

Finance and Resources Committee

10.00am, Thursday, 28 November 2013

The City of Edinburgh Charitable Trusts Trustee's Report and Accounts for the year ended 31 March 2013

Item number 7.6
Report number
Wards

Links

Coalition pledges [P31, P42](#)
Council outcomes [C06, C10](#)
Single Outcome Agreement [S02, S03](#)

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Director of Corporate Governance

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Executive summary

The City of Edinburgh Charitable Trusts Trustee's Report and Accounts for the year ended 31 March 2013

Summary

The City of Edinburgh Council is a trustee of a number of charitable trusts which it administers. The total net assets of the registered trusts as at 31 March 2013 were £4.2m (2012 £3.8m). Since December 2008 there has been a process of rationalisation of these trusts in order to achieve more efficient management arrangements.

The delegated responsibility for the charities administered by the Council transferred from Pensions and Trusts Committee to the Finance and Budget Committee on 20 September 2012 as part of the review of governance arrangements. The Finance and Budget Committee act as trustees and committee members have specific responsibilities as trustees of these charitable funds. The purpose of this report is to:

- Set out summarised accounts for the charities for approval.
- Comply with the filing requirements set by the Office of the Scottish Charity Regulator (OSCR) for the Council's registered charities for the year ended 31 March 2013.

Recommendations

It is recommended that the Finance and Resources Committee:

1. Note the content of this report;
2. Approve the document attached as Appendix 1 and authorise the Convener to confirm this Committee's approval by signing the trustee's report and accounts when the audit opinion has been issued; and
3. Note that the audit findings will be reported back to Committee in due course.

Measures of success

Performance can be measured with regard to obtaining an unqualified audit opinion and a favourable response from OSCR on the contents of the report and accounts. A letter from OSCR commenting on the quality of local authority filing for 20011/12 stated that the City of Edinburgh Council was one of only two Councils that were rated as fully compliant.

The performance of the investment funds is above the target benchmark and reported elsewhere on the agenda.

Financial impact

There are no financial implications arising from this report as Audit Scotland have confirmed that the audit work is included in the overall fee for the Council.

Equalities impact

No full Equalities Impact Assessment is required.

Sustainability impact

None.

Consultation and engagement

None.

Background reading / external references

OSCR Guidance for Charity Trustees (see link below)

<http://www.oscr.org.uk/media/1545/Easy%20Read%20Guidance%20for%20charity%20trustees%20in%20pdf.pdf>

The City of Edinburgh Charitable Trusts Trustee's Report and Accounts for the year ended 31 March 2013

1. Background

- 1.1 The purpose of this report is to approve the report and summarised accounts for the City of Edinburgh Charitable Trusts. They have been prepared to comply with the filing requirements set by the Office of the Scottish Charity Regulator (OSCR) for the Council's registered charities for the year ended 31 March 2013.
- 1.2 The City of Edinburgh Council is a trustee of a number of charitable trusts which it administers. The total net assets at 31 March 2013 were £4.2m (2012 £3.8m). Since December 2008, when there were 118 trusts and bequests, there has been a process of rationalisation of these trusts in order to achieve more efficient management arrangements. At the end of the year, there were eight registered charitable trusts (2012 35 Trusts).

2. Main report

Trustee Responsibilities

- 2.1 The delegated responsibility for the charities administered by the Council transferred from Pensions and Trusts Committee to the Finance and Budget Committee on 20 September 2012 as part of the review of governance arrangements. The Finance and Resources Committee has delegated responsibility from Council to act in the role of trustee of its charities.
- 2.2 Charity trustees have responsibilities which are set out in the OSCR Guidance for Charity Trustees and this can also be found using this link: <http://www.oscr.org.uk/media/1545/Easy%20Read%20Guidance%20for%20charity%20trustees%20in%20pdf.pdf>. The general responsibilities are that they must act in the interests of the charity and operate in a manner consistent with the charity's purpose. They must also act with care and diligence.

