



East Renfrewshire Council Trusts

Trustees' Annual Report and Financial Statements

For Year Ended 31 March 2023

**East Renfrewshire Council
Table of contents**

Trustees' Annual Report	3 - 7
Independent Auditors Report	8 - 10
Statement of Receipts and Payments for Year Ended 31 March 2023	11
Statement of Balances as at 31 March 2023	12
Notes to the Financial Statements	13

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

1. INTRODUCTION

The Trustees present the annual report together with the financial statements and the Auditor's Report for the year ended 31 March 2023.

ADMINISTRATION INFORMATION

<u>Charity Number</u>	<u>Charity Name</u>	<u>Charity Number</u>	<u>Charity Name</u>
SC005976	Lieutenants Duff Memorial Institute	SC019475	Janet Hamilton Memorial Fund
SC016641	Newton Mearns Benevolent Association	SC037293	Netherlee School 1937 Endowment
SC019473	Hugh & Janet Martin Memorial Fund	SC037925	Endowment for Talented Children & Young People (Wound up as at 31 st March 2023)
SC019474	John Pattison Memorial Fund		

Contact Address East Renfrewshire Council
 Accountancy Section
 Rouken Glen Road
 Glasgow G46 6UG

<u>Charity Name</u>	<u>Names of Charity Trustees during the year and to date of approval of Trustees' Annual Report</u>
Lieutenants Duff Memorial Institute	Margaret McCrossan
Newton Mearns Benevolent Association	Margaret McCrossan
Hugh & Janet Martin Memorial Fund	Margaret McCrossan
John Pattison Memorial Fund	Margaret McCrossan
Janet Hamilton Memorial Fund	Margaret McCrossan
Netherlee School 1937 Endowment	Margaret McCrossan, Yvonne Donaldson Julie Roberts Lynn Sweeny
Endowment for Talented Children & Young People	Margaret McCrossan, Mark Ratter

Auditor

Rob Jones
Partner
Ernst & Young LLP
5 George Square
Glasgow
G2 1DY

Trust Deeds

Copies of Trust Deeds are available for Lieutenants Duff Memorial, Netherlee School and Endowment for Talented Young People and can be obtained from:

East Renfrewshire Council
Rouken Glen Road
Glasgow G46 6UG

Deeds for other charitable trusts are unavailable as this information was not passed to the Council at Local Government reorganisation from the outgoing authorities. All trusts are registered as charities with OSCR, and activity reflects historically agreed and approved activity in line with the descriptions outlined through registration with OSCR, approved on an annual basis by the Trustees.

2. STRUCTURE AND GOVERNANCE

East Renfrewshire Council Trust Funds are registered with the Office of the Scottish Charity Regulator (OSCR).

The trustee of all of the charities is the Chief Financial Officer of East Renfrewshire Council. For the Netherlee School 1937 Endowment, the Head, Depute Head and Principal Teachers also assume the role. The Director of Education and Chief Financial Officer are trustees for Endowment for Talented Children and Young People.

Endowment for Talented Children and Young People Trust was wound up as at 31 March 2023.

The Chief Financial Officer is the designated officer within East Renfrewshire Council with responsibility for the proper administration of the charitable trust's financial affairs. The Chief Financial Officer is responsible for keeping proper accounting records that are up to date and which ensure that financial statements comply with the Charities Accounts (Scotland) Regulations 2006.

3. MANAGEMENT OF FUNDS AND INVESTMENT POLICY

The trustees rely on the expertise of East Renfrewshire Council to manage the investments to ensure the maximum return at the least risk to each charity. In this way, the income stream for the future benefit of each charity is protected.

The funds of each charity are deposited with East Renfrewshire Council (see note 6).

4. OBJECTIVES AND ACTIVITIES

The objectives of each trust are as follows:

Charity Name	Purpose
Lieutenants Duff Memorial Institute	Provision of a building to house the Busby School District library and fund repairs to the building as required.
Newton Mearns Benevolent Association	Provision of comforts for the needy of the parish of Mearns.
Hugh & Janet Martin Memorial Fund	Charitable and Educational purposes for the residents of Barrhead
John Pattison Memorial Fund	Assisting the deserving poor in Barrhead
Janet Hamilton Memorial Fund	Assisting the sick of Barrhead requiring nursing or hospital treatment.
Netherlee School 1937 Endowment	Advance the education of the pupils and former pupils of the school by the provision of financial assistance and support.
Endowment for Talented Children & Young People	For the benefit of exceptionally talented children and young people in the fields of the arts, culture and sport having attended an East Renfrewshire School.

