

REPORT TO ABERDEENSHIRE CHARITIES TRUST (ACT2) - 9 MARCH 2017

ABERDEENSHIRE CHARITIES TRUST (ACT2) - ANNUAL ACCOUNTS 2015/16

1. Recommendations

The Trustees are recommended to:

- 1.1 Note the audited Annual Accounts 2015/16 for Aberdeenshire Charities Trust (ACT2);**
- 1.2 Note the unmodified audit certificate for 2015/16;**
- 1.3 Note the agreed actions as included within the external auditor's report approved at Scrutiny and Audit Committee on 22 September 2016.**

2 Discussion/Background

- 2.1 The accounts of the Aberdeenshire Charities Trust have been prepared in accordance with the Charities' Statement of Recommended Practice (FRS 102). This is the first year in which the Charities accounts have been prepared under FRS 102.
- 2.2 ACT2's audit certificate is unmodified which provides assurance that the financial statements give a true and fair view of the financial position as at 31 March 2016.
- 2.3 During the course of the audit, the auditors raised relevant matters with officers. Issues raised are included within the external auditor's report, which covers both the Council's Annual Accounts and the accounts of the Charitable Trusts. The report contains a detailed action plan which was approved at Scrutiny and Audit Committee on 22 September 2016.
- 2.4 Within the approved action plan, two of the items raised were in relation to the Council's Charitable Trusts. These were:
 - Those responsible for managing the charities and preparing the accounts should have appropriate training to ensure that they are fully aware of all the requirements of the Statement of Recommended Practice (FRS 102);
 - Now that the amalgamation of charities into ACT2 has been completed, we would recommend that the Council revisit its ledger coding structure to try and simplify the level of detail for the charities. At the year-end, a clear audit trail is required from the ledger transactions to the draft financial statements.

Officers have considered these items and actions have been put in place to address the highlighted issues.

- 2.5 The accounts were signed by Hamish Vernal, on behalf of the trustees on 26 September 2016.

2.6 The Head of Finance and the Monitoring Officer have been consulted in the preparation of the report and their comments are incorporated within the report.

3 Equalities, Staffing and Financial Implications

3.1 An equality impact assessment is not required as the recommendations do not have a differential impact on people with protected characteristics.

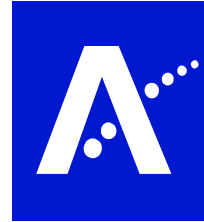
3.2 There are no staffing implications arising from this report.

3.3 There are no Financial Implications arising from this report.

Ritchie Johnson

Director of Business Services

Report prepared by Julia Millar, Principal Accountant
February 2017



Aberdeenshire Charities Trust (ACT 2)

Trustee's Report

For The Year Ended:

31 March 2016

Charity no: SC045539

Aberdeenshire Charities Trust (ACT 2)

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Aberdeenshire Charities Trust (ACT 2)

Trustee's Report for the Year Ended 31 March 2016

The Trustee representatives present their annual report and financial statements of the Aberdeenshire Charities Trust (ACT 2) for the year ended 31 March 2016. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No.2) Regulations 2014 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published on 16 July 2014.

Going Concern

After making enquiries, the Trustee representatives have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements. Further details regarding the adoption of the going concern basis are included in note 1 of the financial statements.

Reference and administrative information

At the meeting of the Aberdeenshire Council Policy and Resources Committee on 13 November 2014, the Committee agreed to officers proceeding with the creation of a new Trust, to be known as ACT 2 (Aberdeenshire Charities Trust). This involved the reorganisation of any existing small charitable trusts where the purposes of those trusts meet one or more of the purposes of the ACT 2 Trust. The reorganisation was intended to deliver significant cost savings by reducing the number of charities, and hence the number of audits required. It will also deliver a more effective management of charitable trusts under local government control. Details of the trusts which have been reorganised are given in Note 5.

A trust deed for ACT 2 was approved by OSCR and the charity was registered on 8 April 2015. Aberdeenshire Council acts as sole Trustee for ACT 2. The trust deed provides for all Councillors to be appointed to act on behalf of the Council as Trustee representatives. The charity listed below has charitable status and is registered with the Office of the Scottish Charity Regulator (OSCR):

Charity Name: ACT 2 (Aberdeenshire Charities Trust)

Charity no: SC045539

Principal Office: Aberdeenshire Council
Woodhill House
Westburn Road
Aberdeen
AB16 5GB

Aberdeenshire Charities Trust (ACT 2)
Trustee's Report for the Year Ended 31 March 2016 (continued)

Reference and administrative information (continued)

Trustee

Representatives:

All members of Aberdeenshire Council:

Wendy Agnew	David Aitchison	Amanda Allan
Anne Allan	Peter Argyle	Peter Bellarby
Alastair Bews	Geva Blackett	Alan Buchan
Charles Buchan	George Carr	Ross Cassie
Edie Chapman	Raymond Christie	Graeme Clark
Karen Clark	Linda Clark	Richard Cowling
John Cox	Nan Cullinane	Isobel Davidson
Jean Dick	Sandy Duncan	Alison Evison
Katrina Farquhar	Mark Findlater	Martin Ford
Alan Gardiner	Jim Gifford	Allison Grant
Ian Gray	Allan Hendry	Fergus Hood
Bill Howatson	Moira Ingleby	Jim Ingram
Paul Johnston	Martin Kitts-Hayes	John Latham
Sheena Lonchay	Tom Malone	Ron McKail
Fiona McRae	Rob Merson	Ian Mollison
Carl Nelson	Alisan Norrie	Patricia Oddie
Gillian Owen	Hamish Partridge	Gwyneth Petrie
Lenny Pirie	Stuart Pratt	Anne Robertson
Michael Roy	Cryle Shand	Norman Smith
Stephen Smith	Dave Stewart	Margo Stewart
Bryan Stuart	Ian Tait	Richard Thomson
Brian Topping	Hamish Vernal	Michael Watt
Iris Walker	Jill Webster	

Bankers: Clydesdale Bank
Principal Branch
1 Queens Cross
Aberdeen
AB15 4XU

Independent Auditor: Deloitte LLP
Chartered Accountants and Statutory Auditor
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB
United Kingdom

Aberdeenshire Charities Trust (ACT 2)

Trustee's Report for the Year Ended 31 March 2016 (continued)

Reference and administrative information (continued)

Solicitors: Aberdeenshire Council
Legal and Governance
Business Services
Woodhill House
Westburn Road
Aberdeen
AB16 5GB

Structure, Governance and Management

The charity has been set up as a charitable Trust.
Terms of the charity are set out in Trust Deed.

All members of Aberdeenshire Council are Trustee representatives, after a local election new elected members are appointed. Councillors are elected to office every 4 years. Extensive training is given to new elected members following appointment which enables them to carry out their duties as Trustee representatives.

The Head of Finance of the Council manages the affairs of the charity to secure the economic, efficient and effective use of resources and safeguard its assets and those of any charitable Trust it controls. Given that ACT 2 is controlled by the elected members these specific provisions are supplemented by general provisions relating to the administration of local authority monies e.g. the duty to obtain best value.

The Head of Finance of the Council 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 Head of Finance of the Council is responsible for keeping proper accounting records which are up to date and which ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended by the Charities Accounts (Scotland) Amendment (No.2) Regulations 2014.

Decisions regarding the operation, assets, processes or policies of ACT 2 are delegated by the Trustee representatives to the Head of Finance of the Council.

Aberdeenshire Charities Trust (ACT 2)

Trustee's Report for the Year Ended 31 March 2016 (continued)

Risk

The Trustee representatives have considered the major risks to which the charity is exposed and have reviewed those risks and established systems to manage those risks.

The Trustee representatives consider market risk, the possibility that financial loss might arise for the charity as a result of changes in such measures as interest rates and stock market movements, to be the main risk facing ACT 2.

The charity funds are now invested in Aberdeenshire Council's Loans Fund, some residual investments held by the reorganised trusts have been redeemed during the year. Both types of investment are governed by Aberdeenshire Council's Treasury Management Strategy which was approved by Aberdeenshire Council's Policy and Resources Committee on 5th March 2015. A copy of the report can be found on the Council's website:

<http://committees.aberdeenshire.gov.uk/committees.aspx?commid=11&meetid=10925>

Aberdeenshire Council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

Objectives and Activities

The purposes of the charity are as follows:

- The prevention or relief of property;
- The advancement of education;
- The advancement of health;
- The advancement of citizenship or community development;
- The advancement of the arts, heritage, culture or science;
- The advancement of public participation in sport;
- The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended;
- The advancement of environmental protection or improvement;
- The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Awards are made where an application is made which meets the criteria of one or more of the purposes above to residents of Aberdeenshire, or those who can demonstrate a reasonable connection to the area.

Aberdeenshire Charities Trust (ACT 2)

Trustee's Report for the Year Ended 31 March 2016 (continued)

Achievements, Performance and Financial Review

Since ACT 2 was registered as a charity one hundred small trusts have been transferred to it. Details of the trusts and the values of their funds are given in note 5. During the year the balance of funds held by the Aberdeenshire Care and Repair Group, £41,000 was transferred to a specific fund within ACT 2. This fund will be used to support needy residents in the care and repair scheme. The total balance transferred to ACT 2 at 1st April 2015 was £391,000

The figures for 14/15 have been restated to show the combined balances of these trusts.