Rationalisation of Charitable Funds

- 2.3 The Charities and Trustee Investment (Scotland) Act 2005 introduced new legislation which permitted charities to re-organise with OSCR's consent. This legislation enables dormant trusts to be reorganised to allow funds to be

released or better applied to charitable purposes. Since December 2008 there has been a process of rationalisation of these trusts in order to achieve more efficient management arrangements so that the benefit of the funds can be maximised.

Investment Performance

- 2.4 The performance of the investment funds is reported elsewhere on the agenda. The combined trust funds returned 14.1% against a benchmark of 14.0% in the year to 30 June 2013. Over the 5 years to 31 June 2013 these funds returned annualised performance of 7.7% compared to a benchmark of 7.2%.

Charitable Trusts Filing Requirements 2012/13

- 2.5 OSCR has advised Scottish local authorities of the filing requirements which are:
- 2.5.1 Using the connected charity provisions in the Charities Accounts (Scotland) Regulations 2006, the Council is entitled to prepare a single trustee's report and accounts rather than individual documents for each registered charity. However, the combined document must include sufficient information about each individual charity.
 - 2.5.2 The trustee's report and accounts must comply with the requirements of the Charities Statement of Recommended Practice SORP.
 - 2.5.3 The trustee's report and accounts must be subject to an external audit carried out by a registered auditor.
- 2.6 OSCR requires that all local authority charities should be subject to an external audit under the Local Government (Scotland) Act 1973. Audit Scotland have agreed to audit the statement of financial activities of the Council's Charitable Trusts.
- 2.7 A trustee's report and accounts have been drafted (Appendix 1). The document is being audited by Audit Scotland. The Committee is asked to approve it and authorise the Convener to sign the report and accounts on behalf of the Council once the audit has been completed. The audited and signed document must be filed with OSCR by 31 December 2013.
- 2.8 A letter from OSCR commented on the quality of local authority filing for 2011/12. Only 2 authorities were fully compliant, 21 were rated above average, 2 rated average, 5 below average or did not submit. The City of Edinburgh Council was one of only two Councils that were rated as fully compliant.

3. Recommendations

- 3.1 It is recommended that the Finance and Resources Committee:
- 3.1.1 note the content of this report;

- 3.1.2 approve the document attached as Appendix 1 and authorise the Convener to confirm this Committee's approval by signing the trustee's report and accounts when the audit opinion has been issued; and
- 3.1.3 note that the audit findings will be reported back to Committee in due course.

Alastair D Maclean

Director of Corporate Governance

Links

Coalition pledges	P31 – Continuing to invest in our cultural infrastructure P42 – Continuing to invest in our sporting infrastructure
Council outcomes	C06 – Our children's outcomes are not undermined by poverty and inequality. C10 – Improved health and reduced inequalities
Single Outcome Agreement	S02 – Edinburgh's citizens experience improved health and wellbeing with reduced inequalities in health S03 – Edinburgh's children and young people enjoy their childhood and fulfil their potential
Appendices	Appendix 1

**The City of Edinburgh Council Charitable Trusts
Trustee's Annual Report and Accounts
for the year ended 31 March 2013**

Legal and Administrative Information

Trustee

The City of Edinburgh Council acts as sole trustee for the charities in this report. The delegated responsibility for charitable trusts was transferred from the Pensions and Trusts Committee to the Finance and Budget Committee as part of the review of governance arrangements under the Committee Terms of Reference and Delegated Functions approved by Council on 20 September 2012 (Section 6.6). The Finance and Budget Committee now has delegated responsibility from Council to act in the role of trustee of its charities.

In addition to the above a separate Committee exists to manage the Jean F Watson Bequest Art Collection. The Committee on the Jean F Watson Bequest has the following delegated authority: "With monies from the Jean F Watson Bequest, to purchase and commission for the City's collection, works of artists and craftspeople born, practising in, or otherwise associated with Scotland, and in particular Edinburgh; all decisions to be guided by the Collection and Disposal Policy for the City Museums and Galleries."

