

Scottish Borders Council
Charitable Funds
**annual report and
financial statements**
for the year to 31 March 2024



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Trustees' Annual Report

Introduction

Scottish Borders Council acts as administrator for 5 Trusts that have charitable status and are registered with the Office of the Scottish Charity Regulator (OSCR). The Trustees are all elected members of Scottish Borders Council.

The Council administers these Trusts, but their assets are not available to the Council and the Council itself does not have control over the assets. The Trusts are therefore not included in the Council's own Financial Statements but have been included in the Council's Group Financial Statements on a subsidiary basis applying the principle that the substance of the relationship indicates control by the Council.

This is the first Trustees' Annual Report for Scottish Borders Council Charitable Funds prepared under Regulation 7 (Connected Charities) of the Charities Accounts (Scotland) Regulations 2006 (as amended). This regulation allows registered charities which have a common or related purpose, or have a common controlling body or administration, to prepare a single set of accounts.

These collated statements cover the following charities registered with OSCR:

- Scottish Borders Council Charitable Trusts (SC043896)
- Scottish Borders Council Community Enhancement Trust (SC044764)
- Scottish Borders Council Education Trust (SC044762)
- Scottish Borders Council Ormiston Trust for Institute (SC019162)
- Scottish Borders Council Welfare Trust (SC044765)

The Trustees present this Annual Report together with a Statement of Financial Activities and Balance Sheet for the year ended 31 March 2024.

ADMINISTRATION INFORMATION

Principal/Contact Address for all charities Scottish Borders Council
Director of Finance
Council HQ
Newtown St Boswells
Melrose
Scottish Borders
TD6 0SA

Trustees

The Trustees for the year to 31 March 2024 were the duly elected members of Scottish Borders Council (the Council) at that time. These were:

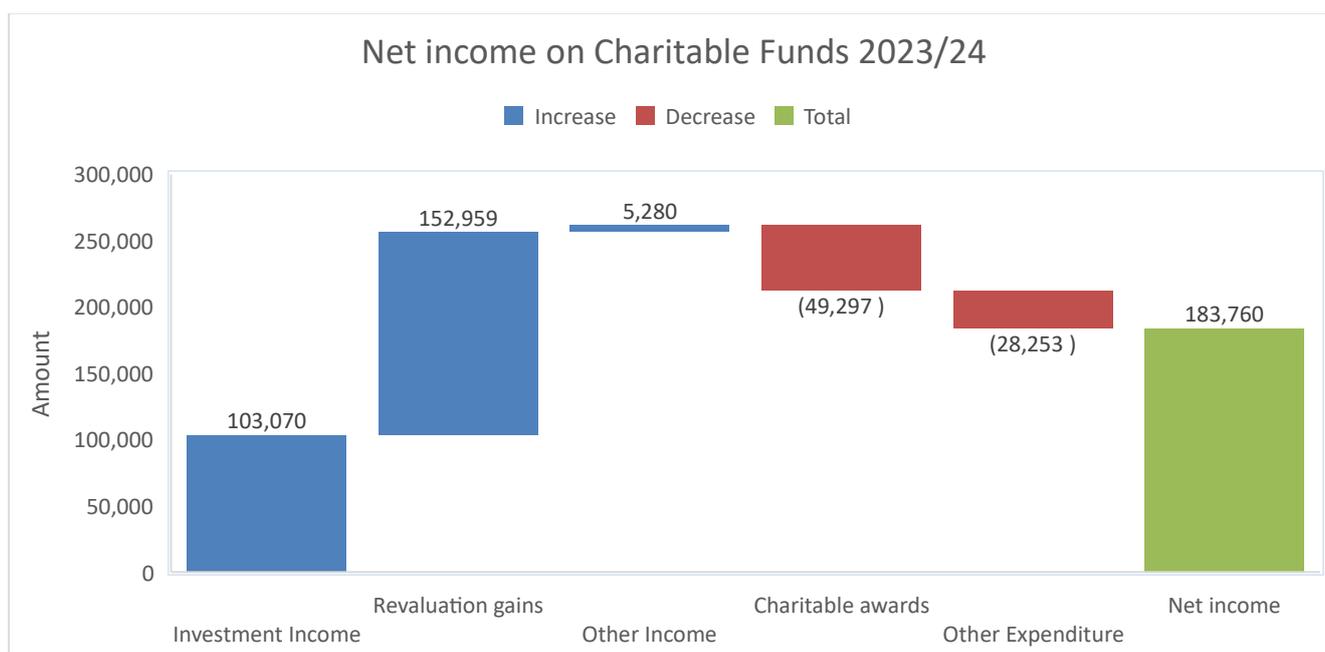
James Anderson	Drummond Begg	Pam Brown (resigned February 2024)
Caroline Cochrane	Jane Cox	Leagh Douglas
Marshall Douglas	John Greenwell	Carol Hamilton
Scott Hamilton	Euan Jardine	Jenny Linehan