5. PERFORMANCE

Income comes from investment returns and any donations. Awards totalling £8,584 were made during the year to 31 March 2023, awards were disbursed as follows:

<u>Charity Name</u>	<u>Awards Disbursed during the year to 31 March 2023</u>
Lieutenants Duff Memorial Institute	1 application received. Payment totalling £7,530 was made
Newton Mearns Benevolent Association	2 Applications received. Payments totalling £95 were made
Hugh & Janet Martin Memorial Fund	1 application received. Payment totalling £50 was made
John Pattison Memorial Fund	1 application received. Payment totalling £52 was made
Janet Hamilton Memorial Fund	4 Applications received. Payments totalling £267 were made
Netherlee School 1937 Endowment	No applications received and no disbursement of funds.
Endowment for Talented Children & Young People	£590 balance provided to deserving pupils from schools within the East Renfrewshire Council perimeter to progress their musical talents. Trust wound up as at 31 March 2023

6. FINANCIAL REVIEW

Overview

In the year to 31 March 2023, Trust funds received income and held cash and bank balances as follows:

<u>Charity Name</u>	<u>Income from Investments</u> £	<u>Income from Donations</u> £	<u>Cash and Bank Balances</u> £
Lieutenants Duff Memorial Institute	£274	£0	£4,920
Newton Mearns Benevolent Association	£87	£0	£3,627
Hugh & Janet Martin Memorial Fund	£376	£0	£16,872
John Pattison Memorial Fund	£219	£0	£9,877
Janet Hamilton Memorial Fund	£1,183	£0	£52,549
Netherlee School 1937 Endowment	£427	£0	£19,375
Endowment for Talented Children & Young People	£13	£0	£0

Reserves Policy

Reserves are held by East Renfrewshire Council on behalf of each Trust and revenue income, generated from capital that has not been disbursed at 31 March each year, is invested in East Renfrewshire Council's Loans Fund.

7. DECLARATION

This report was signed on behalf of the Trustees on 26th September 2023 by:

Margaret McCrossan
Head of Accountancy
(Chief Financial Officer)
East Renfrewshire Council

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the trustees of East Renfrewshire Council Trusts and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the statement of accounts of East Renfrewshire Council Trusts for the year ended 31 March 2023 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, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis

In our opinion the accompanying financial statements:

- properly present the receipts and payments of the charities for the year ended 31 March 2023 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

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charities in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the trustees for the financial statements

The trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the trustees determines 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

Our objectives are to obtain 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 our 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charities;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charities;
- inquiring of the Trustees concerning the charities' policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charities' controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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. This description forms part of our auditor's report.

Reporting on other requirements

Other information

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Trustees' Annual Report

In our 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 Charity Accounts (Scotland) Regulations 2006.

Matters on which we are required to report by exception

We are required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Rob Jones (for and on behalf of Ernst & Young LLP)

5 George Square

Glasgow

G2 1DY

September 2023

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2023

The Statement of Receipts and Payments, as required by the Charities Accounts (Scotland) Regulations 2006, provides an analysis of the incoming and outgoing cash and bank transactions for the year.

If applicable, this Statement would also show any cash movements in relation to fixed assets. There are no such transactions for the current period.

