

The background of the slide features a large, light blue watermark of the Coat of Arms of the City of Edinburgh. The crest includes a crown with four thistles, a shield divided into four quarters (top-left: a saltire, top-right: a stag's head, bottom-left: a ship, bottom-right: an eagle), and a motto scroll at the bottom with the text 'AENE FOR A'.

Agenda Item 8

Temperance Trust Annual Accounts 2017/18

Falkirk Council

Title: Temperance Trust Annual Accounts 2017/18
Meeting: Audit Committee
Date: 27 September 2018
Submitted By: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 The purpose of the report is to present the Audited Accounts of the Council for the year to 31 March 2018.

2. Recommendation

- 2.1 **The Committee is asked to consider and recommend approval to the Trustees of the Audited Annual Accounts of the Temperance Trust to 31 March 2018.**

3. Background

- 3.1 The Charities Accounts (Scotland) Regulations 2006 require charities to prepare annual accounts. These accounts must be audited in line with the requirements of the Local Government (Scotland) Act 1973 which set out arrangements for those charities where members of the authority are the only trustees.

4. Considerations

- 4.1 The Accounts of the Temperance Trust have now been audited. The auditor's certificate is free from qualification. Copies of the accounts will be sent to interested parties, posted on the Council's website and their availability advertised in the local press.

5. Consultation

- 5.1 This report does not require consultation.

6. Implications

Financial

6.1 There are no financial implications arising from the report recommendations.

Resources

6.2 There are no resource implications arising from the report recommendations.

Legal

6.3 There are no legal implications arising from the report recommendations.

Risk

6.4 There are no risks arising from the report recommendations.

Equalities

6.5 There are no equality implications arising from the report recommendations.

Sustainability/Environmental Impact

6.6 There are no sustainability/environmental implications arising from the report recommendations.

7. Conclusions

7.1 The Annual Accounts 2017/18 of the Temperance Trust have now been audited by Ernst & Young. The auditor's certificate is free from qualification.

Director of Corporate & Housing Services

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Date: 12 September 2018

Appendices

1. Annual Accounts 2017/18

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- Final Accounts Working Papers

**FALKIRK TEMPERANCE TRUST
REGISTERED CHARITY NUMBER - SC001904**

**AUDITED
ANNUAL REPORT & ACCOUNTS**

for the year ended 31 March 2018

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2018

Falkirk Temperance Trust is a registered charity, **Scottish Charity Number SC001904.**

Principal contact address

Chief Finance Officer
Falkirk Council
Municipal Buildings
FALKIRK
FK1 5RS

Governing document

Falkirk Temperance Trust originates from 1919 as part of an estate of a Falkirk gentleman. Its original purpose was to help people refrain from alcohol. A revision to the Trust was approved by the Court of Session on 1 February 1991. This allowed the Trust to not only help assist organisations and people in dealing with alcohol abuse but also other forms of drug addiction.

Charitable purposes

The Trustees hold the trust fund and apply the income to assist mainly organisations operating within Falkirk dealing with alcohol abuse and other forms of substance addiction.

Recruitment and appointment of Trustees

The trust is administered by Falkirk Council, with the Chief Finance Officer appointed as Treasurer. Following the elections held in May 2017, Councillor David Grant and Councillor Laura Murtagh were appointed as Trustees, representing wards in the former Falkirk Burgh area. Councillor Grant and Councillor Murtagh remain Trustees at 31 March 2018. Prior to May 2017 the Trustees were Provost Pat Reid and Councillor Craig R Martin.

Respective responsibilities of the trustees and auditor

The trustees are responsible for

- preparing financial statements in accordance with the 2006 Regulations
- making judgements and estimates that are reasonable and prudent
- keeping adequate accounting records which are up to date
- taking reasonable steps for the prevention and detection of fraud and other irregularities

The auditor's 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.

Activities and achievements

There were 3 grant applications made to the Trust in the financial year, however, only one application complied with the Trust Deeds. Subsequently a payment for £373 was made to an individual recovering from drug addictions.

Reserves

The assets of the Trust are currently held by the Bank of Scotland and two accounts are in operation. The Treasurer's Account is used for the daily operations of the Trust and retains a working balance. A Guaranteed Fixed Deposit Account, which offers a higher interest rate, is used for the larger balance. This has a 6 month repayment period, whereby, the interest rate offered for the next period is reviewed. There are no restrictions on the use of funds held in either of these accounts.

Conclusion

The charity made one grant payment in 2017/18.

Surplus

The Trust returned a small surplus in the year. In principle bank interest earned in the year is used to fund grant payments in the same year. However, due to the limited number of grant applications in previous years this has not always been possible and Reserves have increased over time. Therefore, applications are approved where possible, regardless of timing, and this may result in a surplus in some years but a deficit in other years.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Office of the Scottish Charity Regulator in exercising their powers or duties.

Audit Arrangements

In response to section 106 of the Local Government (Scotland) Act 1973 and the provisions of the Charities Accounts (Scotland) Regulation 2006, it was agreed that from 2013/14, each Local Authority auditor should cover the registered charities for which the Authority is sole trustee. The appointed auditor of Falkirk Council is Ernst & Young.

David Grant, Trustee
27 09 2018

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

STATEMENT OF RECEIPTS & PAYMENTS

FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

2016/17		2017/18		
Unrestricted Funds		Unrestricted Funds		Note
£		£		
	<u>Receipts</u>			
1,140	Bank interest	772		
<hr/> 1,140		<hr/> 772		
	<u>Payments</u>			
430	Audit Fee	-		6
150	Grants	373		7
<hr/> 580		<hr/> 373		
<hr/> 560	Surplus/(Deficit) for Period	<hr/> 399		

Approved by the Trustees and signed on their behalf:

David Grant, Trustee
27 09 2018

B Smail, Treasurer
27 09 2018

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

STATEMENT OF BALANCES

AS AT 31 MARCH 2018

2016/17		2017/18	
Unrestricted Funds		Unrestricted Funds	Note
£		£	
	<u>Current Assets</u>		
152,875	Bank of Scotland Guaranteed Fixed Deposit	153,647	2
8,545	Bank of Scotland Treasurer's Account	8,172	2
<hr/> 161,420		<hr/> 161,819	
	<u>Current Liabilities</u>		
-		-	
<hr/> 161,420	Net Assets	<hr/> 161,819	
	<u>Represented by:</u>		
160,860	Surplus brought forward	161,420	
560	Surplus/(deficit) for period	399	
<hr/> 161,420	Surplus carried forward	<hr/> 161,819	

Approved by the Trustees and signed on their behalf:

David Grant, Trustee
27 09 2018

B Smail, Treasurer
27 09 2018

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

NOTES TO THE ACCOUNTS

1. Basis of Accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2. Fund Accounting

Unrestricted funds are those that may be used at the discretion of the Trustees in furtherance of the objectives of the Charity, being the surplus carried forward. There are no restricted funds.

3. Taxation

The Charity is not liable to income or capital gains tax on its charitable activities.

4. Trustee Remuneration, Expenses and Related Party Transactions

No remuneration or expenses were paid to the Charity Trustees or persons connected to a Trustee during the year (2016/17: Nil).

5. Administration Fee

No fee was charged by the Council and therefore no costs were incurred by the Charity for the administration of the funds on behalf of the Trustees.

6. Audit Fee

The audit fee for 2017/18 was £550. This was paid after the 31 March 2018, and as such it does not appear on the Statement of Receipts and Payments.

7. Grant payments

One grant payment for £373 was made to an individual recovering from drug addictions.