

# RENFREWSHIRE COUNCIL TRUST FUNDS

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

1 APRIL 2017 to 28 MARCH 2018



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## Trustees' Report

### 1. INTRODUCTION

Renfrewshire Council acts as sole trustee for the Trust Funds listed below which have charitable status and are registered with the Office of the Scottish Charity Regulator (OSCR):

The following charities' financial statements are included in this report:

Charity Number	Charity Name	Charity Number	Charity Name
SC042035	Renfrew Burgh Citizens Fund	SC042036	Renfrewshire Council Citizens Fund
SC042037	Paisley Burgh Citizens Fund		

The principal address of the Trust Funds is:

Renfrewshire Council  
Finance and Resources  
Renfrewshire House  
Cotton Street  
Paisley  
PA1 1JB

Renfrewshire Council administers the Trust Funds and separately accounts for them. Renfrewshire Council was established by the Local Government (Scotland) Act 1994 and came into being on 1 April 1996. The Council provides a wide range of public services such as education, social services, environmental services, council housing and economic regeneration.

The Trust Accounts do not form part of Renfrewshire Council's single entity balance sheet, although under s222 of the Local Government (Scotland) Act 1973, the property of the Trusts "vest[s] in" the relevant local authority. However, the Trust Fund accounts are included within the group accounts of the Council. A copy of the group accounts can be obtained from the address above.

Independent Auditors:            Audit Scotland  
   4<sup>th</sup> Floor, South Suite  
   The Athenaeum Building  
   8 Nelson Mandela Place  
   Glasgow G2 1BT

This is the final set of financial statements for the above trust funds. The trustees at a meeting on 28 March 2018 resolved to wind up the trusts with the consent of OSCR. The balance sheet date is therefore 28 March 2018, this being the date of the resolution to wind up.

## **TRUSTEES**

In terms of the “Trustees” of the Trusts, the guidance provided by OSCR is that those who have “general control and management” of the charity are the charity trustees. Decisions regarding the general control and management of the Trust Funds are made by the Finance and Resources Policy Board of the Council (FRPB), which has delegated authority from the Council in this regard; but ultimately control rests with the full Council of elected members. We have therefore interpreted the above guidance as meaning all elected members are charity trustees. Following the recent local government elections the Finance and Resources Policy Board was succeeded by the Finance, Resources and Customer Services Policy Board (FRCSPB) on 18 May 2017.

The following individuals were the Trustees of the Trust Funds in their capacity as elected members of Renfrewshire Council during the 2017/18 financial year:

William Brown	Audrey Doig
Lisa-Marie Hughes (elected 05/05/17)	Alison Dowling (elected 05/05/17)
John Shaw (elected 05/05/17)	Scott Kerr (elected 05/05/17)
Jane Strang (elected 05/05/17)	James Sheridan (elected 05/05/17)
Edward Grady (elected 05/05/17)	Natalie Don (elected 05/05/17)
Catherine McEwan	Colin McCulloch (elected 05/05/17)
Jim Paterson	James MacLaren
Jennifer Adam-McGregor (elected 05/05/17)	Tom Begg (elected 05/05/17)
Neill Graham (elected 05/05/17)	Michelle Campbell (elected 05/05/17)
Jim Sharkey	Jim Harte
Karen Kennedy (elected 05/05/17)	Iain Nicolson
John McIntyre (elected 05/05/17)	Alexander Murrin (resigned 04/05/17)
Kenneth MacLaren	Bill Perrie (resigned 04/05/17)
Margaret MacLaren	Edward Grady (resigned 04/05/17)
Carolann Davidson (elected 05/05/17)	Brian Lawson (resigned 04/05/17)
John McNaughtan (elected 05/05/17)	Terry Kelly (resigned 04/05/17)
William Mylet	Tommy Williams (resigned 04/05/17)
Edward Devine	Mark MacMillan (resigned 04/05/17)
Marie McGurk	John Caldwell (resigned 04/05/17)
Paul Mack	Iain McMillan (resigned 04/05/17)
Stephen Burns (elected 05/05/17)	Anne Hall (resigned 04/05/17)
Lorraine Cameron	Allan Noon (resigned 04/05/17)
Eileen McCartin	Michael Holmes (resigned 04/05/17)
Kevin Montgomery (elected 05/05/17)	James McQuade (resigned 04/05/17)
Jacqueline Cameron (elected 05/05/17)	Sam Mullin (resigned 04/05/17)
John Hood	Roy Glen (resigned 04/05/17)
Alistair MacKay (elected 05/05/17)	Margaret Devine (resigned 04/05/17)
Andrew Steel (elected 05/05/17)	Maureen Sharkey (resigned 04/05/17)
Derek Bibby	Jacqueline Henry (resigned 04/05/17)
William Binks (elected 05/05/17)	Chris Gilmour (resigned 04/05/17)
Andrew Doig	Stephen McGee (resigned 04/05/17)
Emma Rodden (elected 05/05/17)	Maria Brown (resigned 04/05/17)

