

## **Trust Funds**

The Council administers 64 trust funds, acting as sole trustee for 59 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 2014.

## **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.

During 2013/14 one charitable trust was fully disbursed and subsequently wound up and the reorganisation of one other charitable trust was completed. The trust reorganisation will continue with the remaining trusts being subject to review and possible reorganisation in future years.

## **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 2013/14.

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

2012/13			2013/14	
Connected Charitable £000	Other £000		Connected Charitable £000	Other £000
		<b>Income</b>		
(20)	(83)	Investment Income	(17)	(70)
-	(43)	Property Rental Income	-	(39)
-	(102)	Gain on revaluation of Property	-	(62)
-	(64)	Other Income	-	(2)
(39)	(172)	Surplus on revaluation on Available for Sale Financial Assets	(29)	(121)
<b>(59)</b>	<b>(464)</b>	<b>Total Income</b>	<b>(46)</b>	<b>(294)</b>
		<b>Expenditure</b>		
8	222	Beneficiaries	6	96
3	12	Administration	9	21
-	32	Other Costs	-	88
-	55	Depreciation	-	55
<b>11</b>	<b>321</b>	<b>Total Expenditure</b>	<b>15</b>	<b>260</b>
<b>(48)</b>	<b>(143)</b>	<b>(Surplus) for the year</b>	<b>(31)</b>	<b>(34)</b>
<b>39</b>	<b>219</b>	Items not Chargeable to Revenue Reserves	<b>29</b>	<b>128</b>
<b>(9)</b>	<b>76</b>	<b>(Increase)/ Decrease in Revenue Reserves</b>	<b>(2)</b>	<b>94</b>

## Trust Funds Balance Sheet

31 March 2013 Restated			31 March 2014	
Connected Charitable £000	Other £000		Connected Charitable £000	Other £000
-	2,656	Property Plant & Equipment	Note 1 -	2,663
-	93	Investment Properties	Note 2 -	93
411	1,702	Long Term Investments	Note 3 441	1,822
<b>411</b>	<b>4,451</b>	<b>Long Term Assets</b>	<b>441</b>	<b>4,578</b>
1	2	Government Securities	1	2
5	17	Debtors	2	8
414	1,581	Loans Fund Balance	421	1,475
<b>420</b>	<b>1,600</b>	<b>Current Assets</b>	<b>424</b>	<b>1,485</b>
(2)	(29)	Creditors	(5)	(7)
(2)	(29)	<b>Current Liabilities</b>	(5)	(7)
<b>829</b>	<b>6,022</b>	<b>Net Assets</b>	<b>860</b>	<b>6,056</b>
-	93	Capital Adjustment Account	-	93
-	2,632	Revaluation Reserve	-	2,639
162	666	Available for Sale Financial Instruments Reserve	191	787
667	2,631	Revenue Balance	669	2,537
<b>829</b>	<b>6,022</b>	<b>Total Reserves</b>	<b>860</b>	<b>6,056</b>

## Notes to the Trust Fund Accounts

### Note 1 Property, Plant and 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 Valuations Standards 6th Edition.

Property, plant and equipment is classified into groupings required by the Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

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 Fixed Assets were as follows:

#### 2012/13

	Other Land & Buildings	Community Assets	Total
	£000	£000	£000
Gross Book Value at 1 April 2012	2,740	24	2,764
Revaluations	51	-	51
Gross Book Value at 31 March 2013	2,791	24	2,815
Accumulated Depreciation at 1 April 2012	155	-	155
Revaluations	(51)	-	(51)
Charge for the Year	55	-	55
Depreciation at 31 March 2013	159	-	159
Net Book Value at 31 March 2013	2,632	24	2,656
Net Book Value at 31 March 2012	2,585	615	3,200

#### 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

### Note 2 Investment Properties

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

	2012/13	2013/14
	£000	£000
Balance at start of the year	93	93
Net gains/(losses) from fair value adjustments	-	-
Balance at end of the year	93	93

### Note 3 Long Term Investments

Long Term Investments are a mixed portfolio of Unit Trusts. These investments have been restated as Long Term Investments from Current Assets to more accurately reflect the nature of the holdings.