Registered Office

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Auditor

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Senior Audit Manager
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Bankers

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36 St Andrew Street
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Investment Manager

Allianz Global Investors
RCM (UK) Ltd
PO Box 9031
Chelmsford
CM99 2WN

Trustee's Annual Report

The trustees present their annual report and financial statements of the City of Edinburgh Council Charitable Trusts for the year 31 March 2013. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply 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.

Reference and Administrative Details

At the year end the Council acted as sole trustee for a total of 8 trusts (35 at 31 March 2012) which have charitable status and are registered with the Office of the Scottish Charity Regulator (OSCR). A list of all the charities can be found in note 15 to the accounts.

The Council administers these charities but their assets are not available to the Council and have not been included in the Council's balance sheet.

Structure, Governance and Management

The charities that the Council administers are constituted in a variety of different ways. Details of how each charity was originally established are available from the Council.

The Trustee section on the previous page describes the Committee of the Council which is involved with administration. All committee members are elected Councillors.

New members of the Finance and Budget Committee have been provided with copies of the OSCR guidance which explains the role and responsibilities of charity trustees.

Risk management is covered as part of the Council's general risk management procedures.

Responsibilities of the Trustee

Charity law requires charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

The Council, as the trustee, has overall responsibility for the following:

1. Ensuring that there are appropriate systems of controls, financial and otherwise.
2. Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006.
3. Safeguarding the assets of the charities.
4. Taking reasonable steps for the prevention and detection of fraud and other irregularities.
5. Providing reasonable assurance that:
 - the charities are operating efficiently and effectively;
 - the charitable assets are safeguarded against unauthorised use or disposition;
 - proper records are maintained and financial information used by the charities is reliable;
 - the charities comply with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

1. A strategic plan approved by the charity trustee;
2. Regular consideration by the charity trustee of financial results and non-financial performance indicators;
3. Delegation of authority and segregation of duties;
4. Identification and management of risks.

Objectives and Activities

Details of the charitable purposes of the charities as at 31 March 2013 are as follows:

Name	Scottish Charity Registration Number	Purposes	Market Value at 31/3/13 £'000
Jean F Watson	SC018971	The purchase of works of art by artists who have connections with the city.	1,692.9
Surplus Fire Fund	SC018967	To relieve suffering caused through serious injury or loss as a result of fire in the City of Edinburgh and also to recognise meritorious service in connection with fires in the area.	1,264.3
Edinburgh Education Trust	SC042754	New registered charity established during the year for the purpose of consolidating the existing small education related trusts	793.5
Nelson Halls	SC018946	Maintenance of the four "Nelson Halls" in Edinburgh to provide reading rooms for the poor	205.4
Boyd Anderson	SC025067	Provision of outdoor education and skiing opportunities.	67.4
Usher Hall Appeal	SC030180	Raise funds for the renovation of the Usher Hall	71.3
Lauriston Castle Trust	SC020737	To make the artefacts and buildings available to be viewed by the public.	36.1
Royal Scots Monument Trust	SC018945	Maintenance of the Royal Scots Monument.	29.1
Total			4,160.0

Achievements and Performance

Progress on the implementation of the new investment arrangements and the trust reorganisation project are described in the sections that follow.

Financial Review

The financial statements present the financial position of the trusts for the year ended 31 March 2013. This section describes briefly the key points of each statement.

The Statement of Financial Activities - Shows that the total income from generated funds to be £57k. This reduction in income compared to the previous year is largely due to the transfer out of a number of large charities last year as part of the rationalisation plan. The total resources expended on charitable activities and governance is £-38k. This negative amount relates to the reversal of some accruals made in last year's accounts in respect of awards by the Boyd Anderson Trust. These allocations are explained in note 5 and the two potential creditors were not able to meet the conditions required to receive the funding. These allocations arise from the decision to disperse the funds of the Boyd Anderson Trust which was approved by the Pension and Trusts Committee on 6 December 2011.

The Balance Sheet – Fixed asset investments have increased compared to last year from £2,127k to £2,940k. This is primarily the result of purchases and a net gain on the valuation of the investments, and is further analysed in note 16.

