

Charity Number: SC025067

**City of Edinburgh Council Charitable Funds  
Unaudited Trustee's Annual Report and Accounts  
for the year ended 31 March 2024**

## **Legal and Administrative Information**

### **Trustee**

The City of Edinburgh Council acts as sole Trustee for the City of Edinburgh Council Charitable Funds. 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 has since been renamed the **Finance and Resources Committee** and now has delegated authority from Council to act in the role of Trustee of its charities. The individual members of the Committee are listed on page 3 of the Trustee's Report, however, the individual members are not Trustees of the charitable Trust.

### **Reference and Administrative Details**

At the year end the Council acted as sole Trustee for a total of six Trusts which have charitable status and are registered with the Office of the Scottish Charity Regulator (OSCR). City of Edinburgh Council Charitable Funds is one of these Trusts.

The Council administers this charity but its assets are not available to the Council and have not been included in the Council's balance sheet.

### **Registered Office**

The City of Edinburgh Council  
City Chambers  
High Street  
Edinburgh  
EH1 1YJ

### **Auditor**

Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN

### **Bankers**

Royal Bank of Scotland  
36 St Andrew Square  
Edinburgh  
EH2 2AD

### **Legal Advisors**

The City of Edinburgh Council  
City Chambers  
High Street  
Edinburgh

## **Trustee's Annual Report 2023/24**

The Trustee presents the Annual Report and Accounts of the City of Edinburgh Council Charitable Funds for the year ending 31 March 2024. The Annual Accounts 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 (FRS 102), commonly referred to as the Charities SORP (FRS 102).

### **Structure, Governance and Management**

The Trustee section on the previous page describes the Committee of the Council which is involved with administration. All committee members are elected Councillors. Members of the Finance and Resources 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. The Council is currently in the process of conducting a review of its administration of Trusts.

### **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 and the Charities SORP (FRS 102).
3. Selecting suitable accounting policies and applying them consistently.
4. Making judgements and estimates that are reasonable and prudent.
5. Safeguarding the assets of the charity.
6. Taking reasonable steps for the prevention and detection of fraud and other irregularities.
7. Providing reasonable assurance that:
  - i) the charity is operating efficiently and effectively;
  - ii) the charitable assets are safeguarded against unauthorised use or disposition;
  - iii) proper records are maintained and financial information used by the charity is reliable;
  - iv) the charity complies 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. Consideration by the charity Trustee of financial results and non-financial performance indicators;
3. Delegation of authority and segregation of duties; and
4. Identification and management of risks.

The Trustee is responsible for the maintenance and integrity of the corporate and financial information included in the Council's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

### **Exemptions From Disclosure and Funds held as Custodian Trustee on Behalf of Others**

None.

## **Trustee's Annual Report 2023/24**

### **Objectives and Activities**

The purpose of the City of Edinburgh Council Charitable Funds is to provide outdoor education and skiing opportunities.

At the **14 January 2016 Finance and Resources Committee**, it was agreed that £66,000 of the City of Edinburgh Council Charitable Funds would be used to build a modular log cabin type classroom and storage space at Lagganlia. Further to that, a proposal to use the remaining funds for the same purpose was approved by Committee on 23 January 2018. A preferred contractor was appointed following a tender process, however, the work was delayed due to the impact of Covid-19 restrictions. In light of significant contract inflation, the project has been reviewed post-Covid and a revised proposal has been accepted by the Council's commissioning team. It is now expected that the construction work at Lagganlia will commence in the next 12 months, after which the funds will be transferred. OSCR has granted consent to wind up the Trust, and the process will be finalised after construction has been completed.

For this reason, the financial statements for the City of Edinburgh Council Charitable Funds have been prepared using a break-up basis of accounting as it is considered that it is not a going concern.

### **Financial Review**

The financial statements present the financial position of the Trust for the year ended 31 March 2024. This section describes briefly the key points of the statement. All of the unrestricted funds of the charity are general and not designated.

The expenditure in the year is £4,480 (2022/23 £3,710). An analysis of expenditure is detailed in Note 3.

The £2,785 decrease in cash related to the settlement of creditors is further analysed in the Cash Flow Statement (£3,969 decrease in 2022/23).

