thereof -
- (a) the acquisition and preservation of -
- (i) land of special interest in relation to science and nature history;
 - (ii) land, buildings or objects of beauty or of historic or architectural interest.
- (b) the acquisition, preservation and publication of records and documents of historic interest.

Medical and Social Research, Treatment, Etc.

9. The preservation and protection of the physical and mental health of society and, in particular, in furtherance of those purposes but without prejudice to the generality thereof -
- (a) the advancement of education in the theory and practice of medicine;
 - (b) the promotion of medical and social research and schemes for the prevention and treatment of disease and publishing the results of such research;
 - (c) the provision of nursery and convalescent homes and hostels.

Probation Etc.

10. Making grants in cases of need for the assistance of:-
- (a) persons placed on probation, or children and young persons from community homes or any other institution of a substantially similar nature established under statutory authority;
 - (b) the families of any such persons, children or young persons; or
 - (c) discharged prisoners.

People who are Blind or Visually Impaired

11. Provision for the welfare of persons who are blind or visually impaired, including the provision of charitable homes and holiday homes.

Emergencies or Disasters

12. The contribution towards the alleviation of the effects of emergencies or disasters involving destruction of or danger to life, and property and directly assisting persons in need as a result of such emergencies and disasters.

Other Charitable Organisations

Contributions towards charitable organisations, the purposes of which are consistent with the provisions of this Schedule or the Welsh Church Acts 1914 to 1945.

**Report of the independent examiner to the trustees of
Neath Port Talbot Welsh Church Acts Fund**

I report on the accounts of Neath Port Talbot Welsh Church Acts Fund for the year ended 31 March 2010, which are set out on pages 13 to 21.

Respective Responsibilities of Trustees and Independent 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 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

This report is made solely to the trustees of Neath Port Talbot Welsh Church Acts Fund in accordance with the 1993 Act. My work has been undertaken so that I might state to the trustees those matters I am required to state to them in an examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the trustees of Neath Port Talbot Welsh Church Acts Fund for my work, for this report, or for the statements I have made.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given 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 trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Examiner's Statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act; have not been met; or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr Ceri Stradling
On behalf of the Auditor General for Wales

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Date

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st MARCH 2010

	Note	Unrest- ricted Funds	Restr- icted Funds	Endow- ment Funds	Total Funds 31 st March 2010	Total Funds 31 st March 2009
		£	£	£	£	£
INCOMING RESOURCES						
Investment income:						
Long Term Investments	2	2,398	-	-	2,398	3,501
Short Term Investments	3	2,172	-	-	2,172	15,056
Other incoming resources:						
Sale of Land	4	95,450	-	-	95,450	-
Estate Rentals	4	941	-	-	941	941
Total Incoming Resources		100,961	-	-	100,961	19,498
RESOURCES EXPENDED						
Charitable activities:						
Grants	5	27,173	-	-	27,173	64,136
Governance costs:						
Professional Fees	6	1,153	-	-	1,153	313
Accountancy & Independent Examiners Fees		3,480	-	-	3,480	3900
Total Resources Expended		31,806	-	-	31,806	68,349
NET OUTGOING RESOURCES BEFORE TRANSFERS						
		69,155	-	-	69,155	(48,851)
Transfers between funds		-	-	-	-	-
		69,155	-	-	69,155	(48,851)
OTHER RECOGNISED GAINS AND LOSSES						
Losses on maturity of investment assets		(2,217)	-	-	(2,217)	-
Unrealised gains / (losses) on investment assets		-	-	-	-	316
Unrealised gains on revaluation of fixed assets		-	-	-	-	-
NET MOVEMENT IN FUNDS		66,938	-	-	66,938	(48,535)
RECONCILIATION OF FUNDS						
Fund balances brought forward at 01 April 2009:						
Fund Balance		488,194	-	-	488,194	487,878
Income accumulation account		58,392	-	-	58,392	107,243
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2010		613,524	-	-	613,524	546,586