The plan for the rationalisation of the Councils 118 trusts was approved by the Pensions and Trusts Committee on 8 December 2008. The rationalisation process required separate bank accounts to be established for the trusts and the increase in the bank figure is due to this arrangement.

Investment Policy and Performance

As charitable funds were being rationalised a review of the long term investment strategy in 2010-11 concluded that the existing arrangements for investment were no longer viable in future. As a result it was agreed that assets should be transferred from equities and bonds and invested in a range of charity common investment funds managed by RCM (UK) Ltd. This new strategy was implemented during the 12 months to 31 March 2012. During this process the investments were managed by the Investment and Pensions Division, Corporate Governance, the City of Edinburgh Council.

With regard to the performance of the investment funds the combined trust funds returned 14.1% against a benchmark of 14.0% in the year to 30 June 2013. Over the five years to 30 June the combined trust funds returned annualised performance of 7.7% compared to a benchmark of 7.2%.

The initial target asset allocation was 37.5% UK Equities, 37.5% Global Equities, and 25.0% Bonds. The funds used to achieve these targeted allocations were the RCM Chariguard UK Equity Fund, the RCM Chariguard Overseas Equity Fund and the RCM Chariguard Fixed Interest Fund.

The objective for each fund is to match the performance of their respective benchmark indices. The RCM Chariguard UK Equity Fund is benchmarked against the FTSE All-Share Index, the RCM Chariguard Overseas Fund is benchmarked against the FTSE World Index ex UK (adjusted) and the RCM Chariguard Fixed Interest Fund is benchmarked against the FTSE Government All-Stocks Index.

Reorganisation of Charitable Trusts

The Council is committed to making the management and administration of its charities and other trusts more effective, so that the benefit to the public can be maximised. On 8 December 2008, the Pensions and Trusts Committee approved a strategy to radically restructure its charities and other trusts by a combination of: transfers to suitable external charities; consolidation; and expenditure of capital.

A decision was made to transfer the Surplus Fire Fund (SFF) to the Edinburgh Voluntary Organisations Trust (EVOT) by the Pension and Trusts Committee on 6 December 2011. The transfer was agreed subject to a safeguard in the deed of appointment which ensures that the Surplus Fire Fund operates as a restricted fund within EVOT and that the Fire Brigades Union will have the right to send up to two representatives to meetings where Surplus Fire Fund business is considered. The transfer requires new legislation to be passed which is currently progressing through the Scottish Parliament. As a result, the process could take to 2014 to complete.

Pensions and Trusts Committee approved the creation of a new educational charity to receive the assets of 53 small trusts. Work on consolidating these trusts into a new 'Edinburgh Education Trust' commenced last year and the transfer of the remaining charities was completed in 2013. With the creation of the Edinburgh Education Trust there will be a focus on looked-after children and the existing school pupil prizes.

It had previously been agreed by Committee to wind up the Boyd Anderson Trust. On 6 December 2011 the Pensions and Trust Committee agreed the final disbursements of the capital of the Boyd Anderson Trust for appropriate snow sports developments that directly relate to the legacy of George Boyd Anderson. Once the expenditure is completed an application will be made to OSCR to remove the charity from the Register.

The Catherine Cowper Trust and two criminal compensation cases are not included in the accounts as they are not registered charities. Further rationalisation of the charitable trusts will be explored by investigating the potential to consolidate the Jean F Watson and Catherine Cowper Trusts.

Signed on behalf of the trustee of the charities:

A handwritten signature in black ink, appearing to read "Alasdair Rankin", with a small horizontal line at the end.