### **Reserves Policy**

No reserves policy has been created for the City of Edinburgh Council Charitable Funds as the existing funds have been agreed to be disbursed as per the reports to Finance and Resources Committee on 14 January 2016 and 23 January 2018.

### **Plans for Future Period**

Future plans include the full disbursement of the remaining funds of the City of Edinburgh Council Charitable Funds, which has been approved by the Finance and Resources Committee. It is the intention to wind up the Trust once all funds are distributed, which will be after the construction has been completed.

**Signed on behalf of the Trustee of the charities:**

**Councillor Mandy Watt**

**Convener of the Finance and Resources Committee**

**Date:**

**The other members of the Finance and Resources Committee as at 31 March 2024 are outlined below:**

Councillor Mandy Watt (*Convener*)

Councillor Alex Staniforth

Councillor Alys Mumford

Councillor Graeme Bruce

Councillor James Dalgleish

Councillor Lesley MacInnes

Councillor Lewis Younie

Councillor Marco Biagi

Councillor Neil Ross

Councillor Phil Doggart

Councillor Vicky Nicolson

The City of Edinburgh Council Charitable Funds  
Statement of Financial Activities  
For the year ended 31 March 2024

	Note	2023/24			2022/23		
		Unrestricted funds	Endowment funds	Total funds	Unrestricted funds	Endowment funds	Total funds
		£	£	£	£	£	£
<b>Income and Endowments from:</b>							
<i>Interest Received</i>	2	3,316	-	3,316	925	-	925
<b>Total</b>		<u>3,316</u>	<u>-</u>	<u>3,316</u>	<u>925</u>	<u>-</u>	<u>925</u>
<b>Expenditure on:</b>							
<i>Governance costs</i>	3	(4,480)	-	(4,480)	(3,710)	-	(3,710)
<b>Total</b>		<u>(4,480)</u>	<u>-</u>	<u>(4,480)</u>	<u>(3,710)</u>	<u>-</u>	<u>(3,710)</u>
<b>Net income / (expenditure)</b>		<u>(1,164)</u>	<u>-</u>	<u>(1,164)</u>	<u>(2,785)</u>	<u>-</u>	<u>(2,785)</u>
<b>Transfers between funds</b>		-	-	-	-	-	-
<b>Net movement in funds:</b>							
Increase/ (Decrease)		<u>(1,164)</u>	<u>-</u>	<u>(1,164)</u>	<u>(2,785)</u>	<u>-</u>	<u>(2,785)</u>
<b>Reconciliation of funds</b>							
<i>Total funds brought forward</i>		<u>89,474</u>	<u>-</u>	<u>89,474</u>	<u>92,259</u>	<u>-</u>	<u>92,259</u>
<b>Total funds carried forward</b>	11	<u><u>88,310</u></u>	<u><u>-</u></u>	<u><u>88,310</u></u>	<u><u>89,474</u></u>	<u><u>-</u></u>	<u><u>89,474</u></u>

**The City of Edinburgh Council Charitable Funds**  
**Balance Sheet**  
**For the year ended 31 March 2024**

	Note	Unrestricted funds	2023/24 Endowment funds	Total funds	Unrestricted funds	2022/23 Endowment funds	Total funds
		£	£	£	£	£	£
<b>Current Assets:</b>							
<i>Cash at Bank</i>	4	89,474	-	89,474	92,259	-	92,259
<i>Total current assets</i>		<u>89,474</u>	<u>-</u>	<u>89,474</u>	<u>92,259</u>	<u>-</u>	<u>92,259</u>
<b>Liabilities:</b>							
<i>Creditors due within one year</i>	5	(1,164)	-	(1,164)	(2,785)	-	(2,785)
<i>Total Liabilities</i>		<u>(1,164)</u>	<u>-</u>	<u>(1,164)</u>	<u>(2,785)</u>	<u>-</u>	<u>(2,785)</u>
<b>Net Current Assets</b>		88,310	-	88,310	89,474	-	89,474
<b>Total Net Assets</b>		<u>88,310</u>	<u>-</u>	<u>88,310</u>	<u>89,474</u>	<u>-</u>	<u>89,474</u>
<b>The funds of the charity:</b>							
<i>Unrestricted Funds</i>	11	88,310	-	88,310	89,474	-	89,474
<b>Total Charity Funds</b>		<u>88,310</u>	<u>-</u>	<u>88,310</u>	<u>89,474</u>	<u>-</u>	<u>89,474</u>

The unaudited accounts were issued on 30 June 2024.

