

Trust Funds

The Council administers 65 trust funds, acting as sole trustee for 60 trusts and as one of several trustees for a further 5 funds. These accounts do not represent a charge to Council Tax payers but form part of the statutory reporting requirements of the Council. They represent funds set up by various individuals and organisations for the benefit of the community or organisations within the Moray area.

The statements below summarise the trust funds' income and expenditure for the year and the funds assets and liabilities at 31 March 2015.

Trust Reorganisation

The Council has undertaken a review of its trusts, in consultation with the Office of the Scottish Charities Regulator (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.

Accounting Policies

Basis of Preparation

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

In line with Regulation 7 of the 2006 Regulations, these financial statements have been prepared on the basis that the trust funds for which it acts as sole trustee are connected charities. As such the accounts for these individual charities have been prepared on a collective basis for Council. Separate financial statements covering all the Councils charitable trusts are published on the Councils website.

The financial statements for the non-charitable trusts have been prepared in accordance with the code of practice on Local Authority Accounting in the United Kingdom 2014/15.

As far as concerns the trusts reported in these financial statements, application of different reporting standards does not produce inconsistent results.

Investment Income

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

Resources expended

Expenditure is included in the financial statements on an accruals basis.

Investments

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

Trust Funds Income and Expenditure Account

| 2013/14 | | | 2014/15 | |
|---------------------------------|---------------|------------------------------------------------------------------|---------------------------------|---------------|
| Connected Charitable £000 | Other £000 | | Connected Charitable £000 | Other £000 |
| | | Income | | |
| (17) | (70) | Investment Income | (21) | (81) |
| - | (39) | Property Rental Income | - | (35) |
| - | (62) | Gain on revaluation of Property | - | (278) |
| - | (2) | Other Income | - | (1) |
| (29) | (121) | Surplus on revaluation of Available for Sale Financial Assets | (28) | (117) |
| <u>(46)</u> | <u>(294)</u> | Total Income | <u>(49)</u> | <u>(512)</u> |
| | | Expenditure | | |
| 6 | 96 | Beneficiaries | 12 | 42 |
| 9 | 21 | Administration | 6 | 26 |
| - | 88 | Other Costs | - | 29 |
| - | 55 | Depreciation | - | 64 |
| - | - | Movement in the Fair Value of Investment Property | - | 19 |
| <u>15</u> | <u>260</u> | Total Expenditure | <u>18</u> | <u>180</u> |
| <u>(31)</u> | <u>(34)</u> | (Surplus) for the year | <u>(31)</u> | <u>(332)</u> |
| 29 | 128 | Items not Chargeable to Revenue Reserves | 28 | 312 |
| <u>(2)</u> | <u>94</u> | (Increase)/ Decrease in Revenue Reserves | <u>(3)</u> | <u>(20)</u> |

Trust Funds Balance Sheet

| 31 March 2014 | | | 31 March 2015 | |
|---------------------------------|---------------|-----------------------------------------------------|---------------------------------|---------------|
| Connected Charitable £000 | Other £000 | | Connected Charitable £000 | Other £000 |
| - | 2,663 | Property Plant & Equipment | Note 1 - | 2,877 |
| - | 93 | Investment Properties | Note 3 - | 74 |
| 441 | 1,822 | Long Term Investments | Note 4 469 | 1,938 |
| 441 | 4,578 | Long Term Assets | 469 | 4,889 |
| 1 | 2 | Government Securities | 1 | 3 |
| 2 | 8 | Debtors | 2 | 10 |
| 421 | 1,475 | Loans Fund Balance | 426 | 1,507 |
| 424 | 1,485 | Current Assets | 429 | 1,520 |
| (5) | (7) | Creditors | (7) | (21) |
| (5) | (7) | Current Liabilities | (7) | (21) |
| 860 | 6,056 | Net Assets | 891 | 6,388 |
| - | 93 | Capital Adjustment Account | - | 74 |
| - | 2,639 | Revaluation Reserve | - | 2,853 |
| 191 | 787 | Available for Sale Financial Instruments Reserve | 219 | 904 |
| 669 | 2,537 | Revenue Balance | 672 | 2,557 |
| 860 | 6,056 | Total Reserves | 891 | 6,388 |

Notes to the Trust Fund Accounts

Note 1 Property, Plant & Equipment

Property, plant and equipment is valued on the basis recommended by CIPFA and the valuation report is produced by the Council's Estates Manager who is a Member of the Royal Institute of Chartered Surveyors. The assets are valued on a 5 year rolling programme and have been prepared in accordance with the provisions of the Royal Institution of Chartered Surveyors Valuation - Professional Standards January 2014.