FINANCIAL OVERVIEW

The collated accounts have been prepared on an accruals basis. Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

In the year to 31 March 2024:

- Total income of £108,350 included: dividend income of £85,579 (2022/23: £74,243), bank interest of £17,491 (2022/23: £7,892) along with donations of £5,250 (2022/23: £5,000) and rental income of £30 in both years; and
- Total Expenditure of £77,550 included: 85 (2022/23:67) charitable awards totalling £49,297 (2022/23: £36,907) and other operating costs of £28,253 (2022/23: £197,500) were incurred.



On 31 March 2024 all long-term investments were valued at £1,407,993 (restated 2023: £1,336,635) and amounts invested in the Council's loan fund totalled £421,878 (2023: £371,251). The value of investments increased by £70,682 because of markets recovering from ongoing world economic volatility.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Scottish Borders Council Charitable Trusts

Since this Charity was originally formed as a holding charity for 76 individual funds there is no overall governance document. 44 of these funds have now been successfully amalgamated into other SBC Trusts. An ongoing review is being undertaken into each of the remaining constituent 32 funds with a view to further amalgamation into existing SBC Trusts.

Scottish Borders Council Community Enhancement Trust

The Trust is registered with OSCR and is governed by a deed of trust, disposed and conveyed by OSCR, dated 24 March 2014 and recorded in the Scottish Charity Register. The charity is administered in line with the terms contained within the deed of trust.

This Trust is administered by the Communities & Partnership Team, and features on the Council website and in each of the 5 Area Partnership Funding Information Tables to raise awareness of the fund, and to support openness, transparency and equality regarding funding that is available to communities.

The Council has delegated authority to the Director, Resilient Communities, for the following:

- Approve applications for funding up to the value of £500;
- Approve applications for grants from £501 to £5,000, subject to the agreement of at least 50% of the Members in the relevant Wards.

Grants over £5,000 require approval by the Executive Committee of the Council.

Scottish Borders Council Educational Trust

The Trust is registered with OSCR and is governed by a deed of trust, disposed and conveyed by OSCR, dated 24 March 2014 and recorded in the Scottish Charity Register. The charity is administered in line with the terms contained within the deed of trust.

Following the establishment of the Trust, the Council on 21 May 2015 approved the delegation of authority to the Director, Education & Children Services to make payments to individuals from educational trusts and SBC Education Trust according to set criteria.

Scottish Borders Council Ormiston Trust for Institute

The charity came to be administered by the Council during local government reorganisation in 1996. A Trust Disposition and settlement by the late Charles Walker Ormiston was requested with the books of Council and Session 13 February 1882. The present Council is the statutory successor to that body.

Scottish Borders Council Welfare Trust

The Trust is registered with OSCR and is governed by a deed of trust, disposed and conveyed by OSCR, dated 24 March 2014 and recorded in the Scottish Charity Register. The charity is administered in line with the terms contained within the deed of trust. This Trust is administered by the Communities & Partnership Team, and features on the Council website and in each of the 5 Area Partnership Funding Information Tables to raise awareness of the fund, and to support openness, transparency and equality regarding funding that is available to communities.

The Council has delegated authority to the Director, Resilient Communities, for the following:

- Approve applications for funding up to the value of £500;
- Approve applications for grants from £501 to £2,500, subject to the agreement of at least 50% of the Members in the relevant Wards.

Grants over £2,500 require approval by the Executive Committee of the Council.

All Scottish Borders Council Funds

The terms of the Trustees' governance of the Trusts were approved by Scottish Borders Council at its meeting on 21 May 2015 and have been reflected in its governance codes. The policies covering the governance of the Charities comprise of the following:

Financial
Regulations

Code of
Corporate
Governance

Procedural
Standing
Orders

Scheme of
Administration

Scheme of
Delegation

When considering any action in connection with the Trusts, the Trustees must act in the interest of the charity funds.

Recruitment and Appointment of Trustees

There is no recruitment process. Appointment is by virtue of election to the Council.

Professional support

The Director of Finance is the designated officer within the Council with responsibility for the proper administration of the financial affairs of the Trusts, including the maintenance of proper accounting records and ensuring that the collated financial statements comply with the Charities Accounts (Scotland) Regulations 2006 (as amended).