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

BALANCE SHEET AS AT 31ST MARCH 2010

	Notes	31 March 2010		31 March 2009
		£	£	
Fixed Assets				
Tangible Assets	7		84,722	84,722
Investments	8		-	63,105
Total Fixed Assets			<u>84,722</u>	<u>147,827</u>
Current Assets				
Debtors	9	3,133		16,822
Short Term Investments	8	<u>526,483</u>		<u>383,827</u>
Total Current Assets			529,616	400,649
Liabilities				
Creditors: Amounts falling due within 1 year	10	(1,020)		(1,797)
Cash at bank overdrawn		<u>206</u>		<u>(93)</u>
Total Current Liabilities			(814)	(1,890)
Total Net Current Assets			528,802	398,759
Total Assets Less Current Liabilities			<u>613,524</u>	<u>546,586</u>
Creditors Falling Due After 1 Year			-	-
NET ASSETS	11		<u>613,524</u>	<u>546,586</u>
Represented By The Funds of the Charity				
Unrestricted Income Funds	12			
Fund balance		485,977		488,194
Income Accumulation Account		<u>127,547</u>		<u>58,392</u>
TOTAL CHARITY FUNDS			<u>613,524</u>	<u>546,586</u>

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND**NOTES TO THE FINANCIAL ACCOUNTS FOR THE YEAR ENDED
31ST MARCH 2010****1. Accounting Policies****General**

The accounts have been prepared in accordance with:

- a) the Statement of Recommended Practice – “Accounting and Reporting by Charities” – and with due regard to general accounting policies and procedures.
- b) the Charities Act and other legislative requirements.
- c) the historic cost basis of accounting except for investments and fixed assets which have been included at market value.

Basis of Accounting

The accounts have been prepared using the accruals basis. There was no change in this basis. Grants are recognised on a cash basis, i.e. when payments of grants to external organisations are made, rather than when they are approved.

Investments

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

2. Investment Income – Long Term Investments

Investments are held in Treasury Stocks, which are managed on behalf of the Welsh Church Acts Fund by Fieldings Investment Management Limited. Interest on these investments is received half yearly.

Details of the total stock holding as at 31st March 2010 is provided at **Note 8**, with further analysis attached at **page 19**.

3. Investment Income - Short Term Investments

The Welsh Church Acts Fund has short term cash deposits with Neath Port Talbot County Borough Council. These investments operate on an instant access basis, and interest is calculated based on average 7-day money market rates. The average interest rate for 2009/10 was 0.5% (3.52% in 2008/09). Accrued interest is reinvested annually on 1st April.

Details of short term deposits are provided at **Note 8** and **page 19**.

4. Other Income

The Welsh Church Fund received two 'overage' payments (£9,450 and £86,000) relating to land sold by the Fund in previous years. An 'overage' payment relates to an agreement made at sale which allows the seller to share in any future uplift in the land value. An 'overage' payment is usually triggered with the granting of planning consent or when a new development or use is implemented.

The Welsh Church Acts Fund receives rental income from various properties, land and wayleaves. Further details are attached at **page 20 & 21**.

5. Grants

Grant payments made in 2009/10 totalled £27,173. Details of these payments are provided at **page 22**.

6. Governance Costs

Professional Fees

Management fees are paid to Fieldings Investment Management Limited half yearly. Fees are paid at 0.25% of the market value of investments on the 30th September and 5th April.

Legal fees of £1,000 were incurred in 2009/10 in relation to asset sales.

Accountancy and Independent Examination Fees

An annual payment of £2,000 is made to Neath Port Talbot County Borough Council in respect of accountancy fees.

The independent examination fee relates to the independent examination of the annual Financial Statements by the Wales Audit Office.

7. Fixed Assets

There were no revaluations during the year. Fixed assets were last revalued on 1st March 2008. Details of the assets and valuations at 31st March 2010 are attached at **pages 20 & 21**.

8. Investments

	2009/10		
	Treasury Stock	Short- Term Deposits	TOTAL
	£	£	£
Market Value at 31 st March 2009	63,105	383,827	446,932
Additions/Investments	-	162,056	162,056
Disposals/Withdrawals	(60,889)	(19,400)	(80,289)
Net investment gains/(losses)	(2,216)	-	(2,216)
Market value at 31st March 2010	0	526,483	526,483

9. Debtors and Prepayments

	2009/10	2008/09
	£	£
Accrued income		
Investment interest	2,172	16,159
Estate Rental	961	663
Total falling due within one year	3,133	16,822