Property, plant and equipment is classified into groupings required by the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

Assets have been valued on the following basis:-

Other Land & Buildings - Existing Use Value (EUV) or Depreciated Replacement Cost (DRC)
Community Assets - Historic Cost where available.

Depreciation:

The following useful lives and depreciation rates have been used in the calculation of depreciation:-

Other Land & Buildings - Buildings up to 55 years, land is not depreciated
Community Assets - Rights and land are not depreciated

Movements of property, plant & equipment were as follows:

2013/14

| | Other Land & Buildings | Community Assets | Total |
|------------------------------------------|------------------------|------------------|-------|
| | £000 | £000 | £000 |
| Gross Book Value at 1 April 2013 | 2,791 | 24 | 2,815 |
| Revaluations | 60 | - | 60 |
| Gross Book Value at 31 March 2014 | 2,851 | 24 | 2,875 |
| Accumulated Depreciation at 1 April 2013 | 159 | - | 159 |
| Revaluations | (2) | - | (2) |
| Charge for the Year | 55 | - | 55 |
| Depreciation at 31 March 2014 | 212 | - | 212 |
| Net Book Value at 31 March 2014 | 2,639 | 24 | 2,663 |
| Net Book Value at 31 March 2013 | 2,632 | 24 | 2,656 |

2014/15

| | Other Land & Buildings | Community Assets | Total |
|------------------------------------------|------------------------|------------------|-------|
| | £000 | £000 | £000 |
| Gross Book Value at 1 April 2014 | 2,851 | 24 | 2,875 |
| Revaluations | 236 | - | 236 |
| Restatements | (104) | - | (104) |
| Gross Book Value at 31 March 2015 | 2,983 | 24 | 3,007 |
| Accumulated Depreciation at 1 April 2014 | 212 | - | 212 |
| Revaluations | (105) | - | (105) |
| Restatements | (41) | - | (41) |
| Charge for the Year | 64 | - | 64 |
| Depreciation at 31 March 2015 | 130 | - | 130 |
| Net Book Value at 31 March 2015 | 2,853 | 24 | 2,877 |
| Net Book Value at 31 March 2014 | 2,639 | 24 | 2,663 |

Restatements relate to assets previously held on Common Good and the General Services Account now identified as Trust Fund and assets previously held as Trust Fund now identified as Common Good.

Note 2 Heritage Assets

The following table shows assets which may be regarded as Heritage assets, but which have not been included in the Balance Sheet as the Council considers that obtaining valuations would not involve disproportionate cost and that reliable cost or valuation information cannot be obtained for these items. The Code therefore permits such assets to be excluded from the Balance Sheet.

| Assets excluded from Heritage Assets | Estimated number of assets 31 March 2015 |
|--------------------------------------|------------------------------------------------|
| Monuments and Fountains | 2 |

Note 3 Investment Properties

The following table summarises the movement in the fair value of investment properties over the year.

| | 2013/14 £000 | 2014/15 £000 |
|------------------------------------------|-----------------|-----------------|
| Balance at start of the year | 93 | 93 |
| Net (losses) from fair value adjustments | - | (19) |
| Balance at end of the year | 93 | 74 |

Note 4 Long Term Investments

Long Term Investments are a mixed portfolio of Unit Trusts.

Note 5 Trust Details

Funds for which The Moray Council act as Sole Trustee

| <u>Fund</u> | Income £000 | Expenditure £000 | Assets £000 | Liabilities £000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------|----------------|---------------------|
| Registered Charitable Trusts | | | | |
| 36 Registered Charitable Trusts, each with Assets less than £50,000 | (3) | 4 | 195 | (5) |
| Cumine of Auchray <i>Established to provide for decayed merchants of the Burgh of Elgin</i> | (2) | 1 | 124 | - |
| Moray & Nairn Educational <i>Grants payable to persons resident in the former combined County of Moray & Nairn, including University & Central Institution Bursaries; Adult Education; School Equipment; Sports facilities; Travel Grants and School Excursions</i> | (44) | 13 | 579 | (2) |
| | (49) | 18 | 898 | (7) |