MANAGEMENT OF FUNDS AND INVESTMENT POLICY

The Trustees arrange for the funds to be held in an interest-bearing account or otherwise invested in an appropriate manner and have agreed that this be carried out under the administration of the Director of Finance.

RESERVE POLICY

There is no specific policy on the level of reserves that should be held but it is the stated intention to only disburse revenue resources. Trustees do, however, have discretion to make payments from capital resources where they consider this appropriate. Decisions regarding payments from capital must be considered at a full meeting of Trustees.

The Trusts give grants and donations to individuals and organisations under the various charitable purposes detailed above. Grants and donations are awarded following receipt of an application form which is submitted to the Trustees to be considered for support.

PLANS FOR THE FUTURE

The Trusts plan to continue to manage resources to provide grants, loans, gifts and donations to applicants that satisfy their requirements.



Euan Jardine
Trustee

28 November 2024

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Charities Statement of Recommended Practices (FRS102).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended).

In preparing these financial statements, the Trustees are required to ensure that:

- there are appropriate systems of controls; financial and otherwise;
- suitable accounting policies are selected and applied consistently
- they make judgements and estimates that are reasonable and prudent
- proper accounting records are kept 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 and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

The Trustees 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.

The Trustees are also responsible for 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 trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's information/section on the Scottish Borders Council website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to the auditor

In so far as the Trustees are aware:

- there is no relevant information of which the auditor is unaware, and
- the Trustees have taken all the steps they ought to have taken to make themselves aware of all relevant audit information, and to establish that the auditor is aware of the information.



Euan Jardine
Trustee

28 November 2024

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 2024

Restated 2022/23 £		2023/24 £	Note
	Income from:		
(5,000)	Donations and legacies	(5,250)	2
(82,135)	Investments	(103,070)	2
(30)	Charitable activities	(30)	2
(87,165)	Total Income	(108,350)	
	Expenditure on:		
192,500	Raising funds	23,003	3
36,907	Charitable activities	49,297	3
5,000	Other: Governance Costs	5,250	3,4
234,407	Total Expenditure	77,550	
(245,814)	(Gains) on revaluation of fixed assets	(82,278)	6
102,715	Loss/(gain) on investment assets - unrealised	(70,682)	5
4,143	Net Income / Expenditure	(183,760)	
	Other Recognised Gains / Losses		
-	Recognition of Investments	-	
4,143	Net Movement in Funds	(183,760)	
	Reconciliation of Funds		
(2,297,964)	Total funds brought forward	(2,293,821)	10
(2,293,821)	Total Funds Carried Forward	(2,477,581)	10,11

The Notes to the Financial Statements on pages 11 to 26, form part of these Financial Statements.

BALANCE SHEET as at 31 March 2024

Restated as at 31 March 2023			as at 31 March 2024		Note
£	£		£	£	
583,314	1,919,949	Fixed Assets			
1,336,635		Tangible assets	642,589		6
		Investments	1,407,993		5
				2,050,582	
2,816	374,067	Current Assets			
371,251		Debtors	5,353		7
		Short term investment	421,878		8
		Total Current Assets		427,231	
	(195)	Current Liabilities			
		Creditors:			
		Amounts falling due within 1 year		(232)	9
	373,872	Net Current Assets		426,999	
	2,293,821	Total Net Assets		2,477,581	
		The Funds of the Charity			
(1,762,105)		Restricted income funds	(1,886,590)		10
(531,716)		Revaluation reserve	(590,991)		13
	(2,293,821)	Total Charity Funds		(2,477,581)	

All income and expenditure transactions derive from continuing activities.

The Notes to the Financial Statements on pages 11 to 26, form part of these Financial Statements.

The unaudited accounts were issued on 25 June 2024 and the audited accounts were authorised for issue on 28 November 2024

Suzanne Douglas CPFA
Director of Finance
28 November 2024

Suzanne Douglas


Euan Jardine
Trustee
28 November 2024

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with the 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 (FRS102) issued in October 2019, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK Generally Accepted Accounting Practice.

These financial statements have been prepared as connected charities on the basis that the Scottish Borders Council acts as sole Trustee for each charity. 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. These Trusts meet the definition of a public benefit entity under Charities SORP.

The financial statements have been prepared under the historical cost convention, modified by the revaluation of its investment assets, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements.

The financial statements are presented in sterling, which is the functional currency of the charity, and are rounded to the nearest £.

Going Concern Policy

The Trustees consider that there are no material uncertainties about the Trusts ability to continue as a going concern. Trustees have considered the impact of the current economic climate on the financial position and future performance of the charity. They regularly monitor income and expenditure streams and are satisfied that these, together with retained reserves, are sufficient to enable the Trusts to continue in operation. Trustees therefore continue to adopt the going concern basis of accounting.