OSCR identified another charitable fund, the Cameron Fund which should have been held in trust by Aberdeenshire Council as statutory successors of the Provost and Magistrates of the Burgh of Laurencekirk. The balance on this fund, £83,000 was transferred to ACT 2 for the purpose of the relief of poverty.

Income is largely generated by interest earned on the balance invested with the Council's Loans Fund, £2,000 and Voluntary Income is also received in the form of donated services, £9,000.

A small number of grants, totalling £4,000 have been distributed to help elderly residents in Aberdeenshire.

Reserves

The Trustee representatives aim to maintain a consistent level of reserves. These funds are generally investment funds held to generate income and to ensure stability of the grant making programme funded by it. The balance held at 31 March 2016 was £491,000. The equivalent held by the individual trusts at 31 March 2015 was £391,000

Public Benefit

ACT 2 benefits the people of Aberdeenshire, or those with a reasonable connection to the area.

Due regard has been paid to the public benefit guidance published by the Charity Commission.

Plans for Future Years

The first Annual General Meeting of ACT 2 was held on 19 November 2015. Trustees tasked Officers to come up with a number of proposals for the investments currently held for ACT 2 to ensure the charity is getting the best return on investments.

Aberdeenshire Charities Trust (ACT 2)

Trustee's Report for the Year Ended 31 March 2016 (continued)

Statement of Responsibilities of the Trustees

The Trustee representatives are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in Scotland requires the Trustee representatives 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 incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee representatives are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable U.K Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee representatives are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006 as amended by the Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee representatives are aware:

- There is no relevant audit information of which the charity's auditor is unaware; and
- The Trustee representatives have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustee representatives on 26 September 2016 and signed on their behalf by:

Hamish Vernal
Provost
Aberdeenshire Charities Trust (ACT 2)

Independent auditor's report to the trustees of Aberdeenshire Charities Trust (ACT 2) and the Accounts Commission for Scotland

We certify that we have audited the financial statements of Aberdeenshire Charities Trust (ACT 2) for the year ended 31 March 2016 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 the Financial Activities, the Balance Sheet and Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standard (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, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the trustees and auditor

As explained more fully in the Statement of Responsibilities of the Trustees, the trustees are responsible for the preparation of the financial statements which give a true and fair view. Our 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 us 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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 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

Independent auditor's report to the trustees of Aberdeenshire Charities Trust (ACT 2) and the Accounts Commission for Scotland (continued)

Opinion on financial statements (continued)

- 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.

Other matters – unaudited comparative amounts

As explained in Note 5 of the accounts, as a result of the merger of a number of trusts, some of the financial statements for the year ended 31 March 2015 were not audited. The comparative amounts in the financial statements for the year ended 31 March 2015 for the "Other Trusts", as detailed in Note 5, are therefore unaudited.

Opinion on other prescribed matter

In our opinion 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.

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.

Sarah Anderson, FCCA (for and on behalf of Deloitte LLP)
1 City Square
Leeds
LS1 2AL
United Kingdom

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Aberdeenshire Charities Trust (ACT 2)

Statement of Financial Activities for the year ended 31st March 2016

		2015/16	2014/15
	Note	£'000	Restated (See note 5) £'000
Income From:			
Donations and legacies	6	96	83
Charitable activities	7	15	0
Investments	8	2	5
Total Income		113	88
Expenditure On:			
Charitable activities	9	(13)	(112)
Total Expenditure		(13)	(112)
Net income before investment gains		100	(24)
Net gains on investments	11	0	10
Net movement in funds		100	(14)
Reconciliation of Funds			
Total funds transferred in or brought forward	5/12	391	405
Net movement in funds for the year		100	(14)
Total funds carried forward		491	391

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

All funds are unrestricted.

Aberdeenshire Charities Trust (ACT 2)
Balance Sheet as at 31st March 2016

	Note	2015/16 £'000	2014/15 Restated (See note 5) £'000
Fixed Assets:			
Investments	11	491	391
Total Fixed Assets		491	391
Net Assets			
		491	391
Funds:			
Unrestricted income funds	12	491	391
Total charity funds		491	391

The financial statements of Aberdeenshire Charities Trust (ACT 2) (Registered charity no: SC045539) were approved by the Trustee representatives and authorised for issue on 26 September 2016 and signed on their behalf by:

Hamish Vernal
Provost

Aberdeenshire Charities Trust (ACT 2)
Cashflow Statement as at 31st March 2016

	2015/16	2014/15
	£'000	Restated £'000
Net cash flows from operating activities	98	(19)
Cash flows from investing Activities		
Interest from investments	2	5
Additional investment in Council's Loans Fund	(100)	14
Net increase/(decrease) in cash and cash equivalents	<u>0</u>	<u>0</u>
Cash and cash equivalents at beginning of year	0	0
Cash and cash equivalents at end of year	0	0

Aberdeenshire Charities Trust (ACT 2)

Notes to the Financial Statements for the year ended 31st March 2016

1. Accounting Policies

1.1 Charitable Status

Aberdeenshire Charities Trust (ACT 2) was formed under the Charities and Trustee Investment (Scotland) Act 2005. ACT2 has charitable status and is registered with the Office of the Scottish Charity Regulator (OSCR), Charity no: SC045539. The principal address of the Charity is given on page 3.

1.2 Basis of Accounting

The financial statements have been prepared under the historical cost convention, with the exception that equity investments are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

This is the first set of financial statements that have been prepared under FRS 102. The transition date was 1 April 2014. Please refer to note 15 for disclosure requirements.

The principal accounting policies, which have been applied consistently in both the current and prior year, are set out below.

1.3 Going Concern

The Trustee representatives have assessed the balance sheet and likely future cash flows of the fund at the date of approving the financial statements. The Trustee representatives believe that the fund is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Trustee representatives have a reasonable expectation that the fund has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received from investments are classified as unrestricted reserves in accordance with the donors' wishes.

Donations are recognised when the charity is notified of the amount by the donor.

Donated professional services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. They are stated at estimated market

Aberdeenshire Charities Trust (ACT 2)

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

1.4 Income (continued)

value. Audit fees are an estimated allocation of the aggregate Council fee and the administration charge is based on 1% of fund balance as at 31st March.

On receipt, donated professional services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs incurred in undertaking activities that further the charitable aims for benefit of beneficiaries, grants paid to third parties to undertake work contributing to the charity's aims, support costs and governance costs.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs which support the charity's activities.

1.6 Fund Accounting

The charity holds unrestricted funds which the charity Trustee representatives are able to use for any of the charity's purposes.

There are no restricted or endowment funds for the charity.

1.7 Investments

Investments held are measured at fair value as at the Balance Sheet date. Both realised and unrealised gains and losses are recognised in the Statement of Financial Activities. Cash held within the investment portfolio is stated at its cash value.

1.8 Financial Instruments

Financial assets and financial liabilities are recognised when the Charity becomes party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity only have financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Aberdeenshire Charities Trust (ACT 2)

Notes to the Financial Statements (continued)

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the charity's accounting policies, described in note 1, the Trustee representatives are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The Trustee representatives do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond application of the policies above.

3. Trustee and Employee Remuneration and Expenses

Neither the Trustee representatives nor any associated person connected with them have received any remuneration for their services.

There are no direct employees of the charity as all administration is carried out by officers of Aberdeenshire Council, therefore there are no remuneration costs incurred.

4. Investment Management Costs

There are no direct investment management costs as Aberdeenshire Council deal with all investments on behalf of the Trustee representatives.

5. Trusts reorganised to ACT 2

As described on page 7 of the Trustee's report, during 2015/16, the following audited Charitable Trusts and other Trusts were merged into ACT2, resulting in a prior period adjustment of £390,924 to restate the opening balance sheet. The following tables set out details of all the entities merged into ACT2 and the balances included in the merged opening balance sheet.

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2(continued)

	Banchory & Mid-Deeside Charitable Trusts				East Garioch Charitable Trusts	
	Miss Mary Anne Thomson Bequest	Peter Philip Bequest	Mrs A L C Collins Bequest	John Gordon Bequest	William Davidson Mortification	Miss Jeannie Annand Bequest
	SC019282	SC019287	SC019289	SC019290	SC019108	SC019109
	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.507	0.508	0.592	0.506	1.053	1.048
Total Expenditure	(0.504)	(0.505)	(0.556)	(0.504)	(1.032)	(1.029)
Net income/(expenditure)	0.003	0.003	0.036	0.002	0.021	0.019
Other gains/(losses)						
Net movement in funds	0.003	0.003	0.036	0.002	0.021	0.019
Total funds brought forward	0.396	0.476	5.598	0.365	3.185	2.892
Total funds transferred to ACT2	0.399	0.479	5.634	0.367	3.206	2.911