### Note 4 Trust Details

#### Funds for which The Moray Council act as Sole Trustee

<u>Fund</u>	<u>Income £000</u>	<u>Expenditure £000</u>	<u>Assets £000</u>	<u>Liabilities £000</u>
<b>Registered Charitable Trusts</b>				
36 Registered Charitable Trusts, each with Assets less than £50,000	(1)	4	194	(3)
Cumine of Auchray <i>Established to provide for decayed merchants of the Burgh of Elgin</i>	(1)	1	123	-
Moray & Nairn Educational <i>Grants payable to persons resident in the former combined County of Moray &amp; Nairn, including University &amp; Central Institution Bursaries; Adult Education; School Equipment; Sports facilities; Travel Grants and School Excursions</i>	(44)	10	548	(2)
	<u>(46)</u>	<u>15</u>	<u>865</u>	<u>(5)</u>
<b>Other Trusts</b>				
6 Non Registered Trusts, each with Assets less than £50,000	(84)	1	183	-
Longmore Hall <i>Village Hall for the use of the community</i>	-	21	713	-
A S Murdoch Fishing <i>River Findhorn Fishing Trust established for the purchase of fishing rights</i>	-	59	24	-
Glenisla Comforts Fund <i>For the benefit of the residents of Glenisla Care Home</i>	(8)	1	114	-
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>	(1)	1	101	-
William Lawtie <i>For the Poor of Cullen</i>	(1)	1	167	-
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>	(6)	3	260	-

<b>Fund</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Assets £000</b>	<b>Liabilities £000</b>
<b>Other Trusts (continued)</b>				
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>	(21)	4	236	-
Laing Mortification <i>For the benefit of a decayed merchant resident in Elgin.</i>	(2)	2	278	-
Craigmoray Bequest (Bishopmill) <i>For the benefit of the residents of Craigmoray Care Home</i>	(20)	2	338	-
Ladyhill Public Trust <i>Provides homes for two veterans from the Elgin area</i>	-	4	84	-
Jubilee Cottages Public Trust <i>Trust established by monies raised during Queen Victorias Diamond Jubilee for the purposes of providing low cost housing</i>	(1)	15	597	-
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>	12	11	561	-
River Lossie Public Trust <i>Established mid 1800's to provide ground for recreation for the people of Elgin</i>	(36)	26	469	-
Miltoduff Hall <i>Established to provide space for local groups for education, recreation etc</i>	-	6	260	-
	<u>(168)</u>	<u>157</u>	<u>4,385</u>	<u>-</u>

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

<u>Fund</u>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Assets £000</b>	<b>Liabilities £000</b>
<b>Registered Charitable Trusts</b>				
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>	(46)	5	680	-
Falconer Musuem <i>Established to provide a Public Museum in Forres</i>	-	-	-	-
	<u>(46)</u>	<u>5</u>	<u>680</u>	<u>-</u>
<b>Other Trusts</b>				
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)	6	291	-
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	84	-
Banffshire Educational Trust <i>Grants payable to persons resident in the former County of Banffshire, including University, Post Graduate, Apprentices &amp; Trainees; School Equipment; Sports Facilities; Support of Clubs; Promoting Education in Drama, Music &amp; Visual Arts; Travel Grants and School Excursions.</i>	(49)	11	623	(7)
	<u>(79)</u>	<u>19</u>	<u>998</u>	<u>(7)</u>

## Trust Fund wound up under the Trust Reorganisation

<u>Fund</u>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Assets £000</b>	<b>Liabilities £000</b>
<b>Registered Charitable Trusts</b>				
Cathedral Amenity <i>Established for the benefit of Elgin Cathedral</i>	(1)	79	-	-
<b>Summary</b>				
Connected Charitable Trusts	(46)	15	865	(5)
Other Trusts	(293)	181	6,063	(7)
Trusts Wound up in the year	(1)	79	-	-
Total	<u>(340)</u>	<u>275</u>	<u>6,928</u>	<u>(12)</u>