Funds Structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include the designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Donations & Legacies

All donations and legacies are included within incoming resources under Restricted Income Funds. Both are brought into the financial statements at their market value to the charity.

Investment Income

Investment income is earned through holding assets for investment purposes and is included when the amount can be measured reliably. Interest income is recognised when receivable and upon notification of the interest paid or payable and dividend income is recognised as the Trusts right to receive payment is established.

Expenditure

Resources expended are analysed between charitable activities, costs of raising funds and governance costs. Charitable activities include all direct costs and other support costs.

Tangible Fixed Assets and Depreciation

Tangible fixed assets, with a value greater than £5,000, having a value to the business greater than one year, other than those acquired for the purpose of specific projects, are capitalised.

Land is held at current valuation and is not depreciated. All tangible fixed assets are subject to revaluation every five years. An interim revaluation has taken place in both 2022/23 and 2023/24 for Ormiston Institute. Depreciation is charged on all tangible fixed assets other than land at a rate which will reduce the current value of the asset to its residual value over the remaining effective life of the asset.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using closing quoted market price in accordance with the principles of the Charities SORP (FRS 102).

Unrealised gains and losses represent the difference between market value at the beginning and the end of the financial year, or if purchased in the year, the difference between cost and market value at the end of the financial year. Realised gains and losses represent the difference between the proceeds and cost.

All gains or losses are shown on the Statement of Financial Activities.

Short Term Investments

Short Term Investments are current asset investments which are disposable without curtailing or disrupting the business and are either convertible into known amounts of cash at or close to their carrying values. Short Term Investments comprise of call deposits with the Council.

Reserves

The revaluation reserve arises on the revaluation of an asset subsequent to its initial recognition.

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.

Correction of errors – prior year restatement

Following the completion of the 2022/23 Audit an error was identified, whereby an investment was being held and reported within SBC group non-registered charities and Trusts Accounts rather than the correct Trust Accounts. This prompted an internal review of all Trust investments which has clarified the ownership of shares held in JPMorgan Global Growth & Income plc. This investment, which was previously in Scottish Investment Trust plc and whose merger into JPMorgan Global Growth & Income plc completed on 1 September 2022, had previously been accounted for within SBC Group, non-registered charities and trusts Accounts with any dividend income received allocated to Scottish Borders Council Welfare Trust. Consequently, the investment assets, the charitable funds as detailed below and the related unrealised gain/(loss) on investment assets in Scottish Borders Charitable Trusts has been understated and the investment income in Scottish Borders Council Welfare Trust overstated. This has been corrected by restating each of the financial statement line items in the prior period. The following tables summarise the impact on the financial statements.

Scottish Borders Charitable Trusts

Balance Sheet at 31 March 2023	As previously reported £	Adjustments £	As restated £
Investment assets	556,085	48,225	604,310
Short term investments in SBC loan fund	130,159	1,128	131,287
	686,244	49,353	735,597

Charitable Funds at 31 March 2023	As previously reported £	Adjustments £	As restated £
Geoffrey Simpson Bequest	(61,259)	(49,353)	(110,612)
All other unaffected funds	(625,545)	-	(625,545)
	(686,804)	(49,353)	(736,157)

Statement of Financial Activities at 31 March 2023	As previously reported £	Adjustments £	As restated £
Investment Income	(34,887)	(1,128)	(36,015)
Loss/ gain on investment assets - unrealised	49,472	(48,225)	1,247
		49,353	

Scottish Borders Welfare Trust

Balance Sheet at 31 March 2023	As previously reported £	Adjustments £	As restated £
Short term investments in SBC loan fund	197,770	(1,128)	196,642
	197,770	(1,128)	196,642

Charitable Funds at 31 March 2023	As previously reported £	Adjustments £	As restated £
Tweeddale – A&B	(58,628)	1,128	(57,500)
All other unaffected funds	(697,201)	-	(697,201)
	(755,829)	1,128	(754,701)

Statement of Financial Activities at 31 March 2023	As previously reported £	Adjustments £	As restated £
Investment Income	(36,061)	1,128	(34,933)
	(36,061)	1,128	(34,933)

2 Analysis of income

	Donations	Bank Interest and rebate	Investment	Rental	2023/24 £
Charitable Trusts	(1,050)	(5,573)	(36,128)	-	(42,751)
Community Enhancement Trust	(1,050)	(1,896)	(10,633)	(30)	(13,609)
Education Trust	(1,050)	(188)	(636)	-	(1,874)
Ormiston Trust for Institute	(1,050)	(31)	(585)	-	(1,666)
Welfare Trust	(1,050)	(9,803)	(37,597)	-	(48,450)
	(5,250)	(17,491)	(85,579)	(30)	(108,350)