**Signed on behalf of the charity Trustee:**

**Councillor Mandy Watt**  
**Convener of the Finance and Resources Committee**

**Date:**

The City of Edinburgh Council Charitable Funds  
Cash Flow Statement  
For the year ended 31 March 2024

	31 March 2024		31 March 2023
	£	£	£
<b>Operating Activities</b>			
<i>Cash paid to the Council</i>	2,785		3,969
<b>Cash outflows generated from operating activities</b>	<u>2,785</u>	<b>2,785</b>	<u>3,969</u>
<b>Net cash (inflows) / outflows from operating activities</b>		<u><b>2,785</b></u>	<u><b>3,969</b></u>
<b>Net cash flows from investing activities</b>		-	-
<b>Net cash flows from financing activities</b>		-	-
<b>Net (increase) / decrease in cash and cash equivalents</b>		<u><b>2,785</b></u>	<u><b>3,969</b></u>
<i>Cash and cash equivalents at 1 April (Note 4)</i>	92,259		96,228
<i>Cash and cash equivalents at 31 March (Note 4)</i>	<u>89,474</u>		<u>92,259</u>
<b>Net (increase) / decrease in cash and cash equivalents</b>		<u><b>2,785</b></u>	<u><b>3,969</b></u>

**Analysis of changes in Net Debt**

	1 April 2023	Net Cash Flows	Non-Cash Changes	31 March 2024
	£	£	£	£
Cash at Bank	92,259	(2,785)	-	89,474
<b>Total Funds</b>	<u><b>92,259</b></u>	<u><b>(2,785)</b></u>	-	<u><b>89,474</b></u>

**The City of Edinburgh Council Charitable Funds**  
**Notes to the Accounts**  
**For the year ended 31 March 2024**

**1 Accounting policies**

**a) Basis of preparation**

The 2023/24 financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

City of Edinburgh Council Charitable Funds meets the definition of a public benefit entity under Charities SORP (FRS 102). Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Charitable Trust funds' transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The critical judgements and estimates for the trusts are included in note (j).

**b) Going Concern Policy**

The financial statements for the City of Edinburgh Council Charitable Funds have been prepared using a break-up basis of accounting as it is considered that it is not a going concern. A proposal to use the remaining funds to build a modular log cabin type classroom and storage space at Lagganlia was approved by **Finance and Resources Committee on 23 January 2018**. OSCR has granted consent to wind up the Trust, and the process will be finalised after construction has been completed. It is expected that there will be no material costs associated with winding up the Charitable Funds.

**c) 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.

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, subject to Finance and Resources Committee approval. There is no endowment fund held for the City of Edinburgh Council Charitable Funds as at 31 March 2024.

**d) Grant income**

Revenue grants, including those from government, are recognised in the Statement of Financial Activities (SoFA) in the period in which the Charitable Trust is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. Such income is deferred when the Charitable Trust has to fulfil conditions before becoming entitled to it.

**e) Expenditure**

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

**f) Reserves policy**

No reserves policy has been created for the City of Edinburgh Council Charitable Funds as the existing funds have been agreed to be disbursed as per the report to Finance and Resources Committee on 14 January 2016 and 23 January 2018.



**The City of Edinburgh Council Charitable Funds**  
**Notes to the Accounts**  
**For the year ended 31 March 2024**

**1 Accounting policies - continued**

**g) Creditors**

Creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

**h) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks, and are measured at fair value.

**i) Financial assets and financial liabilities**

Financial instruments are recognised in the statements of financial activities when the Charitable Trust becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of Charities SORP (FRS 102). At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from asset expire, or when the charitable company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

**j) Critical judgements and estimates**

The preparation of financial statements in compliance with Charities SORP (FRS 102) requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charitable Trust funds' accounting policies.