10. Creditors: Amounts falling due within one year

	2009/10	2008/09
	£	£
Creditors and accruals		
Professional fees	-	(158)
Independent examination fees	(1,000)	(1,620)
Estate rental prepayments	(20)	(19)
	(1,020)	(1,797)

11. Analysis of net assets by fund – unrestricted and restricted income fund

	2009/10		
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	84,722	-	84,722
Current assets	529,616	-	529,616
Current liabilities	(814)	-	(814)
Total	613,524	-	613,524

12. Analysis of funds – Investment and unrestricted income funds

	Balance 31/03/09	Receipts	Utilised /released	Transfers	Gains / losses	Balance 31/03/10
	£	£	£	£	£	£
Unrestricted funds	546,586	100,961	(31,806)	-	(2,217)	613,524
Total	546,586	100,961	(31,806)	-	(2,217)	613,524

13. Commitments and Contingencies

The Fund has made commitments to external organisations for grants already approved and pending payment, which is not quantified within the accounts, because the conditions of the grant mean that not all approved grants are paid out.

Approved grants still unpaid at 31 March 2010, totalled £72,900, at maximum contribution. The income accumulation fund balance at 31 March 2010 stood at £127,547 and is able to meet this commitment.

The fund is not committed to any expenditure other than approved grants pending payment.

There were no contingent gains or losses that require inclusion in the accounts.

14. Related Party Transaction

There were no related party transactions in the year, other than the £2,000 fee paid to Neath Port Talbot County Borough Council disclosed at **note 6**.

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

INVESTMENTS 2009/10

	Quantity (Capital)	Opening Balance/ Market Value 01/04/2009	Closing Balance/ Market Value 31/03/2010	Total Interest 2009/10
		£	£	£
<i>Bank of England Treasury Stock</i>				
5.75% Treasury Stock 2009	60,889.13	63,105.36	0	2398.03
<i>NPT Loans Fund</i>	-	383,826.83	526,483.05	2,171.50
TOTALS		446,932.19	526,483.05	5,569.53

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

TANGIBLE FIXED ASSETS, AGRICULTURAL LAND AND BUILDINGS AND FREEHOLD REVERSIONS

Estate	Details	Address	Fixed Assets 01/04/09 £	Sales £	Revaluation £	Fixed Assets 31/03/10 £
<i>Vale of Neath</i>						
	Residential Neath	78 Llantwit Road,Neath	11,270			11,270
	Residential Neath	80 Llantwit Road,Neath	12,600			12,600
	Agricultural Neath	1 Brynawel Road,Cimla	0			0
	<i>Description amended to read as follows:</i>					
	Agricultural Land Neath	Llantwit Road Neath opp St.Illtyds Church	4,250			4,250
	Agricultural Land Neath	Llantwit Road Neath opp.St Illtyds Church, Glebe under canal	100			100
	Land Cadoxton Neath	5.4 Acres at Cwmbach Road	7,000			7,000
	Land Cadoxton Neath	3.74 Acres North of Cwmbach Road	2,000			2,000
	Land Cadoxton Neath	0.4 Acres South of Cwmbach Road	500			500
	Misc.Interest Cadoxton Neath	Garage Site,Cwmbach Road	1,500			1,500
	Misc.Interest Cadoxton Neath	Garage Site, Glebeland Street	1,500			1,500
	Land Cadoxton Neath	Land and stream adjoining 25 Church Road	1			1
	<i>Total Vale of Neath</i>		40,721	0	0	40,721
<i>Vale of Glamorgan - Agricultural</i>						
	Michaelston Super Ely with St.Brides	St-y-Nyll	20,200			20,200
	Peterston-Super-Ely	Gwern y Gae Uchaf Farm	10,500			10,500
	Peterston-Super-Ely	Backway Farm	12,500			12,500
	<i>Total Vale of Glamorgan Agricultural</i>		43,200	0	0	43,200