	Huntly, Strathbogie & Howe of Alford Charitable Trusts					
	Lt Col George Andrew Trust 50% transferred to ACT 2	William Murray Trust	Huntly Coal Funds	Mrs Adeline M Cooper Trust	Gordon Callum Trust	Peter H Gordon Bequest
	SC019104	SC019105	SC019106	SC019110	SC019113	SC019116
	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.501	0.688	0.362	0.364	1.342	0.394
Total Expenditure	(0.297)	(0.470)	(0.340)	(0.352)	(0.946)	(0.370)
Net income/(expenditure)	0.204	0.218	0.022	0.012	0.396	0.024
Other gains/(losses)	0.504	0.163	0.078			
Net movement in funds	0.708	0.381	0.100	0.012	0.396	0.024
Total funds brought forward	13.005	13.606	0.672	1.944	61.295	3.691
Total funds transferred to ACT2	13.713	13.987	0.772	1.956	61.691	3.715

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

Inverurie & District Charitable Trusts										
	William Clark Charitable Fund	Mrs Milne Mortification	Helen Fraser Bequest	James Angus Trust	Mary Anderson Bequest	John Bothwell Charitable Fund	Inverurie Dining Welfare Trust	Inverurie Coal Funds	James Davidson Trust	
	SC019094	SC019095	SC019096	SC019097	SC019098	SC019099	SC019100	SC019101	SC019102	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Total Income	0.286	0.189	0.274	0.233	0.213	0.197	0.322	0.221	0.391	
Total Expenditure	(0.245)	(0.186)	(0.238)	(0.213)	(0.201)	(0.191)	(0.226)	(0.202)	(0.270)	
Net income/(expenditure)	0.041	0.003	0.036	0.020	0.012	0.006	0.096	0.019	0.121	
Other gains/(losses)							0.300	0.026	0.283	
Net movement in funds	0.041	0.003	0.036	0.020	0.012	0.006	0.396	0.045	0.404	
Total funds brought forward	6.327	0.386	5.606	3.117	1.968	0.909	4.360	2.066	8.758	
Total funds transferred to ACT2	6.368	0.389	5.642	3.137	1.980	0.915	4.756	2.111	9.162	

Stonehaven & Lower Deeside and North Kincardine Charitable Trusts										
	Inverurie Nursing Trust	William Philip District Nurse Fund	Vicaresso Bequest	Oldmeldrum War Memorial Fund	Dyce Bequest Burgh Stonehaven	Jane Cooper Trust	Isobel Donaldson Bequest	Mrs Anna M Thow Bequest		
	SC019103	SC019112	SC019107	SC019114	SC019147	SC019281	SC019283	SC019284		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Total Income	0.538	0.766	1.087	1.010	0.698	0.674	0	0.743		
Total Expenditure	(0.357)	(0.537)	(1.053)	(1.006)	(0.686)	(0.671)	0	(0.713)		
Net income/(expenditure)	0.181	0.229	0.034	0.004	0.012	0.003	0	0.030		
Other gains/(losses)	0.300									
Net movement in funds	0.481	0.229	0.034	0.004	0.012	0.003	0	0.030		
Total funds brought forward	17.540	35.481	5.282	0.589	1.870	0.458	0	4.588		
Total funds transferred to ACT2	18.021	35.710	5.316	0.593	1.882	0.461	0	4.618		

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

	Mearns Charitable Trusts						Total Audited Charitable Trusts Transferred to ACT 2
	Miss A E Scatterry Bequest	Mr & Mrs Boath Trust For The Poor of Bervie	Charles Nicol Trust Fund	Mrs Helen Watson Bequest	William Munro Bequest	Total Audited Charitable Trusts Transferred to ACT 2	
	SC019115	SC014275	SC019280	SC019286	SC019292		
	£'000	£'000	£'000	£'000	£'000	£'000	
Total Income	2.045	0.800	0	0.682	0.672	19.906	
Total Expenditure	(2.027)	(0.672)	0	(0.676)	(0.670)	(17.945)	
Net income/(expenditure)	0.018	0.128	0	0.006	0.002	1.961	
Other gains/(losses)						1.654	
Net movement in funds	0.018	0.128	0	0.006	0.002	3.615	
Total funds brought forward	2.739	0.448	0	0.960	0.345	210.922	
Total funds transferred to ACT2	2.757	0.576	0	0.966	0.347	214.537	

Unaudited Other Trusts

	Bisset Bequest	Cameron McDonald	Alex Cassie	William Milne	James Wilson	Banff Soup Kitchen Fund	Dr John Shaw	Duncan Nicol Coal Fund	Miss Anderson Bequest	Miss Eliz Wilson Bounty
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.016	0.087	0.333	0.010	0.016	0.012	0.045	0.010	0.003	0.050
Total Expenditure	0	(0.100)	(0.400)	0	0	0	(0.200)	0	0	0
Net income/(expenditure)	0.016	(0.013)	(0.067)	0.010	0.016	0.012	(0.155)	0.010	0.003	0.050
Other gains/(losses)	0.027	0.020	5.506		0.027					
Net movement in funds	0.043	0.007	5.439	0.010	0.043	0.012	(0.155)	0.010	0.003	0.050
Total funds brought forward	1.951	12.938	8.117	1.518	1.901	1.826	6.960	1.544	0.500	6.255
Total funds transferred to ACT2	1.994	12.945	13.556	1.528	1.944	1.838	6.805	1.554	0.503	6.305