Day to day management of the Trust Funds is delegated to the Director of Finance and Resources of Renfrewshire Council. All of the trustees for the accounts are normally elected or re-elected at local government elections. By-elections are held to elect new members in the event of existing members vacating their position. New members automatically become trustees.

## **2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The three Citizens Funds were set up in 2011 as successor funds to the various sundry trusts controlled by Renfrewshire Council. The Council made use of the reorganisation provisions of the Charities and Trustee Investment (Scotland) Act 2005 to enable better use to be made of the balances within the existing funds, and reorganize them into larger funds with updated purposes. The reorganisation was completed with the consent of OSCR.

### **HISTORY**

The following table gives an indication of the purpose of the Trusts:

<b>Charity No.</b>	<b>Name</b>	<b>Purpose</b>
SC042035	Renfrew Burgh Citizens Fund	Promoting the welfare of individuals who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage and fostering good citizenship and community wellbeing and regeneration by giving financial assistance by way of grant to those living or working in the area. To further voluntary activity or to contribute to the regeneration of the community in the area formerly known as the Burgh of Renfrew
SC042036	Renfrewshire Council Citizens Fund	As above, but for the area for which Renfrewshire Council and its successors is responsible
SC042037	Paisley Burgh Citizens Fund	As above, but for the area formerly known as the Burgh of Paisley

### **GOVERNANCE AND MANAGEMENT**

The Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. The Director of Finance and Resources has been designated as that officer in Renfrewshire Council. They manage the affairs of the Council to secure the economic, efficient and effective use of resources and safeguard its assets and those of any charitable trust it controls. Given the Trust Funds are controlled by the Council, these specific provisions are supplemented by general provisions relating to the administration of local authority monies, i.e. the duty to obtain best value.

The Director of Finance and Resources has responsibility for ensuring an effective system of internal financial control is maintained and operated. This system of internal financial control can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are recorded and properly authorised, and that material errors or irregularities are either prevented or would be detected within a timely period. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures and a system of delegation and accountability. The Director of Finance and Resources is responsible for keeping proper accounting records which are up to date and which ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006(as amended) and

Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16<sup>th</sup> July 2014.

Decisions regarding the operation, assets, processes or policies of the Trust Funds are delegated by the Council to the Finance, Resources and Customer Services Policy Board (FRCSB). The FRCSB will request the appropriate Local Area Committee (LAC) - the view of the Local Area Committee being representative of the general public view for that locality - to submit proposals for the Board to consider for project expenditure, taking account of the original intentions of the donors of the funds as to purpose and location within the Local Area Committee boundary. Proposals submitted by LACs are then considered for approval by the FRCSB.

### **RISK**

The Trustees have overall responsibility for the Trust Funds' system of internal control. This system is designed by senior management to ensure effective and efficient operation, including financial reporting and compliance with laws and regulations. The Trustees acknowledge that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

### **3. OBJECTIVES AND ACTIVITIES**

The objectives of the trusts include promoting the welfare of individuals who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage and fostering good citizenship and community wellbeing and regeneration by giving financial assistance by way of grant to those living or working in the area.

### **4. ACHIEVEMENTS AND PERFORMANCE**

Throughout the year the Trusts held no funds.

### **5. FINANCIAL REVIEW**

The Trust Funds have no explicit reserves policy. As planned the Citizens Fund balances have now been fully disbursed. No individual Trust Fund was in deficit and no donations to the Funds were solicited.

### **6. FUTURE PLANS**

As all Trust Fund balances have now been fully disbursed the Trustees resolved at a meeting of the Finance, Resources and Customer Services Policy Board held on 28 March 2018 to wind up the Trusts. Notification of the resolution was sent to the Office of the Scottish Charity Regulator and the Regulator confirmed on 24 May 2018 that the Trusts have now been removed from the Scottish Charity Register.

The Trustees wish to thank the Renfrewshire Council officers involved in producing the Report and Financial Statements.