2 Analysis of income - restated

	Donations	Bank Interest and rebate	Investment	Rental	2022/23 £
Charitable Trusts	(1,000)	(2,301)	(33,714)	-	(37,015)
Community Enhancement Trust	(1,000)	(1,551)	(8,518)	(30)	(11,099)
Education Trust	(1,000)	(72)	(560)	-	(1,632)
Ormiston Trust for Institute	(1,000)	(19)	(467)	-	(1,486)
Welfare Trust	(1,000)	(3,949)	(30,984)	-	(35,933)
	(5,000)	(7,892)	(74,243)	(30)	(87,165)

3 Analysis of Expenditure

2022/2023 £		2023/2024 £
17,909	Charitable Trusts – Grants and contributions	14,317
4,805	Community Enhancement Trust – Grants and contributions	7,194
192,500	Ormiston Trust for Institute – Raising funds	23,003
486	Ormiston Trust for Institute – Grants and contributions	598
13,707	Welfare Trust – Grants and contributions	27,188
5,000	Other: Governance costs	5,250
234,407		77,550

4 Governance Costs

The fee for the external audit of the charity is charged against Scottish Borders Council General Fund and recharged to the SBC Charitable Funds equally, recognised under Governance Costs. This fee amounted to £5,250 in 2024 (2023: £5,000). A grant from SBC to cover the full cost is recognised under Donations and legacies. No Trustee remuneration or other expenses were incurred.

5 Investments

Restated At 31/3/23	Trusts	Realise Invests	Purc at cost	Net Gain/ (Loss) on Reval	At 31/3/24
£	£	£	£	£	£
604,310	Charitable Community	-	135	30,486	634,931
156,344	Enhancement	-	118	9,796	166,258
11,011	Education	-	4	412	11,427
8,636	Ormiston Institute	-	7	461	9,104
556,334	Welfare	-	412	29,527	586,273
1,336,635		-	676	70,682	1,407,993

All investments are through regulated funds or are traded on a recognised investment exchange.

6 Tangible Fixed Assets

The Ormiston Institute Trust has a fixed asset of the Ormiston Institute building and land at Greenyards in Melrose. An out of cycle revaluation of the building was carried out at 1 April 2021 and then further out of cycle revaluations were carried out at 31 March 2023 and 31 March 2024. The site is valued at £27,250.

The movement in the value of Tangible Fixed Assets has been driven by the following movements:

	Ormiston Trust Institute £	Greenyards Trust £	Total £
Opening Balance at 1 April 2022	411,000	119,000	530,000
Gain on revaluation of assets	245,814	-	245,814
Depreciation for year	(192,500)	-	(192,500)
Closing Balance at 31 March 2023	464,314	119,000	583,314
Gain on revaluation of assets	82,278	-	82,278
Depreciation for year	(23,003)	-	(23,003)
Closing Balance at 31 March 2024	523,589	119,000	642,589

7 Debtors

2022/2023 £		2023/2024 £
560	Charitable Trusts	1,064
490	Community Enhancement Trust	932
14	Education Trust	27
27	Ormiston Trust for Institute	51
1,725	Welfare Trust	3,279
2,816		5,353

All debtors are accrued investment income.

8 Short Term Investments in SBC Loans Fund

Restated 2022/2023 £		2023/2024 £
131,287	Charitable Trusts	158,031
38,739	Community Enhancement Trust	43,544
4,042	Education Trust	4,850
541	Ormiston Trust for Institute	565
196,642	Welfare Trust	214,888
371,251		421,878

All surplus cash is invested on behalf of the Trusts with Scottish Borders Council.

9 Creditors: amounts falling due within 1 year

2022/2023 £		2023/2024 £
(195)	Grants payable – Ormiston Trust for Institute	(232)
(195)		(232)

10 Trusts at Market Value: year ended 31 March 2024

Restated Total Funds b/f at 31/03/23	Trust Name	Income In year	Exp In year	Net (Gain)/Loss on Reval	Total Funds c/f at 31/03/24
£	£	£	£	£	£
(736,157)	Charitable Community Enhancement	(42,751)	15,367	(30,486)	(794,027)
(195,573)	Education	(13,609)	8,244	(9,796)	(210,734)
(15,067)	Ormiston Institute	(1,874)	1,050	(412)	(16,303)
(592,323)	Welfare	(1,666)	24,651	(82,739)	(652,077)
(754,701)		(48,450)	28,238	(29,527)	(804,440)
(2,293,821)		(108,350)	77,550	(152,960)	(2,477,581)

