

MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

Registered Charity Number SC021095

ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021



East Ayrshire Council
Comhairle Siorrachd Àir an Ear

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MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

REGISTERED CHARITY NUMBER SC021095

TRUSTEES ANNUAL REPORT YEAR ENDED 31 MARCH 2021

Trustees

Councillors Elena Whitham, George Mair and Sally Cogley.

Charity's Principal Address

c/o East Ayrshire Council
Council Headquarters
London Road
Kilmarnock
KA3 7BU

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Miss Annie Smith Mair Newmilns Trust Fund: Supplemental Deed of Trust

Appointment of Trustees

Trustees were appointed by East Ayrshire Council, as successor to the Provost, Magistrates and Councillor of the Burgh of Newmilns and Greenholm.

Organisational Structure

The Trustees meet as and when required throughout the year to consider applications for funding and any other business. The Trustees are supported in the day to day administration of the Charity by officers of the Council.

Related Parties

The Trustees hold their positions because they are elected members of East Ayrshire Council.

Risk Management

The Chief Financial Officer and Head of Finance & ICT of East Ayrshire Council has considered and taken steps to address any risks to which the Charity may be exposed, in particular those related to its operation and finances, and Trustees are satisfied that systems are in place to mitigate exposure to risks.

Management of Funds and Investment Policy

The Trustees rely upon the expertise of East Ayrshire Council to manage the investments to ensure the maximum return at least risk to the Charity. In this way, the income stream for the future benefit of the Charity is protected.

The funds of the Charity are deposited with East Ayrshire Council. The interest received is shown in the Statement of Receipts and Payments.

OBJECTIVES AND ACTIVITIES

Assistance for persons of good character, natives of or residents in Newmilns and Greenholm who, through age, bereavement, ill health or similar misfortune are in need of financial assistance.

FINANCIAL REVIEW

Overview

Income during 2020/21 came from interest from deposits with East Ayrshire Council of £60.75 (2019/20: £241.58). The Charity held cash and bank of £33,732.81 as at 31 March 2021 (2019/20 £34,582.52).

Grants and donations expenditure for the year totalled £764.00 (2019/20 £2,381.40).

At the end of the financial year the Fund had a final balance of £33,732.81 (2019/20 £34,582.52)

Reserves Policy

The Charity has no explicit reserves policy and the entire fund is available for disbursement under the objects of the Charity in the Supplemental Deed.

FUTURE PLANS

The Charity will continue to promote its activity and to consider applications submitted by individuals who meet the criteria.

ACHIEVEMENTS AND PERFORMANCE

Due to the pandemic there were no physical meetings of the Charity within the year although online communication took place to consider applications for funding. The Charity expended £764.00 on awards to individuals under the above purpose (2019/20 £2,381.40).

DECLARATION

Approved by Trustees and Signed on Their Behalf

.....
Signed

.....
Name (Print)

30 September 2021

MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

RECEIPTS & PAYMENTS ACCOUNT

YEAR ENDED 31 MARCH 2021

	Note	2020-21 £	2019-20 £
RECEIPTS			
Income From Investments Other Than Land and Buildings		60.75	241.58
Total Receipts		<u>60.75</u>	<u>241.58</u>
PAYMENTS			
Grants and Donations	5	764.00	2,381.40
Governance Costs	6	146.46	0.00
Total Payments		<u>910.46</u>	<u>2,381.40</u>
Deficit For The Year		<u>(849.71)</u>	<u>(2,139.82)</u>

NOTE – All Funds are Unrestricted.

MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

STATEMENT OF BALANCES

YEAR ENDED 31 MARCH 2021

	Note	2020-21 £	2019-20 £
CASH FUNDS			
Cash and Bank Balances at Start of Year		34,582.52	36,722.34
Deficit Shown on Receipts and Payments Account		(849.71)	(2,139.82)
Cash and Bank Balances at End of Year	7	<u>33,732.81</u>	<u>34,582.52</u>

NOTE – All Funds are Unrestricted.

AUTHORISED FOR ISSUE

The unaudited accounts were issued on 24 June 2021 and the audited accounts were authorised for issue on 30 September 2021.

Approved by Trustees and Signed on Their Behalf

.....
Signed

.....
Name (Print)
30 September 2021

MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1. Basis of Accounting

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

2. Fund Accounting

Unrestricted funds are those that may be used at the discretion of the Trustees in furtherance of the objectives of the Charity.

3. Taxation

The Charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the expense to which it relates.

4. Trustee Remuneration, Expenses and Related Party Transactions

No remuneration or expenses were paid to the Charity Trustees or persons connected to a Trustee during the year (2019/20: Nil).

The Trust received interest of £60.75 from East Ayrshire Council in 2020/21 (2019/20: £241.58) and all transactions incoming and outgoing are made via the Council's bank accounts as highlighted in note 7.

5. Grants and Donations

	Number	2020-21 £	Number	2019-20 £
Total Payments	2	764.00	7	2,381.40

6. Governance Costs

These consist of payments in respect of audit services received in 2019/20.

7. Cash and Bank Balances

During the year the Charity's balances were held by East Ayrshire Council, which manages the administration of the funds on behalf of the Trustees. The Council also acts as the banker for the Charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand. Interest is payable on balances.

8. Administration Fee

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

MISS ANNIE SMITH MAIR NEWMILNS TRUST FUND

Independent auditor's report to the trustees of East Ayrshire Council Charitable Trusts and the Accounts Commission

Report on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the statement of accounts of Miss Annie Smith Mair Newmilns Trust Fund for the year ended 31 March 2021 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 Receipts and Payments Account, the Statement of Balances and notes to the Accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In our opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2021 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our 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. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the trustees for the financial statements

The trustees are responsible for the preparation of financial statements which properly present the receipts and payments of the charity, 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.

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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.

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 our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

- considering the nature of the charity's control environment and reviewing the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired with management and those charged with governance about their own identification and assessment of the risks of irregularities;
- obtaining an understanding of the applicable legal and regulatory framework and how the charity is complying with that framework;
- identifying which laws and regulations are significant in the context of the charity;
- assessing 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.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These included the Scottish Charity Regulator (OSCR) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of the performing the above, we identified the greatest potential for fraud was in relation to the grant payments. The risk is that grants are paid to external bodies by the charity that do not satisfy the charity's objectives. In response to this risk, we tested a sample of grant payments made in the year to confirm that they have been made in accordance with the charity's objectives.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and internal legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's 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.

Reporting on other requirements

Statutory other information

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

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

Our opinion on the financial statements does not cover the statutory other information and we do not express any form of assurance conclusion thereon except to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

Opinion prescribed by the Accounts Commission

In our 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 Accounts (Scotland) Regulations 2006.

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.

Use of our 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 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

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

30 September 2021

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