Signed:

Date:

Alan Russell  
Director of Finance and Resources  
Renfrewshire Council

On behalf of the Trustees:

Date:

Councillor John Shaw  
Convener – Finance, Resources and Customer Services Policy Board  
Renfrewshire Council

## Independent Auditor's Report to the Trustees of Renfrewshire Council Trust Funds and the Accounts Commission for Scotland

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice approved by the Accounts Commission, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

### Report on the audit of the financial statements

#### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Renfrewshire Council Trust Funds for the period ended 28 March 2018 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, Statement of Balances and notes to the financial statements, including a summary of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charities for the period ended 28 March 2018 and their statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charities in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the trustees for the financial statements

As explained more fully in the Trustees' Report, the trustees are responsible for the preparation of financial statements which properly present the receipts and payments of the charities. and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibilities for the audit of the financial statements

My objectives are to achieve reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Other information in the statement of accounts**

The trustees are responsible for the other information in the statement of accounts. The other information comprises the information other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission or required by applicable law to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the statement of accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Report on other requirements**

### **Opinion on matter prescribed by the Accounts Commission**

In my opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charities Accounts (Scotland) Regulations 2006.

### **Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Mark Ferris FCCA  
Audit Scotland  
4<sup>th</sup> Floor  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

September 2018

## Trust Accounts Financial Statements Overview

### 1. INTRODUCTION

The following pages detail the Statement of Receipts and Payments, the Statement of Balances and relevant Notes to the Accounts, as required by the Charities Accounts (Scotland) Regulations 2006. A Cash Flow Statement is not required as all of the charities are classified as small charities as defined in the Charities Statement of Recommended Practice (SORP) and therefore are exempt from producing a Cash Flow Statement.

### 2. STATEMENT OF RECEIPTS AND PAYMENTS

The Statement of Receipts and Payments provides an analysis of the incoming and outgoing cash and bank transactions for the period. The Trust Funds have income and expenditure in their respective unrestricted funds.

If applicable, the Statement would also show any cash movements in relation to fixed assets. In the case of the Trust Funds, there have been no purchases or sales of fixed assets.

### 3. STATEMENT OF BALANCES

The Statement of Balances reconciles the cash and bank balances at the beginning and end of the financial year with the surpluses or deposits shown in the Statement of Receipts and Payments. The Statement of Balances also summarises final closing balances at the end of the period.

### 4. NOTES TO THE ACCOUNTS

Notes to the accounts expand on or explain the information contained in the Statement of Receipts and Payments and the Statement of Balances.

## Statement of Receipts and Payments for the period ended 28<sup>th</sup> March 2018

Year ended 28th March 2018				
	Paisley Burgh Citizens Fund SC042037 Unrestricted £	Renfrew Burgh Citizens Fund SC042035 Unrestricted £	Renfrewshire Council Citizens Fund SC042036 Unrestricted £	Total £
<b>Receipts</b>				
Income from other charities	0.00	0.00	0.00	0.00
Income from investments other than land and buildings	0.00	0.00	0.00	0.00
Other receipts	0.00	0.00	0.00	0.00
<b>Total receipts</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Receipts from investment sales</b>				
Proceeds from sale of investments	0.00	0.00	0.00	0.00
<b>Total receipts from investment sales</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Payments</b>				
Charitable activities	0.00	0.00	0.00	0.00
Governance costs	0.00	0.00	0.00	0.00
Building maintenance costs	0.00	0.00	0.00	0.00
<b>Total payments</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Transfer between funds	0.00	0.00	0.00	0.00
<b>Surplus / (deficit) for period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Year ended 31st March 2017				
	Paisley Burgh Citizens Fund SC042037 Unrestricted £	Renfrew Burgh Citizens Fund SC042035 Unrestricted £	Renfrewshire Council Citizens Fund SC042036 Unrestricted £	Total £
<b>Receipts</b>				
Income from other charities	0.00	0.00	0.00	0.00
Income from investments other than land and buildings	0.00	0.00	0.00	0.00
Other receipts	0.00	0.00	0.00	0.00
<b>Total receipts</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Receipts from investment sales</b>				
Proceeds from sale of investments	0.00	0.00	0.00	0.00
<b>Total receipts from investment sales</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Payments</b>				
Charitable activities	0.00	5,330.00	24,327.47	29,657.47
Governance costs	343.55	96.48	559.97	1,000.00
Building maintenance costs	0.00	0.00	0.00	0.00
<b>Total payments</b>	<b>343.55</b>	<b>5,426.48</b>	<b>24,887.44</b>	<b>30,657.47</b>
Transfer between funds	0.00	0.00	0.00	0.00
<b>Surplus / (deficit) for period</b>	<b>(343.55)</b>	<b>(5,426.48)</b>	<b>(24,887.44)</b>	<b>(30,657.47)</b>