Estate	Details	Address	Fixed	Sales	Revaluation	Fixed
			Assets			Assets
			01/04/09			31/03/10
			£	£	£	£
<i>Vale of Glamorgan - Wayleaves</i>						
	St.Brides Super Ely	0018 & 7200 electricity wayleave	145			145
	St.Brides Super Ely	0018 & 7200 electricity wayleave	15			15
	St.Brides Super Ely	0018 & 7200 electricity wayleave	320			320
	St.Brides Super Ely	0018 & 7200 electricity wayleave	300			300
	St.Brides Super Ely	0018 & 7200 electricity wayleave	15			15
	St.Brides Super Ely	0018 & 7200 electricity wayleave	1			1
	St.Brides Super Ely	0018 & 7200 electricity wayleave	5			5
	<i>Total Vale of Glamorgan - Wayleaves</i>		801	0	0	801
TOTAL FIXED ASSETS			84,722	0	0	84,722

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

GRANTS 2009/10

Year of Approval		Payments 2009/10
		£
2008-09	Bethlehem Evangelical Church Port Talbot	2,000
2008-09	Salvation Army Temple Corps Skewen	3,144
2009-10	Wales Millenium Centre Visit	100
2006-07	Llanfair Church Cwmgors	1,560
2008-09	St. Peters Church Pontardawe	4,000
2008-09	Gibeon Congregational Church	4,000
2009-10	Seion Forest Methodist Church	2,000
2008-09	St John the Baptist Church Neath	2,000
2009-10	Eglwys Annibynnol Capel-y-Glyn	1,461.41
2009-10	Methodist Church (Wesley) Taibach	2,000
2009-10	St David's Church Neath	2,000
2009-10	St Catherine's Church Baglan	907.35
2009-10	St Agnes Church	2,000
TOTALS		27,172.76

Mr Ceri Stradling
Wales Audit Office
2-4 Park Grove
CARDIFF
CF10 3PA

Dear Sir/Madam

re: Representations regarding the 2009/2010 Neath Port Talbot Welsh Church Acts Trust Fund Financial Statements

This representation letter is provided in connection with your independent examination of the financial statements of the Charity for the year ended 31 March 2010, for the purpose of making an independent examiners statement in accordance with the General Direction given by the Charity Commissioners.

Representations made by Management

Overall Representations

All the transactions undertaken by the Charity have been properly reflected and recorded in the accounting records.

The Charity has complied with all aspects of contractual agreements that would require adjustment to, or disclosure in, the financial statements.

The financial statements are free of material misstatements, including omissions.

All books of account and supporting documentation and all minutes of meetings of the Board have been made available to you.

The Charity has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

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The measurement methods, including the related assumptions, used in determining fair values are appropriate and have been applied consistently. Disclosures relating to fair values are complete and appropriate.

ASSETS

General

All assets and investments included in the balance sheet were in existence at the balance sheet date and owned by the Charity, and free from any lien, encumbrance or charge, except as disclosed in the accounts. The balance sheet includes all tangible assets and investments owned by the Charity.

All investments have been included in the balance sheet at market value.

Fixed Assets

The Fund has in its ownership various land and properties. There were no revaluations during the year, fixed assets were last revalued on 1st March 2008. Depreciation is not charged.

Current Assets

On realisation in the ordinary course of the Charity's operations the other current assets in the balance sheet are expected to produce at least the amounts at which they are stated. Adequate provision, where allowable, has been made against all amounts owing to the Charity which are known, or may be expected, to be irrecoverable.

There are no formal or informal compensating balance arrangements with any of our cash and investment accounts.

LIABILITIES

General

All liabilities, both actual and contingent, have been recorded and disclosed as appropriate, as well as all guarantees that we have given to third parties.

There is no pending litigation which may result in significant loss to the Charity, and which has not been disclosed in the statement of accounts, either as current or contingent liabilities.

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The trustees believe that the offers to pay grants are at a level that the expected payments will not result in the charity needing to significantly reduce its activities.

Results

Except as disclosed in the accounts, the results for the year were not materially affected by transactions of a sort not usually undertaken by the Charity, or circumstances of an exceptional or non-recurring nature.

Internal Control

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error.

There have been no

- irregularities involving management who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; and
- communications from regulatory agencies concerning non-compliance with, or deficiencies in , financial reporting practices that could have a material effect on the financial statements.

Post Balance Sheet Events

There have been no material changes since the date of the balance sheet affecting liabilities and commitments, and no events or transactions have occurred which, though properly excluded from the financial statements, are of such importance that they should have been brought to the notice of the independent examiner.

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Representations made by those charged with governance

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the applicable financial reporting framework.