**Councillor Alasdair Rankin
Convener of the Finance & Resources Committee**

Date: 7th November 2013

Independent Auditor's Report

Independent auditor's report to the members of City of Edinburgh Council as sole trustee for City of Edinburgh Council Charitable Trusts, and the Accounts Commission for Scotland

I have audited the financial statements of City of Edinburgh Council Charitable Trusts for the year ended 31 March 2013 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 financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustee and auditor

As explained more fully in the Trustee's Annual Report, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts or disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the City of Edinburgh Council Charitable Trusts circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of the City of Edinburgh Council Charitable Trusts affairs as at 31 March 2013 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Opinion on other prescribed matter

In my opinion the information given in the Trustee's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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.



Stephen O'Hagan
Senior Audit Manager
Audit Scotland
The Athenaeum Building
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G2 1BT

7th November 2013

Stephen O'Hagan is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

The City of Edinburgh Council Charitable Trusts
Statement of Financial Activities
For the year ended 31 March 2013

	Note	Unrestricted funds	Endowment funds	Total funds 2012/13	Total funds 2011/12
		£'000	£'000	£'000	£'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	-	-	-	87.8
Activities for generating funds	3	(3.8)	-	(3.8)	15.0
Investment income	4	60.5	-	60.5	83.9
Total incoming resources		<u>56.7</u>	<u>-</u>	<u>56.7</u>	<u>186.7</u>
Resources expended					
Charitable activities	5	(53.3)	-	(53.3)	402.3
Governance costs	6	14.9	-	14.9	24.9
Trusts transferred to external charities		-	-	-	12,784.1
Total resources expended		<u>(38.4)</u>	<u>-</u>	<u>(38.4)</u>	<u>13,211.3</u>
Net (outgoing) / incoming resources before other recognised gains and losses:					
		<u>95.1</u>	<u>-</u>	<u>95.1</u>	<u>(13,024.6)</u>
Realised and unrealised gains on investments	15	-	236.7	236.7	258.1
Net movement in funds		<u>95.1</u>	<u>236.7</u>	<u>331.8</u>	<u>(12,766.5)</u>
Reconciliation of funds					
Fund balances brought forward		1,097.6	2,734.8	3,832.4	16,594.7
		7.9	(12.1)	(4.2)	
		<u>1,105.5</u>	<u>2,722.7</u>	<u>3,828.2</u>	<u>16,594.7</u>
Fund balances carried forward	16	<u>1,200.6</u>	<u>2,959.4</u>	<u>4,160.0</u>	<u>3,828.2</u>

The City of Edinburgh Council Charitable Trusts
 Balance Sheet
 As at 31 March 2013

	Note	Unrestricted funds	Endowment funds	Total funds 2012/13	Total funds 2011/12
		£'000	£'000	£'000	£'000
Fixed assets:					
Jean F Watson collection	7	854.8	-	854.8	854.0
Heritable property	8	-	19.0	19.0	19.0
Investments	9	-	2,940.4	2,940.4	2,127.8
		<u>854.8</u>	<u>2,959.4</u>	<u>3,814.2</u>	<u>3,000.8</u>
Current assets:					
Debtors	10	-	-	-	13.0
Loans fund deposits	11	-	-	-	966.6
Cash at bank	12	430.6	-	430.6	95.0
		<u>430.6</u>	<u>-</u>	<u>430.6</u>	<u>1,074.6</u>
Liabilities:					
Creditors due within one year	13	84.8	-	84.8	247.2
		<u>84.8</u>	<u>-</u>	<u>84.8</u>	<u>247.2</u>
Net current assets		<u>345.8</u>	<u>-</u>	<u>345.8</u>	<u>827.4</u>
Net assets	16	<u>1,200.6</u>	<u>2,959.4</u>	<u>4,160.0</u>	<u>3,828.2</u>
Financed by:					
Unrestricted funds		1,200.6	-	1,200.6	1,105.5
Endowment funds		-	2,959.4	2,959.4	2,722.7
		<u>1,200.6</u>	<u>2,959.4</u>	<u>4,160.0</u>	<u>3,828.2</u>

Signed on behalf of the charity trustee:



Councillor Alasdair Rankin
 Convener of the Finance & Resources Committee

Date: 7th November 2013

1 Accounting policies

a) Basis of preparation

The financial statements 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 the City of Edinburgh Council acts as sole Trustee are connected charities. As such, the accounts for the individual charities have been prepared on a collective basis. These financial statements contain all the relevant information that the individual charity accounts would have contained if they had been prepared on an individual basis.

b) Fund accounting

Unrestricted funds are general funds that are available for use at the trustee's discretion in the furtherance of any of the objectives of the charities.