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

	The Glasgow Bequest	Russel Tomb Bequest	John Anderson Poor fund	W Milne Bequest	District Nursing Association	Sherriff George Watt Bequest	Garland Bequest	Macduff Soup Kitchen Fund	Miss M B Wright Bequest
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.032	0.002	0.008	0.046	0.154	0.011	0.002	0.033	0.012
Total Expenditure	(0.400)	0	(0.200)	0	(0.765)	0	0	0	0
Net income/(expenditure)	(0.368)	0.002	(0.192)	0.046	(0.611)	0.011	0.002	0.033	0.012
Other gains/(losses)				0.055					
Net movement in funds	(0.368)	0.002	(0.192)	0.101	(0.611)	0.011	0.002	0.033	0.012
Total funds brought forward	4.983	0.319	1.230	1.303	22.689	1.197	0.328	1.863	1.788
Total funds transferred to ACT2	4.615	0.321	1.038	1.404	22.078	1.208	0.330	1.896	1.800

	Jessie Stephen Bequest	William Greig	James Brown Charity	Mary Gordon	Johnston Bequest	J Mitchell Mortification	Miss Clark's Mortification	Goerge Thomson's Mortification	Mrs Grieve's Benevolent Fund
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.107	0.001	0.045	0	0.001	0.012	0.004	0.001	0.025
Total Expenditure	0	0	0	0	0	0	0	0	0
Net income/(expenditure)	0.107	0.001	0.045	0	0.001	0.012	0.004	0.001	0.025
Other gains/(losses)	0.615								
Net movement in funds	0.722	0.001	0.045	0	0.001	0.012	0.004	0.001	0.025
Total funds brought forward	2.691	0.158	2.027	0.029	0.197	0.420	0.620	0.132	1.507
Total funds transferred to ACT2	3.413	0.159	2.072	0.029	0.198	0.432	0.624	0.133	1.532

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

	Turriff Soup Kitchen Fund	Alex Trail's Mortification	J Mennie's Mortification	M Miss Grassie Bequest	George Cheyne	Burnett Mortification	John Mennie Mortification	Sydney Bremner Legacy	Dr Henry Stephen
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.004	0	0.218	0.007	0.007	0	0.001	0.007	0.006
Total Expenditure	0	0	(0.200)	0	0	0	0	0	0
Net income/(expenditure)	0.004	0	0.018	0.007	0.007	0	0.001	0.007	0.006
Other gains/(losses)	0.008		0.789						
Net movement in funds	0.012	0	0.807	0.007	0.007	0	0.001	0.007	0.006
Total funds brought forward	0.397	0.013	5.722	0.208	1.066	0.012	0.190	1.119	0.175
Total funds transferred to ACT2	0.409	0.013	6.529	0.215	1.073	0.012	0.191	1.126	0.181

	James Harper	Mrs Jane Singer's Mortification	Auchaber Legacy	Mrs Thain's Mortification	William Simpson	Christie Bequest	George Horne	William Spence	James Cromar Mortification
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.108	0.002	0.002	0.001	0.178	0.002	0.026	0.005	0.001
Total Expenditure	0	0	0	0	0	0	0	0	0
Net income/(expenditure)	0.108	0.002	0.002	0.001	0.178	0.002	0.026	0.005	0.001
Other gains/(losses)	0.428								
Net movement in funds	0.536	0.002	0.002	0.001	0.178	0.002	0.026	0.005	0.001
Total funds brought forward	7.071	0.390	0.082	0.034	8.432	0.291	3.181	0.234	0.138
Total funds transferred to ACT2	7.607	0.392	0.084	0.035	8.610	0.293	3.207	0.239	0.139

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

	Hunter Mortification	John Riach Bequest	John Mckinnon Bequest	Glenmuick Parish Mortification	Charles Paterson Bequest	Alice Dyce Nicol Bequest	William Nicol Bequest	Robert Farquharson Bequest	Harry Ross Mortification
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0	0.002	0	0.001	0.005	0.004	0.004	0.029	0
Total Expenditure	0	0	0	0	0	0	0	0	0
Net income/(expenditure)	0	0.002	0	0.001	0.005	0.004	0.004	0.029	0
Other gains/(losses)									
Net movement in funds	0	0.002	0	0.001	0.005	0.004	0.004	0.029	0
Total funds brought forward	0.048	0.281	0.096	0.166	0.701	0.596	0.635	4.490	0
Total funds transferred to ACT2	0.048	0.283	0.096	0.167	0.706	0.600	0.639	4.519	0