Period ended 31 March 2023

	<u>Lieutenants Duff</u>	<u>Newton Mearns Benevolent</u>	<u>Hugh & Janet Martin</u>	<u>John Pattison</u>	<u>Janet Hamilton</u>	<u>Netherlee School</u>	<u>Talented Children/ Young People</u>
	£	£	£	£	£	£	£
Note	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted
RECEIPTS							
Donations	0	0	0	0	0	0	0
Income from Investments	274	87	376	219	1,183	427	13
Total Receipts	274	87	376	219	1,183	427	13
PAYMENTS							
Charitable Activities- Grants	(7,530)	(95)	(50)	(52)	(267)	0	(590)
Total Payments	(7,530)	(95)	(50)	(52)	(267)	0	(590)
Surplus/(Deficit) for the Year	(7,256)	(8)	326	167	916	427	(577)

Period Ended 31 March 2022

	<u>Lieutenants Duff</u>	<u>Newton Mearns Benevolent</u>	<u>Hugh & Janet Martin</u>	<u>John Pattison</u>	<u>Janet Hamilton</u>	<u>Netherlee School</u>	<u>Talented Children/ Young People</u>
	£	£	£	£	£	£	£
	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Unrestricted
RECEIPTS							
Donations	0	0	0	0	0	8,789	0
Income from Investments	15	5	20	12	63	23	0
Total Receipts	15	5	20	12	63	8,812	0
PAYMENTS							
Charitable Activities- Grants	0	(317)	0	0	(1,451)	(6,875)	0
Total Payments	0	(317)	0	0	(1,451)	(6,875)	0
Surplus/(Deficit) for the Year	15	(312)	20	12	(1,388)	1,937	0

STATEMENT OF BALANCES AS AT 31 MARCH 2023

The Statement of Balances, as required by the Charities Accounts (Scotland) Regulations 2006, reconciles the cash and bank balances at the start and end of the financial year, with any surpluses shown in the Statement of Receipts and Payments.

The Statement of Balances also shows the final closing balances at the end of the year.

	<u>Lieutenants Duff</u>	<u>Newton Mearns Benevolent</u>	<u>Hugh & Janet Martin</u>	<u>John Pattison</u>	<u>Janet Hamilton</u>	<u>Netherlee School</u>	<u>Talented Children/ Young People</u>
Note	Unrestricted Funds	Unrestricted Funds	Unrestricted Funds	Unrestricted Funds	Unrestricted Funds	Unrestricted Funds	Unrestricted Funds
Bank and Cash in Hand							
Opening Balance	12,176	3,635	16,546	9,710	51,633	18,948	577
Surplus/(Deficit) for the year	(7,256)	(8)	326	167	916	427	(577)
Closing Balance	4,920	3,627	16,872	9,877	52,549	19,375	0
Investments							
Market Value at 31 March 2023	-	-	-	-	-	-	-
Total Assets	-	-	-	-	-	-	-

The unaudited financial statements were issued on 7th June 2023 and the audited financial statements were authorised for issue by the Head of Accountancy on 26 September 2023

Margaret McCrossan
Head of Accountancy (Chief Financial Officer)
East Renfrewshire Council

NOTES TO THE ACCOUNTS

1. Basis of Accounting

The financial statements have been prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are designed to give a true and fair view of the financial performance and position of each Trust for the financial year.

2. Accounting Policy

Income, cash and investments are all administered in line with the Council's approved Treasury Strategy. https://www.eastrenfrewshire.gov.uk/media/7401/Council-Item-05-ii-03-March-2022/pdf/Council_Item_05ii_-_03_March_2022.pdf?m=637813801413000000. No investments are held by the Trusts.

3. Taxation

East Renfrewshire Council Trusts are not liable to income or capital gains tax on its activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

- a) No remuneration or expenses were paid to the trustees or any connected persons during the year 2022/23, however all Trustees are employed by East Renfrewshire Council and all costs associated with their employment are borne by the Council;
- b) The Trusts received interest totalling £2,579 from East Renfrewshire Council at 31 March 2023 and all transactions incoming and outgoing are made via the Council's bank accounts;
- c) The Council has not charged the charity any fees for legal, financial or administrative services provided during the year.

5. Grants

There were grants awarded totalling £8,584 during 2022/23.

6. Cash and Bank Balances

During the year the trust's balances were held by East Renfrewshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the trust for this administration. The Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is paid on balances.

7. Audit Fee

The audit fee of £8,704 for 2022/23 was borne by East Renfrewshire Council.

8. Subsequent Event

The Endowment for Talented Children and Young People was wound up on 31 March 2023 and the balance will be disbursed in agreement with the purposes of the Trust.