

Auchernack Trust (SC043048)

Trustees' Report and Financial Statements

For the year ended 31 March 2015

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Trustees' Annual Report

Introduction

Reference and Administrative Details

Auchernack Trust
Registered Charity No: SC043038

Principal Address of the Trust Fund is:

The Moray Council
Council Offices
High Street
Elgin
IV30 1BX

Names of Trustees on Date of Approval of Trustee's Annual Report:

Councillor George Alexander
Councillor Lorna Creswell
Councillor Aaron McLean
Councillor Anne Skene
Mr Stewart Noble (appointed 17th July 2014)

Other Trustees who served during the year:

Mr John Bremner (resigned 17th July 2014)

Structure, Governance and Management

The trustees of the fund are listed above. They are the Forres elected members of the Moray Council, or such committee or sub-committee or group of elected members of the Moray Council as it may determine from time to time, together with the chair of the Forres Community Council. The local councillors who are trustees of the fund are appointed at local government elections and were appointed at the most recent election of 3 May 2012. The next election is scheduled for 4 May 2017.

The Chair of the Forres Community Council was elected in July 2014 for the period of office July 2014 to September 2017.

The trust fund is governed using the same governance framework that is applicable to the Council. This framework includes the principles:

- taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- engaging with local people and other stakeholders to ensure robust public accountability.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Trustees' Annual Report (continued)

Statement of trustees' responsibilities (continued)

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at anytime the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the Moray Council's website in so far as it relates to the charity. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Objectives and Activities

The main objective of the trust fund is to benefit the elderly community in the Forres area and that solely for the relief of those in need by reason of advanced age.

The trust fund does not carry out any other activity apart from the handing out of grants.

Achievements and Performance

Income received during the year was £17,809 (2013/14 £16,226). This was interest received on the trust fund's loans pool.

The Trustees held their first meeting on 12 June, 2014 and met again on 5 December, 2014 to discuss applications for grant funding. In total grants of £13,122 were awarded during the year (2013/14 £nil). Governance costs for the year were £5,630 (2013/14 £4,337). This resulted in a net loss for the year of £943 (2013/14 net income of £11,399).

Financial Review

All funds are unrestricted.

The default policy for Council administered Trust Funds relating to the reinvestment of income in, and disbursement from, the Trust Fund was amended on 8 October 2013. The policy was amended to allow disbursement of capital from the Trust Fund in accordance with the trust deed, provided there is unanimity amongst the trustees. The whole annual income of the trust will be available for disbursement in accordance with the trust deed, provided sufficient funds are maintained to meet commitments.

The Trust Fund has no specific reserves policy other than noted above regarding disbursement of capital and annual income.

Future Plans

The legal and administrative arrangements associated with the trust reorganisation are now complete and the trustees plan to meet biannually, generally in May and November each year, to consider applications for trust fund grants.

Signed by one trustee on behalf of all the trustees:

**Councillor Lorna Creswell
December 2015**

**Statement of Financial Activities (incorporating Income & Expenditure Account)
for the year ended 31 March 2015**

	Notes	2014/15 Unrestricted £	2013/14 Unrestricted £
Incoming resources			
Incoming resources from Generated Funds			
Investment Income	2	17,809	16,226
Total incoming resources		17,809	16,226
Resources Expended			
Charitable Activities	3	13,122	490
Governance Costs	4	5,630	4,337
Total Resources Expended		18,752	4,827
Net incoming/(outgoing) resources before other recognised gains and losses		(943)	11,399
Other recognised gains and losses			
Gains on investment assets	5	28,844	22,841
Net movement in funds		27,901	34,240
Fund balances brought forward at 1 April		679,859	645,619
Fund balances carried forward at 31 March		707,760	679,859

All results derive from continuing operations.

There is no material difference between the funds carried forward for the financial year stated above and their historical cost equivalents.

All gains and losses recognised in the year are included in the statement of financial activities.

Balance Sheet as at 31 March 2015

	Notes	2014/15 £	2013/14 £
Fixed assets:			
Investments	5	<u>483,062</u>	<u>454,218</u>
		483,062	454,218
Current assets:			
Loans Fund Deposits		222,830	224,011
Sundry Debtors	6	<u>2,408</u>	<u>1,900</u>
		225,238	225,911
Liabilities:			
Creditors: amounts falling due within one year	7	(540)	(270)
Net current assets		224,698	225,641
Total assets less current liabilities		<u>707,760</u>	<u>679,859</u>
The funds of the charity:			
Unrestricted Income Funds		707,760	679,859
Total charity funds		<u>707,760</u>	<u>679,859</u>

The notes on page 5 to 6 form part of these financial statements.

The financial statements on pages 3 to 6 were approved by the Trustees on December 2015 and signed on behalf of all trustees by:

Councillor Lorna Creswell
December 2015

Notes to the Financial Statements

Note 1 Accounting Policies

Basis of Preparation

The financial statements for the trust fund have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the principles of Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) commonly referred to as the SORP.

The financial statements are prepared on a going concern basis and in accordance with applicable United Kingdom accounting standards. The principal accounting standards have been applied consistently throughout the year.

The trustees are exempt from preparing a cash flow statement under FRS1.

Incoming Resources

Investment income and other income is accounted for in the period in which the charity is entitled to the receipt and the amount can be measured with reasonable clarity.

Resources expended

Expenditure is included in the financial statements on an accruals basis and recognised when the activity takes place and not simply when the cash payment is made.

Charitable Activities are the annual income of the Trust which is spent in accordance with the trust deed and in agreement of the Trustees.

Governance Costs include the costs of the preparation and examination of statutory financial statements; legal advice to trustees on governance or constitutional matters and costs of administering grants.

Investments

Investments are included at market value at the balance sheet date in accordance with the principles of the SORP.

Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the period.

Other Matters

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

Note 2 Investment Income

	2014/15	2013/14
	£	£
Interest earned on loans pool income	3,562	1,548
Dividend Income	14,247	14,678
	<u>17,809</u>	<u>16,226</u>

Notes to the Financial Statements (continued)

Note 3 Charitable Activities

	2014/15	2013/14
	£	£
Grants Paid	13,122	-
Other Expenditure	-	490
	<u>13,122</u>	<u>490</u>

Note 4 Governance Costs

	2014/15	2013/14
	£	£
Accountancy and Legal Costs	5,360	3,995
Independent Examination of the Accounts	270	342
	<u>5,630</u>	<u>4,337</u>

Note 5 Movement on Endowment Investments

	2014/15	2013/14
	£	£
Market Value at 1 April	454,218	431,377
Net Gain on Revaluation	28,844	22,841
Market Value at 31 March	<u>483,062</u>	<u>454,218</u>

Note 6 Debtors

	2014/15	2013/14
	£	£
Investment Income	2,408	1,900
	<u>2,408</u>	<u>1,900</u>

Note 7 Creditors: amounts falling due within one year

	2014/15	2013/14
	£	£
Independent Examination Fee	540	270
	<u>540</u>	<u>270</u>

Note 8 Trustee Remuneration, Benefits and Expenses

Neither the trustees of the Trust Fund nor any associated person connected with them have received any remuneration for their services. Further, no directly incurred expenses were reimbursed to the trustees during the year.

Note 9 Staff Costs and Emoluments

The Trust Fund has no employees and has not incurred any staff costs or emoluments.