Trusts at Market Value: year ended 31 March 2023

Total Funds b/f at 31/03/22	Trust Name	Restated Income In year	Exp In year	Restated Net (Gain)/Loss on Reval	Restated Total Funds c/f at 31/03/23
£	£	£	£	£	£
(719,298)	Charitable Community Enhancement	(37,015)	18,909	1,247	(736,157)
(212,148)	Education	(11,099)	5,805	21,869	(195,573)
(15,483)	Ormiston Institute	(1,632)	1,000	1,048	(15,067)
(540,217)	Welfare	(1,486)	193,986	(244,606)	(592,323)
(810,818)		(35,933)	14,707	77,343	(754,701)
(2,297,964)		(87,165)	234,407	(143,099)	(2,293,821)

11 Trusts at Market Value: year ended 31 March 2024

Trust Name	Fixed Assets £	Interco With SBC £	Debtors £	Amounts owed £	Investments £	Trusts Market Value £	Restricted Income fund £	Reval Reserve £	Total Trusts Funds £
Charitable Community Enhancement Education Ormiston Institute Welfare	-	158,031	1,064	-	634,932	794,027	(794,027)	-	(794,027)
	-	43,544	932	-	166,258	210,734	(210,734)	-	(210,734)
	-	4,850	27	-	11,426	16,303	(16,303)	-	(16,303)
	642,589	565	51	(232)	9,104	652,077	(61,086)	(590,991)	(652,077)
	-	214,888	3,279	-	586,273	804,440	(804,440)	-	(804,440)
	642,589	421,878	5,353	(232)	1,407,993	2,477,581	(1,886,590)	(595,345)	(2,477,581)

Trusts at Market Value: year ended 31 March 2023

Trust Name	Fixed Assets	Restated Interco	Debtors	Amounts owed	Restated Investments	Restated Trusts Market Value	Restated Restricted Income fund	Reval Reserve	Restated Total Trusts Funds
	£	£	£	£	£	£	£	£	£
Charitable Community Enhancement	-	131,287	560	-	604,310	736,157	(736,157)	-	(736,157)
Education	-	38,739	490	-	156,344	195,573	(195,573)	-	(195,573)
Ormiston Institute	-	4,042	14	-	11,011	15,067	(15,067)	-	(15,067)
Welfare	583,314	541	27	(195)	8,636	592,323	(60,607)	(531,716)	(592,323)
	-	196,642	1,725	-	556,334	754,701	(754,701)	-	(754,701)
	583,314	371,251	2,816	(195)	1,336,635	2,293,821	(1,886,590)	(531,716)	(2,293,821)

12 Restricted Income Funds

Charitable Trusts

Restated 2022/23 Balance £	Fund	Income £	Expenditure £	Unrealised (Gain)/Loss £	2023/24 Balance £
(2,855)	Andrew, Agnes & John Kyle	(156)	4	(77)	(3,084)
(22,128)	Berwickshire Educational Trust	(1,196)	430	(607)	(23,501)
(631)	C W Dunnet Award	(36)	32	(26)	(661)
(2,023)	Campbell Calderhead Prize	(112)	3	(53)	(2,185)
(7,184)	Col. Jem Richard Prize Fund	(394)	520	(193)	(7,251)
(2,830)	Coldstream Guards Prize	(157)	104	(81)	(2,964)
(3,240)	Dr Milne Memorial Fund	(182)	4	(88)	(3,506)
(110,612)	Geoffrey Simpson Bequest	(4,727)	4,551	(12,572)	(123,360)
(1,501)	Hans D Langmack Prize Fund	(84)	57	(45)	(1,573)
(6,289)	J Purves Bequest	(354)	254	(207)	(6,596)
(24,804)	J A S Henderson Memorial Scholarship	(3,188)	1,078	(639)	(27,553)
(2,661)	James Robertson Trust	(148)	4	(70)	(2,875)
(3,347)	Jane Grieve Endowment	(187)	4	(89)	(3,619)
(4,144)	Jean Kincaid Grieve Endowment	(233)	6	(112)	(4,483)
(1,707)	Jedburgh Public Library Fund	(109)	3	(64)	(1,877)
(1,482)	John Jamieson Prize Fund	(82)	108	(41)	(1,497)
(694)	Kelso Library Book Fund	(45)	1	(26)	(764)
(1,549)	Kennedy Medal Fund	(86)	2	(41)	(1,674)
(1,868)	Kenneth Cochrane Library Fund	(120)	3	(70)	(2,055)
(12,242)	F W Dobson VC	(690)	474	(385)	(12,843)
(2,379)	Mary Dickson Prize Fund	(132)	3	(64)	(2,572)
(1,733)	Mr & Mrs W F Johnstone Fund	(99)	2	(49)	(1,879)
(2,205)	Mrs Clelland Memorial Prize	(124)	3	(60)	(2,386)
(8,065)	Murray Medal Fund	(449)	11	(220)	(8,723)
(294)	Peebles Public Library	(19)	-	(12)	(325)
(78,809)	Peeblesshire Educational Trust	(4,314)	509	(2,298)	(84,912)

