
**CHARITY AND TRUST FUNDS – ESTIMATED AMOUNTS AVAILABLE FOR
DISTRIBUTION 2014-15**

1 SUMMARY

- 1.1 This report sets out the estimated funding available and proposals on the distribution of that funding for the charities and trust funds in the Helensburgh and Lomond area for 2014-15.

2 RECOMMENDATION

- 2.1 To note the information provided on the value of charities and trust funds, the annual income and the amount proposed for distribution.
- 2.2 To approve the proposed approach to distribution as set out in paragraph 3.5 and in Appendix 1.
- 2.3 To agree the policy on reserves for each charity and trust fund as set out in paragraph 3.7

3 DETAIL

- 3.1 It is good practice to set out the estimated amount of income available for distribution in relation to the Council's charitable and trust funds. Appendix 1 sets out the estimated income available for distribution for charities and trust funds in the Helensburgh and Lomond area for 2014-15. The Appendix also sets out the purpose of each charity and trust fund and proposals on distribution of available income. Paragraph 3.3 sets out the purpose of each charity and trust fund which sets the parameters for distribution of income. The proposed approach to distribution is summarised in paragraph 3.5. Finally paragraph 3.7 sets out a standard policy for adoption in relation to reserves.
- 3.2 Charitable and trust funds are either invested or deposited in the Council's Loans Fund and in both cases earn interest. In some cases the approach is a result of historic investment when the funds were created or simply recognition that the funds are too small to do anything with other than deposit them in the Council's Loans Fund. The Council agreed in October 2013 and January 2014 to change the basis of how these funds are invested and this is in the process of being implemented now. The key element in determining the amount of income is the value of the fund and the rate of interest earned. Interest rates have been exceptionally low for the last few years. In the main there no administration costs are charged to these funds although from 2014-15 each charity (not trust fund) will need to bear a share of the audit fee as a

result of the Council external auditors now being required to audit these. Where interest earned in previous has not been spent this is added to the value of the funds to earn interest and it can also be distributed. It is good practice to set out a policy in respect of these reserves.

- 3.3 There are a total of 3 charities and 5 trust funds in the Helensburgh and Lomond area. The table below sets out the names and purpose of each charity and trust fund. The purpose sets the conditions or limitation on use of the funds and any income earned.

Name of Charity	Purpose of Charity
Kidston Park Trust	Park/Recreation ground for Helensburgh and Cairndow.
Annie Dickson Burgh Bequest	Relief of distress in Helensburgh.
Logie Baird Prize Fund	Advancement of Education at Hermitage Academy.

Name of Trust Fund	Purpose of Trust
Helensburgh and Faslane Cemeteries Fund	Upkeep of graves in District cemeteries.
Ballyhennan Churchyard	Upkeep of Churchyard.
Clydesdale Air Raid Distress Fund	Relief of distress in Helensburgh.
Sundry Bequests – Former Dumbarton Cemeteries	Upkeep of graves in District cemeteries.
Social Work Loudon Bequest	Holiday fund for the elderly.

- 3.4 Appendix 1 sets out the following information on each charity and trust fund.
- Name of the charity or trust fund.
 - Purpose of the charity or trust fund.
 - The capital or restricted value of the charity or trust fund.
 - Unrestricted funds or revenue reserves –this is accumulated unspent income that can be distributed and for which there should be a reserves policy.
 - Total value of both restricted and unrestricted funds – this is the amount that is invested/deposited to earn income.
 - Estimated income - the amount of income it is estimated each charity or trust funds will earn for 2014-15.
 - Estimated audit fees – this is the allocation of the charities audit fee to each charitable fund.
 - Proposed use of revenue reserves – the amount of unrestricted or revenue reserves it is proposed to make available for distribution in 2014-15.
 - Proposed amount for distribution – the total amount available for distribution in 2014-15.
 - Distribution proposal – how it is proposed to distribute the income in 2014-15.
 - Reserves policy – A narrative setting out the proposed reserves policy.

3.5 Appendix 1 has been grouped to bring charities and trust funds which have a similar purpose together. This allows members to consider the distribution of all funds with a similar purpose together. In summary the proposals on distribution are as follows:

- Cemetery Funds - The amount available for distribution is transferred to Roads and Amenity Services. Roads and Amenity Services to provide a statement setting out expenditure in each cemetery.
- School Prizes - The amounts available for distribution are paid to the relevant school funds with the school producing a statement showing how the money has been used.
- Poor Funds - The amount proposed for distribution for poor funds in each specific area will be pooled and a set number of beneficiaries provided with a voucher at a level that utilises the funding available. See para 3.6 for more detail.
- Library Funds - The amount available for distribution is transferred to Community and Culture who present a statement setting out how the funds have been used.
- Other Funds - Specific proposals are set out in Appendix 1.

3.6 The proposals for distribution of poor funds are as follows:

Helensburgh	Proposed Amount for Distribution 14/15
Miss Annie Dickson Burgh Bequest	£24
Total	£24

Local members to identify people who meet the criteria of poor and the sums available for distribution will be allocated on an equal basis and paid by voucher.

3.7 Each charity and trust fund should have a reserves policy. In the past funds (reserves) have been built up. There is a balance to be achieved between distributing all of these available funds over a short period of time and maintaining overall funds at a level to ensure future income is maintained. It is proposed that the revenue reserves of each fund are distributed at the rate of 1/20th so that over a 20 year period the revenue reserves are utilised.

4 CONCLUSION

This report sets out the estimated income for each charitable and trust fund and a proposed basis of distribution.

5 IMPLICATIONS

- 5.1 Legal – Proposes proper use of charity and trust funds
- 5.2 Policy - Sets proposed approach to distribution
- 5.3 Finance – Proposals for use of income set out in report.
- 5.4 Human Resources - None
- 5.5 Equalities - None
- 5.6 Risk - None
- 5.7 Customer Service - None

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