We acknowledge our collective responsibility for the preparation of the financial statements, which are scheduled to be approved by the Policy and Resources Board of Neath Port Talbot County Borough Council at their meeting on 7th January 2011.

We have disclosed to you all known or possible non-compliance with laws and regulations whose effects should have been considered when preparing the financial statements.

There are no other material transactions with related parties as defined by FRS 8, other than those recorded and disclosed in the financial statements.

All incoming donations, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.

We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud and other irregularities and have disclose to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud and other irregularities.

We have disclosed you our knowledge of any allegations of fraud, or suspected fraud, affecting the Charity's financial statements communicated to the Charity by employees, former employees, regulators or others.

We have disclosed to you our knowledge of fraud or suspected fraud affecting the Charity involving:

- those charged with governance;
- employees who have significant roles in internal control; or
- others where the fraud could have a material effect on the financial statements.

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We confirm, to the best of our knowledge and belief, that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Director of Finance
On behalf of those charged with governance

PART 1
SECTION B – MATTERS FOR INFORMATION

ITEM 3

TREASURY MANAGEMENT MONITORING 2010/11

1. Purpose of Report

This report sets out treasury management action and information since the previous report.

2. Rates of Interest

Bank base rates continue to be at an all time low of 0.5% (since 5th March 2009) and detailed below are the changes in the bank base rate since April 2008.

Effective Date	Bank Rate
10 April 2008	5.00%
08 October 2008	4.50%
06 November 2008	3.50%
04 December 2008	2.00%
08 January 2009	1.50%
05 February 2009	1.00%
05 March 2009 to date	0.50%

The following table provides examples of external borrowing costs as provided by the Public Works Loans Board as at 15th December 2010.

	Equal Instalments of Principal		Annuity		Maturity	
	Current 15Dec10	Previous 26Oct10	Current 15Dec10	Previous 26Oct10	Current 15Dec10	Previous 26Oct10
	%	%	%	%	%	%
5- 5.5 years	2.62	2.09	2.64	2.10	3.61	2.91
10-10.5 years	3.61	2.91	3.69	2.97	4.81	4.17
20-20.5 years	4.81	4.17	4.99	4.34	5.41	4.94
35-35.5 years	5.35	4.85	5.44	4.98	5.48	5.10
49.5-50 years	5.46	5.04	5.47	5.09	5.43	5.08

3. Treasury Management Budget

The following table sets out the treasury management budget for 2010/11 and consists of a gross budget for debt charges i.e. repayment of debt principal and interest, and interest returns on investment income. The net general fund budget totals £15.235m.

	2010/11 Budget £'000
Debt Charges	
- Total	18,360
- HRA	2,349
- General Fund	16,011
Investment Income	
- Total	-860
- HRA	-100
- Other	-100
- General Fund	-660
Net General Fund	15,351

3.1 Debt Charges

No new loans have been arranged and this is in line with the Treasury Management Strategy for 2010/11.

3.2 Investment Income

In line with the Council's Investment Strategy, the total budgeted income from investment income totals £860,000. Investments to date with approved institutions generating an income return for 2010/11 of £968,000. This sum will increase as and when future investments are made during the remainder of the financial year. Members should note that all investments are classified as 'specified' i.e. up to 12 months and are currently with the major banks or building societies including Barclays, Lloyds Group, Nationwide, Bank Santander, Clydesdale and RBS.

Members should note the following position in relation to the recovery of monies from the "Icelandic Investments":

Bank	Original Investment £m	Outstanding Investment £m
Glitnir	2.0	2.0
Heritable	9.0	4.85
KSF	3.0	1.36
Landsbanki Islands HF	6.0	6.0
	20.0	14.21

Included in the above is the settlement of £246,906 received on 10th December 2010 for KSF Bank. Further repayments are expected during 2011. The court cases re Glitnir and Landsbanki in Iceland are in progress. The Council remains a preferential creditor pending the outcome of these cases.

4. Compliance with Treasury Management Strategy

- 4.1. All investment transactions have been made in accordance with the Treasury Management Strategy and in compliance with the Prudential and Treasury Management Limits approved by Members in March 2010 and as updated in September 2010.

List of Background Papers

PWLB notice 411/10

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

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