(362,373)	Roxburghshire Educational Trust	(19,768)	3,726	(10,075)	(388,490)
(3,259)	Special Air Service Reg. Fund	(183)	123	(97)	(3,416)
(4,004)	Selkirk Library Fund	(257)	6	(151)	(4,406)
(40,305)	Selkirkshire Educational Trust	(2,193)	1,586	(1,254)	(42,166)
(16,120)	Sir Walter Leitch Scholarship	(2,771)	1,567	(642)	(17,966)
(2,820)	Walter Geddes Prize Fund	(156)	189	(78)	(2,865)
(736,157)		(42,751)	15,367	(30,486)	(794,027)

Community Enhancement Trust

The funds held with the Charity are restricted by area, purpose or both.

The restrictions for each are shown in the table below. The purpose of these funds are:

- a) Advancement of community development
- b) The advancement of the arts, heritage, culture or science, including the upkeep of heritage assets
- c) The provision of recreational facilities, or the organisation of recreational activities are primarily intended, or
- d) Advancement of environmental protection or improvement

2022/23 Balance	Restricted by Area	Restricted by Purpose	Income	Expenditure	Unrealised (Gain) / Loss	2023/24 Balance
£			£	£	£	£
(1,816)	Cheviot	Allerley Well Park	(124)	10	(68)	(1,998)
(1,637)	Borders Wide	b	(109)	77	(63)	(1,732)
(21,532)	Hawick, Denholm & Hermitage	b	(1,451)	1,053	(859)	(22,789)
(35,317)	Mid & East Berwickshire	b	(2,527)	1,962	(1,675)	(37,557)
(8,196)	Hawick, Denholm & Hermitage	b&d	(540)	362	(293)	(8,667)
(15,833)	Berwickshire	Unrestricted	(1,082)	297	(618)	(17,236)

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(586)	Berwickshire	Henderson Park & War Memorial	(41)	3	(26)	(650)
(1,683)	Selkirk	Unrestricted	(118)	10	(72)	(1,863)
(17,718)	Earlston	Unrestricted	(1,219)	95	(709)	(19,551)
(1,205)	Earlston	b	(93)	7	(586)	(1,877)
(8,257)	Galashiels & District	b	(573)	44	(345)	(9,131)
(475)	Hawick, Denholm & Hermitage	c	(33)	2	(19)	(525)
(21,332)	Hawick, Denholm & Hermitage	Unrestricted	(1,503)	1,205	(1,879)	(23,509)
(239)	Hawick Denholm	b	(16)	13	(10)	(252)
(428)	Hawick & Hermitage	b	(29)	24	(19)	(452)
(1,864)	Jedburgh & District	b	(127)	9	(73)	(2,055)
(920)	Kelso & District	b	(64)	5	(38)	(1,017)
(1,629)	Melrose	b	(114)	9	(68)	(1,802)
(11,642)	Selkirk & District	b	(797)	438	(487)	(12,488)
(3,493)	Selkirkshire	b	(233)	103	(40)	(3,663)
(6,425)	Tweeddale	b	(433)	634	(275)	(6,499)
(379)	Berwickshire	c	(26)	19	(15)	(401)
(32,967)	Lauder & District	b	(2,357)	1,863	(1,559)	(35,020)
(195,573)			(13,609)	8,244	(9,796)	(210,734)

Education Trust

2022/23 Balance	Restricted by Area	Income	Expenditure	Unrealised (Gain)/Loss	2023/24 Balance
£	£	£	£	£	£
(5,235)	Borders Wide	(642)	360	(143)	(5,660)
(9,832)	Peeblesshire	(1,232)	690	(269)	(10,643)
(15,067)		(1,874)	1,050	(412)	(16,303)

Ormiston Trust for Institute

2022/23 Balance £	Trust Fund £	Income £	Expenditure £	Unrealised (Gain)/Loss £	2023/24 Balance £
(55,320)	Ormiston Trust Institute	(716)	693	(178)	(55,521)
(5,287)	Greenyards Trust	(950)	955	(283)	(5,565)
(60,607)		(1,666)	1,648	(461)	(61,086)

Welfare Trust

The funds held with the Charity are restricted by area, purpose or both.