Virtually all of the charities have an endowment fund consisting of invested capital and any heritable property. Endowment funds are held on trust to be retained for the benefit of the charity as a capital fund. The income arising from the investments is available for the purposes of each charity and is added to the relevant unrestricted fund. In most cases the trustee has discretion to expend endowment funds should the need arise.

c) Investment income

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

d) Resources expended

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

e) Heritable property and depreciation

Heritable properties are stated in the accounts at historic cost. Depreciation is not currently provided on heritable property. In the case of the Nelson halls, the cost of maintaining them in their current condition is the responsibility of the City of Edinburgh Council.

f) Investments

Investments are included at market value at the balance sheet date in accordance with the principles of the SORP. Any gain or loss on revaluation is shown on the Statement of Financial Activities.

2 Voluntary income

	2012/13 £'000	2011/12 £'000
Funds from unregistered trusts transferred to the Edinburgh Education Trust	-	87.7
Usher Hall donation	-	0.1
	<u>-</u>	<u>87.8</u>

The City of Edinburgh Council Charitable Trusts
Notes to the accounts
For the year ended 31 March 2013

3 Activities for generating funds	2012/13	2011/12
	£'000	£'000
Income from letting space within the Nelson Halls	<u>(3.8)</u>	<u>15.0</u>

The negative figure in 2012/13 represents a debtor which has been written off

4 Investment income	2012/13	2011/12
	£'000	£'000
Interest earned on deposits with the City of Edinburgh Council's loans fund	3.2	4.1
Dividend income	57.1	79.3
Interest received	0.2	0.5
	<u>60.5</u>	<u>83.9</u>

5 Cost of charitable activities	2012/13	2011/12
	£'000	£'000
Direct Expenditure:		
Boyd Anderson - snow sport projects and property repair	(70.0)	352.5
Poverty trust pensions	-	58.0
Contribution to Bield re Haugh Street care home	-	(89.8)
Contribution to Bield re Craighall Rd care home	-	19.0
Grassmarket Child Garden - school project	-	3.6
Hope Cottage Child Garden - school project	-	2.8
Contributions to upkeep of Nelson Halls etc	-	18.2
Other grants to individuals	2.2	20.8
Education Grants	3.2	-
School Prizes	1.4	-
Surplus Fire Fund - grant to individual	0.2	-
	<u>(63.0)</u>	<u>385.1</u>
Allocation of staff costs re benefits administration	-	3.1
Other cost re benefit administration	9.7	14.1
Total cost of charitable activities	<u>(53.3)</u>	<u>402.3</u>

The negative amount against Boyd Anderson represents a reversal of allocations to Snowsport Scotland and Save our Suntrap as they were not able to meet the conditions required to receive funding.

6 Governance costs	2012/13	2011/12
	£'000	£'000
Allocated costs	14.9	24.9

The City of Edinburgh Council allocates costs relating to the governance of the charities. The figures represent the legal costs relating to the proposed transfer of the Surplus Fire Fund to EVOT. During the year no costs in respect of the preparation of accounts were allocated because of the small scale of the remaining charities.

The City of Edinburgh Council Charitable Trusts
Notes to the accounts
For the year ended 31 March 2013

7 Jean F Watson collection	2012/13	2011/12
	£'000	£'000
Balance brought forward at 1 April	854.0	849.8
Additions / (adjustments) during the year	0.8	4.2
Balance carried forward at 31 March	<u>854.8</u>	<u>854.0</u>

In 1961 an agreement was signed by Miss Jean F Watson and the Corporation of the City of Edinburgh which set up a fund to purchase works of art in memory of Miss Watson's parents, the late William and Catherine Watson. The Trust acquires works of art for public viewing in Edinburgh by artists who have connections with the city. The agreement allows for existing items in the collection to be sold and the proceeds used to purchase other works of art. The collection has not been valued for the purposes of these accounts and the above figures are stated at cost.