The Trustee does not consider there to be any accounting judgements required in preparing these accounts. The Trustee is satisfied that accounting policies are appropriate and applied consistently.

**The City of Edinburgh Council Charitable Funds**  
**Notes to the Accounts**  
**For the year ended 31 March 2024**

<b>2 Analysis of Income</b>	<b>2023/24</b>	<b>2022/23</b>
	£	£
<i>Interest - received</i>	3,316	925
<b>Total Income</b>	<u>3,316</u>	<u>925</u>

<b>3 Analysis of Governance and Support Costs</b>	<b>2023/24</b>	<b>2022/23</b>
	£	£
<i>Support</i>	(2,647)	(1,833)
<i>Governance</i>	(1,833)	(1,877)
<b>Total Support Costs</b>	<u>(4,480)</u>	<u>(3,710)</u>

There was no expenditure incurred on raising funds in 2023/24. (£nil 2022/23)

The basis of allocation for the support and governance costs was the cash held at bank at the time of allocation.

The Trustee received no remuneration or expenses during the year ending 31 March 2024 (£nil 2022/23). There are no employees of the City of Edinburgh Council Charitable Funds.

<b>4 Analysis of Cash and Cash Equivalents</b>	<b>2023/24</b>	<b>2022/23</b>
	£	£
<i>Cash at Bank</i>	89,474	92,259
<b>Total Cash and Cash Equivalents</b>	<u>89,474</u>	<u>92,259</u>

<b>5 Analysis of Creditors Due Within One Year</b>	<b>Unrestricted funds</b>	<b>Endowment funds</b>	<b>2023/24 Total</b>	<b>2022/23 Total</b>
	£	£	£	£
<i>Amounts due</i>	(1,164)	-	(1,164)	(2,785)
<b>Total Liabilities</b>	<u>(1,164)</u>	<u>-</u>	<u>(1,164)</u>	<u>(2,785)</u>

**The City of Edinburgh Council Charitable Funds**  
**Notes to the Accounts**  
**For the year ended 31 March 2024**

<b>6 Analysis of Financial Assets and Liabilities</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>
<i>Financial assets measured at amortised cost</i>	89,474	92,259
<i>Financial liabilities measured at amortised cost</i>	(1,164)	(2,785)
<i>Financial assets measured at market value</i>	-	-
<b>Total Financial Assets and Liabilities</b>	<b>88,310</b>	<b>89,474</b>

**7 Related Party Transactions**

During the year the City of Edinburgh Council made payments on behalf of the Charitable Fund. At the end of the year £669 was owed to the Charitable Fund by the Council (2022/23 £908 was due to the Council).

**8 Prior Year Adjustment**

There have been no prior year adjustments that require disclosure within these accounts.

**9 Post Balance Sheet Event**

There have been no events since 31 March 2024, and up to the date when these accounts were authorised, that require any adjustments to these accounts.

**10 Audit Fee**

The allocated fee payable to Audit Scotland in respect of the audit services for the City of Edinburgh Council Charitable Funds is £1,833 for 2023/24 (2022/23 £1,877). This fee is included in the overall support costs in Note 3.

The City of Edinburgh Council Charitable Funds  
Notes to the Accounts  
For the year ended 31 March 2024

11 (i) Trusts at Market Value - Year Ended 31 March 2024

<b>Unrestricted Funds</b>
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Charity Name	SC Number	Cash at Bank £	Amounts owed £	2023/24 Market Value £
<i>City of Edinburgh Council Charitable Funds</i>	<b>SC025067</b>	89,474	(1,164)	<b>88,310</b>
<b>Total Funds</b>		<u>89,474</u>	<u>(1,164)</u>	<u><b>88,310</b></u>

11 (ii) Trusts at Market Value - Year Ended 31 March 2023

<b>Unrestricted Funds</b>
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Charity Name	SC Number	Cash at Bank £	Amounts owed £	2022/23 Market Value £
<i>City of Edinburgh Council Charitable Funds</i>	<b>SC025067</b>	92,259	(2,785)	<b>89,474</b>
<b>Total Funds</b>		<u>92,259</u>	<u>(2,785)</u>	<u><b>89,474</b></u>