The restrictions for each are shown in the table below. The purpose of these funds are:

- a) The prevention or relief of poverty
- b) The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage or
- c) The advancement of health, including the advancement of education in health

Restated 2022/23 Balance £	Restricted by Area £	Restricted by Purpose	Income £	Expenditure £	Unrealised (Gain)/Loss £	2023/24 Balance £
(235,294)	Berwickshire	a&b	(15,057)	10,972	(9,016)	(248,395)
(128,142)	Galashiels & District	a&b	(8,409)	5,880	(5,552)	(136,223)
(22,504)	Hawick, Denholm & Hermitage	a&b	(1,426)	750	(896)	(24,076)
(44,543)	Jedburgh & District	a&b	(2,876)	342	(1,747)	(48,824)
(9,310)	Leaderdale & Melrose	a&b	(601)	416	(365)	(9,860)
(7,656)	Tweeddale East & West	a&b	(477)	11	(103)	(8,225)
(814)	Tweeddale East & West	Unrestrict'd	(52)	1	(31)	(896)

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(60,072)	Mid & East Berwickshire	a&b	(3,839)	83	(2,247)	(66,075)
(27,531)	Hawick & Hermitage	c	(1,742)	1,217	(1,077)	(29,133)
(620)	Hawick & Hermitage	a&b	(38)	-	(23)	(681)
(7,591)	Hawick Denholm	a&b	(468)	214	(289)	(8,134)
(29,523)	Jedburgh & District	c	(1,792)	39	(1,215)	(32,491)
(7,102)	Kelso & District	a&b	(462)	341	(290)	(7,513)
(91,444)	Selkirkshire	a&b	(5,900)	3,130	(3,576)	(97,790)
(16,490)	Lauder	a&b	(1,079)	804	(687)	(17,452)
(8,217)	Melrose & District	a&b	(528)	148	(314)	(8,911)
(57,500)	Tweeddale	a&b	(3,682)	3,890	(2,086)	(59,378)
(348)	Bowden	a&b	(22)	-	(13)	(383)
(754,701)			(48,450)	28,238	(29,527)	(804,440)

13 Revaluation reserve

The movement in the value of the revaluation reserve has been driven by the following movements:

	Ormiston Trust Institute £	Greenyards Trust £	Total £
Opening Balance at 1 April 2022	(359,402)	(119,000)	(478,402)
Gain on revaluation of assets	(245,814)	-	(245,814)
Depreciation for year	192,500	-	192,500
Closing Balance at 31 March 2023	(412,716)	(119,000)	(531,716)
Gain on revaluation of assets	(82,278)	-	(82,278)
Depreciation for year	23,003	-	23,003
Closing Balance at 31 March 2024	(471,991)	(119,000)	(590,991)

14 Related Party Transactions

Due to the nature of the operations and composition of the all the Charitable Trusts (Trustees are comprised of Elected Council Members of Scottish Borders Council), Scottish Borders Council is registered as a related party. Transactions with Scottish Borders Council for the year under review are listed below:

2022/23 Balance £		2023/24 Balance £
(2,119)	Interest received on funds invested in SBC Loans Fund – Charitable Trusts	(5,392)
(626)	Interest received on funds invested in SBC Loans Fund – Community Enhancement Trust	(1,738)
(67)	Interest received on funds invested in SBC Loans Fund – Education Trust	(184)
(10)	Interest received on funds invested in SBC Loans Fund – Ormiston Trust for Institute	(23)
(3,388)	Interest received on funds invested in SBC Loans Fund – Welfare Trust	(9,247)
(6,210)	Total	(16,584)

INDEPENDENT AUDITOR'S REPORT

to the Trustees of Scottish Borders Council Charitable Funds and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Scottish Borders Council Charitable Funds for the year ended 31 March 2024 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 notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the charities as at 31 March 2024 and of their 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.

Basis for opinion

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

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charities' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of the Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charities' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to discontinue the charities' operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Other information

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

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

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

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

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Charities SORP (FRS 102).

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.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Stephanie Harold

Stephanie Harold CA
Senior Audit Manager
28 November 2024

Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Stephanie Harold is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

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Contact us at Suzy Douglas, Director of Finance, Financial Services,
Council Headquarters, Newtown St Boswells Melrose TD6 0SA
Tel: 01835 825881 Fax: 01835 825011 or email: sdouglas@scotborders.gov.uk