Other Trusts

| | | | | |
|--------------------------------------------------------------------------------------------|-------|----|-------|---|
| 7 Non Registered Trusts, each with Assets less than £50,000 | (17) | 2 | 132 | - |
| Longmore Hall <i>Village Hall for the use of the community</i> | (341) | 28 | 1,027 | - |
| Glenisla Comforts Fund <i>For the benefit of the residents of Glenisla Care Home</i> | (8) | 1 | 121 | - |
| Speyside Comforts Fund <i>For the benefit of the residents of Speyside Nursing Home</i> | (4) | - | 54 | - |

| Fund | Income £000 | Expenditure £000 | Assets £000 | Liabilities £000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|------------------------|-----------------------------|
| Other Trusts (continued) | | | | |
| The Pringle Trust <i>Established to make payments annually to Ministers, serving and emeriti of the Church of Scotland, Baptist and Free Church of Scotland</i> | (2) | 2 | 101 | - |
| William Lawtie <i>For the Poor of Cullen</i> | (18) | 1 | 183 | - |
| The MacDonald Benevolent Fund <i>Established in 1989 for persons in need of financial assistance particularly in Dufftown as decided by the Social Work Department</i> | (8) | 4 | 264 | - |
| Milne's Institution Trust <i>The free annual income to be applied as The Moray Council thinks fit for the purposes of the educational enrichment of pupils attending Milne's High School and Milne's Primary School. The income shall be apportioned to the schools on a pro rata basis by reference to attendance rolls of the respective schools</i> | (20) | 6 | 250 | - |
| Laing Mortification <i>For the benefit of a decayed merchant resident in Elgin.</i> | (4) | 1 | 281 | - |
| Craigmoray Bequest (Bishopmill) <i>For the benefit of the residents of Craigmoray Care Home</i> | (21) | 2 | 356 | - |
| Ladyhill Public Trust <i>Provides homes for two veterans from the Elgin area</i> | - | 3 | 75 | - |
| Jubilee Cottages Public Trust <i>Trust established by monies raised during Queen Victoria's Diamond Jubilee for the purposes of providing low cost housing</i> | (1) | 19 | 550 | - |
| Cooper Park Public Trust <i>Trust established at turn of last century to provide Elgin library and reading rooms and parkland for recreation – all for the inhabitants of Elgin</i> | 72 | 54 | 435 | - |
| River Lossie Public Trust <i>Established mid 1800's to provide ground for recreation for the people of Elgin</i> | (32) | 22 | 479 | - |
| Miltonduff Hall <i>Established to provide space for local groups for education, recreation etc</i> | - | 6 | 254 | - |
| Logie Cottage <i>Established to provide a free home or house of rest to a respectable retired couple or single woman in Forres</i> | - | - | 77 | - |
| | (404) | 151 | 4,639 | - |

Funds for which The Moray Council acts as one of several trustees

| Fund | Income £000 | Expenditure £000 | Assets £000 | Liabilities £000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|------------------------|-----------------------------|
| Registered Charitable Trusts | | | | |
| Auchernack Trust <i>For the benefit of the elderly community of the Forres Area who are in need of relief by reason of advanced age</i> | (47) | 19 | 708 | (1) |
| Falconer Musuem <i>Established to provide a Public Museum in Forres</i> | - | - | - | - |
| | <u>(47)</u> | <u>19</u> | <u>708</u> | <u>(1)</u> |
| Other Trusts | | | | |
| Donald Manson (Edinkillie) Fund <i>3 Bursaries for children living in the Parish of Edinkillie in S1 as well as one Further Education Bursary for a student aged under 18. The annual balance of the fund is payable to Forres Academy</i> | (24) | 8 | 313 | (6) |
| Donald Manson (Forres) Fund <i>One bursary for a child living in the Burgh of Forres in S1. The annual balance of the fund is payable to Forres Academy</i> | (6) | 2 | 89 | (2) |
| Banffshire Educational Trust <i>Grants payable to persons resident in the former County of Banffshire, including University, Post Graduate, Apprentices & Trainees; School Equipment; Sports Facilities; Support of Clubs; Promoting Education in Drama, Music & Visual Arts; Travel Grants and School Excursions.</i> | (47) | 16 | 660 | (12) |
| | <u>(77)</u> | <u>26</u> | <u>1,062</u> | <u>(20)</u> |
| | | | | |
| Fund | Income £000 | Expenditure £000 | Assets £000 | Liabilities £000 |
| Summary | | | | |
| Connected Charitable Trusts | (49) | 18 | 898 | (7) |
| Other Trusts | (528) | 196 | 6,409 | (21) |
| Total | <u>(577)</u> | <u>214</u> | <u>7,307</u> | <u>(28)</u> |