	Leys Mortification	The Sutherland Bequest	Mary Anderson Bequest	James Scorgie	Stratton Bequest	Christie & Forrest Bequest	Talזור Shepherd	Jas Davidson Annuities	Hawleys Benefaction Library
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	0.005	0.004	0.002	0.001	0	0.001	0	0.010	0.011
Total Expenditure	0	0	0	0	0	0	0	0.100	0
Net income/(expenditure)	0.005	0.004	0.002	0.001	0	0.001	0	0.110	0.011
Other gains/(losses)									
Net movement in funds	0.005	0.004	0.002	0.001	0	0.001	0	0.110	0.011
Total funds brought forward	0.694	0.576	0.254	0.161	0.085	0.098	0.100	1.524	1.616
Total funds transferred to ACT2	0.699	0.580	0.256	0.162	0.085	0.099	0.100	1.634	1.627

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

5. Trusts reorganised to ACT 2 (continued)

	Aberdeenshire Care and Repair	Total of Other Trusts	Overall total transferred to ACT 2
	SC021487		
	£'000	£'000	£'000
Total Income	66.416	1.732	88.054
Total Expenditure	(91.470)	(2.165)	(111.580)
Net income/(expenditure)	(25.054)	(0.433)	(23.526)
Other gains/(losses)		7.475	9.129
Net movement in funds	(25.054)	7.042	(14.397)
Total funds brought forward	66.532	127.867	404.421
Total funds transferred to ACT2	41.478	134.909	390.924

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

6. Analysis of income from donations and legacies

	2015/16	2014/15
	£000	Restated £000
Donated services from Aberdeenshire Council	9	18
Other Donations	<u>87</u>	<u>65</u>
	<u>96</u>	<u>83</u>

7. Analysis of charitable activities

	2015/16	2014/15
	£000	Restated £000
Proceeds of sale of Macduff soup kitchen	<u>15</u>	<u>0</u>

8. Analysis of income from investments

	2015/16	2014/15
	£000	Restated £000
Interest from investments	<u>2</u>	<u>5</u>
Total	<u><u>2</u></u>	<u><u>5</u></u>

9. Analysis of expenditure on charitable activities

	Grant Funding of Activities(see note 10) 2015/16 £'000s	Support Costs (see below) 2015/16	Grant Funding of Activities(see note 10) 2014/15 Restated £'000s	Support Costs (see below) 2014/15 Restated £'000s
Relief of those in need	<u>4</u>	<u>9</u>	<u>91</u>	<u>21</u>

	2015/16	2014/15
	£'000	Restated £'000
Administration costs	5	2
Governance costs	<u>4</u>	<u>19</u>
Total	<u><u>9</u></u>	<u><u>21</u></u>

In 2014/15 and 2015/16 the administration charge was a donated service from Aberdeenshire Council.

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

9. Analysis of expenditure on charitable activities (continued)

Due to the interaction of section 106 of the Local Government (Scotland) Act 1973 with the Charities Regulations a full audit is required of all registered charities where the local authority is the sole Trustee.

The audit fee has been allocated based on individual financial statements, then allocated to the charities within those financial statements where appropriate. Some charities have received a higher audit fee compared to others due to the higher number of transactions and therefore more audit input required. The 14/15 figure reflects the twenty eight financial statements that required audit.

10. Analysis of expenditure on grants

	2015/16	2014/15
		Restated
	£'000	£'000
Care and Repair	2	90
Christmas	<u>2</u>	<u>1</u>
Total	<u>4</u>	<u>91</u>

11. Fixed asset investments

	2015/16	2014/15
		Restated
	£'000	£'000
Investments listed or traded on a recognised stock exchange	0	23
Other investments (see Note 13)	<u>491</u>	<u>368</u>
	<u>491</u>	<u>391</u>

	2015/16	2014/15
		Restated
	£'000	£'000
Investments listed or traded on a recognised stock exchange		
Market value at 1 April	23	33
Disposal Proceeds reinvested in the Council's Loans Fund, classified as other investments above	(23)	(20)
Net unrealised investment gains/(losses)	<u>0</u>	<u>0</u>
Market value at 31 March	<u>0</u>	<u>23</u>

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)

12. Movement on funds

Analysis of Fund movements	Balance b/fwd £'000	Income £'000	Expenditure £'000	Gains £'000	Funds c/fwd £'000
Unrestricted funds	391	113	(13)	0	491
Total	391	113	(13)	0	491