8 Heritable Property	2012/13	2011/12
	£'000	£'000
Nelson Halls Trust	19.0	19.0
	<u>19.0</u>	<u>19.0</u>

The above properties have not been valued for the purposes of these accounts and are stated at cost.

9 Investments	At 31/3/12	Purchases at cost	Sold	Net gain on revaluation	At 31/3/13
	£'000	£'000	£'000	£'000	£'000
Investments	2,127.8	575.9	-	236.7	2,940.4
	<u>2,127.8</u>	<u>575.9</u>	<u>-</u>	<u>236.7</u>	<u>2,940.4</u>

10 Debtors	2012/13	2011/12
	Total	Total
	£'000	£'000
Jean F Watson - art purchase grants receivable	-	13.0
	<u>-</u>	<u>13.0</u>

11 Loans fund deposits	2012/13	2011/12
	£'000	£'000
Balances at 31 March with the City of Edinburgh Council's loans fund	-	966.6
	<u>-</u>	<u>966.6</u>

The City of Edinburgh Council Charitable Trusts
Notes to the accounts
For the year ended 31 March 2013

12 Cash at bank

2012/13

£'000

Boyd Anderson	138.8
Edinburgh Education Trust	102.9
Surplus Fire Fund	93.9
Usher Hall	70.7
Jean F Watson	18.8
Nelson Hall	3.2
Royal Scots Monument	2.0
Lauriston Castle	0.3
	<u>430.6</u>

No comparable figures for 2011/12 are presented due to the large number of Trust Funds that existed at the start of the year.

13 Creditors due within one year

	Unrest'ted funds	Endow'nt funds	2012/13 Total	2011/12 Total
	£'000	£'000	£'000	£'000
Bield-net running costs of Haugh Street care home for the year	-	-	-	-
Purchase of art works for Jean F Watson Bequest	-	-	-	12.7
Charitable awards approved but not paid by year end:				
Boyd Anderson - snow sport projects and property repair	71.5	-	71.5	228.1
Grassmarket Child Garden - school project	-	-	-	3.6
Hope Cottage Child Garden - school project	-	-	-	2.8
Amounts due to the Council	13.3	-	13.3	-
	<u>84.8</u>	<u>-</u>	<u>84.8</u>	<u>247.2</u>

14 Related party transactions

During the year the City of Edinburgh Council made payments on behalf of the Charitable Trusts. At the end of the year £13.3k was owed to the Council by the Trusts.

