

Falconer Museum Trust (SC019050)

Trustees' Report and Financial Statements

For the year ended 31 March 2015

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Trustees' Annual Report

Introduction

Reference and Administrative Details

Falconer Museum Trust
Registered Charity No: SC019050

Principal Address of the Trust is:

The Moray Council
Council Offices
High Street
Elgin
IV30 1BX

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

Councillor Allan G Wright (appointed 1st January 2015)
Councillor Anne Skene
Councillor George Alexander
Councillor Aaron McLean
Councillor Lorna Creswell
Reverend Barry Boyd
Major General Peter Grant Peterkin CB OBE (appointed 19 February 2015)
Sheriff Alexander Pollock (appointed 19 February 2015)
Mr Peter Laverick Taylor (appointed 19 February 2015)

Other Trustees who served during the year:

Councillor Stewart Cree (resigned 31st December 2014)

Structure, Governance and Management

The trustees are listed above. They are the Council Convenor, the Chair of Children & Young People's Services Committee, the Vice Chair of Children & Young People's Services Committee, two of the Forres elected members, the Local Minister of St Laurence Parish Church, Forres, Major General Peter Grant Peterkin CB OBE, Sheriff Alexander Pollock and Mr Peter Laverick Taylor.

The local councillors who are trustees 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.

Major General Peter Grant Peterkin CB OBE, Sheriff Alexander Pollock and Mr Peter Laverick Taylor were appointed at an Extraordinary General Meeting of the trustees held on 19 February 2015. The appointments were made to facilitate the trust to fulfil its present residual functions following transfer of ownership of the Museum and Collection to the Moray Council in 1994 by reinvigorating the supervisory powers of the trust.

The trust 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.

Trustees' Annual Report (continued)

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.

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 is to fulfil its supervisory functions following the transfer of ownership of the Museum and the Collection to Moray Council in 1994.

The trust fund does not carry out any other activity.

Achievements and Performance

The trustees have had discussions with officers of the Moray Council relating to their supervisory role.

Financial Review

All funds are unrestricted.

Income received during the year was £1 (2013/14 £1). This was interest received on the trust fund loans pool.

Governance costs for the year were £5 (2013/14 £6). This resulted in a net loss for the year of £4 (2013/14 £5).

The default policy for Council administered Trusts, relating to the reinvestment of income in, and disbursement from, the Trust was amended on 8 October 2013. The policy was amended to allow disbursement of capital from the Trust 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 default policy is to only disburse grants from trusts where the cumulative disposable income is greater than £50.

The Trust has no specific reserves policy other than noted above regarding disbursement of capital and annual income. The Trust has very limited assets and virtually no capacity to generate funds.

Future Plans

The council has undertaken a review of its Trusts, in consultation with OSCR, to identify options for restructuring its existing charitable and non charitable trusts in order to create a smaller number of trusts with improved governance arrangements and with the opportunity to maximise the use of these resources to the benefit of the citizens of Moray. The overall reorganisation of Council administered Trusts will continue in consultation with Trustees and this Trust may be subject to review and possible reorganisation in future years.

Signed by one trustee on behalf of all the trustees:

Councillor Allan G Wright
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	1	1
Total incoming resources		<u>1</u>	<u>1</u>
Resources Expended			
Governance Costs	3	5	6
Total Resources Expended		<u>5</u>	<u>6</u>
Net outgoing resources before other recognised gains and losses		<u>(4)</u>	<u>(5)</u>
Net movement in funds		<u>(4)</u>	<u>(5)</u>
Fund balances brought forward at 1 April		89	94
Fund balances carried forward at 31 March		<u>85</u>	<u>89</u>

All results derive from continuing operations.

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 £
Current assets:			
Loans Fund Deposits		<u>95</u>	<u>94</u>
		95	94
Liabilities:			
Creditors: amounts falling due within one year	4	(10)	(5)
Net current assets		85	89
Total assets less current liabilities		<u>85</u>	<u>89</u>
The funds of the charity:			
Unrestricted Income Funds		85	89
Total charity funds		<u>85</u>	<u>89</u>

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

The financial statements on pages 4 to 6 were approved by the Trustees on December 2015 and signed on behalf of all trustees by:

Councillor Allan G Wright
December 2015

Notes to the Financial Statements

Note 1 Accounting Policies

Basis of Preparation

The financial statements for the trust have been prepared under the historical cost convention 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.

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.

Other Matters

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income 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	1	1
	<u>1</u>	<u>1</u>

Note 3 Governance Costs

	2014/15	2013/14
	£	£
Accountancy and Legal Costs	-	1
Independent Examination of the Accounts	5	5
	<u>5</u>	<u>6</u>

Note 4 Creditors: amounts falling due within one year

	2014/15	2013/14
	£	£
Independent Examination Fee	10	5
	<u>10</u>	<u>5</u>

Note 5 Trustee Remuneration, Benefits and Expenses

Neither the trustees 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 6 Staff Costs and Emoluments

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