The funds are designated into the following categories:

Ward and Purpose	Balance at 31 March 2016	Balance at 31 March 2015
		Restated
	£000's	£000's
Banff & District (Banff & Buchan) Ward 1 - prevention/relief of poverty and those in need	54	55
Troup (Banff and Buchan) Ward 2 - prevention/relief of poverty and those in need	42	27
Troup (Banff and Buchan) Ward 2 - advancement of public participation in sport	2	2
Fraserburgh & District (Banff and Buchan Area) Ward 3 - prevention/relief of poverty and those in need	4	4
Central Buchan (Buchan Area) Ward 4 - prevention/relief of poverty and those in need	2	2
Peterhead North & Rattray (Buchan) Ward 5 - prevention/relief of poverty and those in need	1	1
Turriff & District (Formartine) Ward 7 - prevention/relief of poverty and those in need	10	10
Mid Formartine (Formartine Area) Ward 8 - advancement of the arts, heritage, culture or science	6	6
West Garioch (Garioch Area) Ward 10 - prevention/relief of poverty and those in need	0	0
Inverurie & District (Garioch Area) Ward 11 - prevention/relief of poverty and those in need	90	89
East Garioch (Garioch Area) Ward 12 - prevention/relief of poverty and those in need	6	6
Huntly, Strathbogie & Howe of Alford (Marr Area) Ward 14 - prevention/relief of poverty and those in need	52	52
Huntly, Strathbogie & Howe of Alford (Marr Area) Ward 14 - advancement of education	0	0
Huntly, Strathbogie & Howe of Alford (Marr Area) Ward 14 - any of the purposes of ACT2	68	67
Aboyne, Upper Deeside and Donside (Marr) Ward 15 - prevention/relief of poverty and those in need	7	7
Banchory & Mid Deeside (Marr) Ward 16 - prevention/relief of poverty and those in need	4	4
Banchory & Mid Deeside (Marr) Ward 16 - advancement of the arts, heritage, culture or science	6	6

Aberdeenshire Charities Trust (ACT 2)
Notes to the Financial Statements (continued)
12. Movement on funds (continued)

Ward and Purpose	Balance at 31 March 2016	Balance at 31 March 2015
		Restated
	£000's	£000's
North Kincardine (Kincardine & Mearns) Ward 17 - prevention/relief of poverty and those in need	0	0
Stonehaven & Lower Deeside (Mearns Area) Ward 18 - prevention/relief of poverty and those in need	2	2
Stonehaven & Lower Deeside (Mearns Area) Ward 18 - any of the purposes of ACT2	5	5
Mearns (Kincardine & Mearns) Ward 19 - prevention/relief of poverty and those in need	86	3
Support of needy residents of care and repair service	42	41
Fraserburgh & District (Banff and Buchan Area) Ward 3 - Any Purpose	2	2
Total	491	391

13. Related Party Transactions

The charity is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the charity or to be controlled or influenced by the charity. Disclosure of these transactions allows readers to assess the extent to which the charity might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the charity.

Aberdeenshire Council

Aberdeenshire Council has effective control over the general operations of the charity. All of the Trustee representatives are Aberdeenshire Council Councillors. As at 31 March 2016, balances totalling £491,000 (2014/15: £368,000) were invested in the Council's Loans Fund.

The related party transactions during the year were £11,000 income (2014/15: £20,000), which was loans fund interest and voluntary income for donated services. Expenditure transactions were £9,000 (2014/15: £18,000) which was donated services of an administration charge and audit fee.

Aberdeenshire Charities Trust (ACT 2)

Notes to the Financial Statements (continued)

14. Cashflow Statement

Reconciliation of net income to cash generated by operating activities:

	2015/16	2014/15
	£'000	Restated £'000
Net income for the year	100	(14)
Adjustments for:		
Interest receivable	(2)	(5)
Net Cash flow from operating activities	98	(19)

15. Explanation of the transition to FRS 102

This is the first year the Charity has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 was therefore 1 April 2014. No adjustments were required therefore the transition to FRS102 has had no impact on the reported financial position, financial performance and cash flows other than the presentation of certain primary statements and reclassification of items therein.

Governance costs – these have been reclassified within support costs (see note 9). This change was presentational and had no financial impact on the statements.

16. Parent Entity

Aberdeenshire Council is the parent entity of the charity as it acts as the sole Trustee for the charity via local Councillors who act on behalf of the Council as Trustee representatives. Control can be exercised by the Council by making decisions on how funds can be spent. Aberdeenshire Council's principal purpose is that it is a Local Authority. The principal office address is listed on page 3.