Charity Name	SC number	Funds brought forward	Income in year	Expenditure in year	Gains on investments	Transfer between charities	Funds carried forward
Alexander Wood	SC025067	125.12	-	-	-	(125.12)	-
Andrew Young	SC025067	2,944.46	-	-	-	(2,944.46)	-
Captain William Currie Taylor	SC025067	2,323.13	-	-	-	(2,323.13)	-
Christina C Philp	SC025067	414.93	-	-	-	(414.93)	-
Christina M Reid	SC025067	80.08	-	-	-	(80.08)	-
City Of Edinburgh	SC025067	513,400.38	-	(4,999.25)	-	(508,401.13)	-
Dr.W.A.Guthrie	SC025067	106.15	-	-	-	(106.15)	-
Edinburgh Education Trust	SC042754	122,425.42	2,713.17	(2,117.77)	28,760.50	641,738.50	793,519.82
Elizabeth Philip	SC025067	418.84	-	-	-	(418.84)	-
G Boyd Anderson-Skiing	SC025067	-	1,029.72	66,427.66	-	-	67,457.38
George Ogilvie	SC025067	45.24	-	-	-	(45.24)	-
George Sutherland	SC025067	19.61	-	-	-	(19.61)	-
George W Tait	SC025067	82.65	-	-	-	(82.65)	-
Helen Wilson	SC025067	58.22	-	-	-	(58.22)	-
Isabella Smail	SC025067	588.49	-	-	-	(588.49)	-
J.A Hutchison	SC025067	144.53	-	-	-	(144.53)	-
James Clark	SC025067	302.13	-	-	-	(302.13)	-
James Ogilvie	SC025067	5,147.35	-	-	-	(5,147.35)	-
Jane McDermont	SC025067	15,757.83	-	-	-	(15,757.83)	-
Jean F.Watson Bequest	SC018971	1,597,491.79	20,085.49	(483.14)	75,809.14	-	1,692,903.28
John W Tait	SC025067	63,704.63	-	(1,350.00)	-	(62,354.63)	-
Lauriston Castle Trust	SC020737	32,698.64	893.33	(893.33)	3,387.13	-	36,085.77
Leith Academy P A	SC025067	8,333.22	-	-	-	(8,333.22)	-
Margaret McCallum	SC025067	277.39	-	-	-	(277.39)	-
Miss Macmillan	SC025067	32.48	-	-	-	(32.48)	-
Nelson Halls Trust	SC018946	188,447.85	749.47	(749.47)	17,014.51	-	205,462.36
Norma Prentice	SC025067	117.09	-	-	-	(117.09)	-
Peter McDougall	SC025067	561.96	-	-	-	(561.96)	-
Proctor Bequest	SC025067	15,252.69	-	-	-	(15,252.69)	-
Royal Scots (The Royal Regiment) Monument Trust	SC018945	26,545.70	693.13	(693.13)	2,573.41	-	29,119.11
Sir Richard Mackie	SC025067	93.38	-	-	-	(93.38)	-
Surplus Fire Fund	SC018967	1,142,289.78	29,487.85	(16,657.43)	109,155.89	-	1,264,276.09
Thomas M Duncan	SC017685	11,686.58	-	-	-	(11,686.58)	-
Tom Hunter V.C.	SC025067	234.94	-	-	-	(234.94)	-
Tynecastle Child Gdn	SC025067	5,834.25	-	-	-	(5,834.25)	-
Usher Hall Conservation Trust	SC030180	70,207.31	1,060.74	-	-	-	71,268.05
		3,828,194.24	56,712.90	38,484.14	236,700.58	-	4,160,091.86

Trusts at Market Value - Year Ended 31 March 2013

Note 16

Charity Name	SC number	Jean Watson Collection	Heritable Property	Investments	Investments	Debtors	Amounts due to Council	Cash at Bank	Creditors	Total
Edinburgh Education Trust	SC042754	-	-	663,935.98	28,241.94	-	(1,514.54)	102,856.44	-	793,519.82
G Boyd Anderson-Skiing	SC025067	-	-	-	-	-	171.38	138,771.67	(71,485.67)	67,457.38
Jean F. Watson Bequest	SC018971	854,836.18	-	745,167.95	74,475.05	-	(343.88)	18,767.98	-	1,692,903.28
Lauriston Castle Trust	SC020737	-	-	33,293.80	3,327.76	-	(890.70)	354.91	-	36,085.77
Nelson Halls Trust	SC018946	-	19,019.00	167,244.58	16,715.11	-	(725.65)	3,209.32	-	205,462.36
Royal Scots (The Royal Regiment) Monument Trust	SC018945	-	-	25,295.01	2,528.46	-	(678.48)	1,974.12	-	29,119.11
Surplus Fire Fund	SC018967	-	-	1,072,950.88	107,234.71	-	(9,808.91)	93,899.41	-	1,264,276.09
Usher Hall Conservation Trust	SC030180	-	-	-	-	-	524.93	70,743.12	-	71,268.05
		<u>854,836.18</u>	<u>19,019.00</u>	<u>2,707,888.20</u>	<u>232,523.03</u>	<u>-</u>	<u>(13,265.85)</u>	<u>430,576.97</u>	<u>(71,485.67)</u>	<u>4,160,091.86</u>