## Statement of Balances as at 28<sup>th</sup> March 2018

As at 28th March 2018				
	Paisley Burgh Citizens Fund SC042037	Renfrew Burgh Citizens Fund SC042035	Renfrewshire Council Citizens Fund SC042036	Total
	Unrestricted £	Unrestricted £	Unrestricted £	Total £
<b>Cash funds</b>				
<i>Balances held with Renfrewshire Council:</i>				
Opening balance	0.00	0.00	0.00	0.00
Surplus / (deficit) for period	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other assets (at current valuation)</b>				
<i>Land and buildings:</i>				
	0.00	0.00	0.00	0.00
<i>Long Term Investments</i>				
	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

As at 31st March 2017				
	Paisley Burgh Citizens Fund SC042037	Renfrew Burgh Citizens Fund SC042035	Renfrewshire Council Citizens Fund SC042036	Total
	Unrestricted £	Unrestricted £	Unrestricted £	Total £
<b>Cash funds</b>				
<i>Balances held with Renfrewshire Council:</i>				
Opening balance	343.55	5,426.48	24,887.44	30,657.47
Surplus / (deficit) for period	(343.55)	(5,426.48)	(24,887.44)	(30,657.47)
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other assets (at current valuation)</b>				
<i>Land and buildings:</i>				
	0.00	0.00	0.00	0.00
<i>Long Term Investments</i>				
	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Signed

Signed

Date:

Alan Russell

Director of Finance and Resources

Renfrewshire Council

Date:

Councillor John Shaw

Convenor – Finance, Resources and Customer Services  
Policy Board

Renfrewshire Council

## Notes to the Financial Statements

### 1. ACCOUNTING POLICIES

#### **INTRODUCTION**

The Financial Statements for the period to 28 March 2018 been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard 102, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are designed to give a true and fair view of the financial performance and position of the Trust Funds and comparative figures for the previous financial year are provided. There are no significant departures from accounting standards other than that outlined specifically below.

The accounting concepts of “materiality” and “going concern” have been considered in the application of accounting policies. In this regard the materiality concept means that information is included where the information is of such significance as to justify its inclusion. The accounts have not been prepared on a going concern basis given the Trustees resolution to wind up the Trusts with effect from 28 March 2018. This has no impact on the financial statements as the assets of these Funds comprise entirely cash balances which are not subject to a valuation estimate.

The accounting concept of "accruals" is not relevant to these statements, which have been prepared on a receipts and payments basis.

The accounts have been prepared under the historic cost convention. The following accounting policies used in its preparation have been reviewed following the introduction of Financial Reporting Standard 18 “Accounting Policies” (FRS18).

#### Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanations of the nature and purpose of each fund is included in the notes to the financial statements.

The 2016-17 comparative figures have been brought forward unchanged.

## **INCOMING/OUTGOING RESOURCES**

### ***Recognition of incoming resources***

All income is recognised and included in the Statement of Receipts and Payments (SoRP) when the money is actually received.

### ***Recognition of expenditure***

Expenditure is recognised and included in the Statement of Receipts and Payments (SoRP) when it is paid for.

### ***Charitable Activities***

Decisions regarding the way the Trust Funds' income is spent are taken by the Finance & Resources Policy Board, whose membership comprises 15 of the trustees of the Trust Funds.

### ***Costs of Generating Funds***

The cost of administering the Trust Funds including the audit fee is borne entirely by Renfrewshire Council.

### ***Governance Costs***

Governance costs, where applicable, include the:

- costs of the preparation and examination of statutory accounts;
- cost of any legal advice to trustees on governance or constitutional matters; and
- cost of administering grants.

### ***Grants Payable Without Performance Conditions***

These are recognised in the accounts when the grant has been paid.

## **2. ANALYSIS OF RECEIPTS/PAYMENTS**

No income was received in the year. Details of payments are provided in the Trustees' Annual Report explaining the grants paid out.

## **3. TRUSTEES' REMUNERATION AND EXPENSES**

Neither the trustees of the Trust Funds 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 period (2016-17 nil).

## **4. RELATED PARTIES**

During the period the Council also acted as the banker for the Trust Funds and all transactions, incoming and outgoing, are made via the Council's bank accounts. There are no outstanding balances due to or from Renfrewshire Council.