

**Aberdeen City Council  
Lands of Torry Trust**

Annual Report and Financial Statements

For the year ended  
31 March 2014

Registered Number:  
SC021299



**Trustees Annual Report 2013/14 – Lands of Torry  
Registered Charitable Number SC021299**

This report relates to the Lands of Torry, a trust administered by Aberdeen City Council. It is a charitable trust with the registration number SC021299.

**Reference and administration details**

The principal address for this trust is Aberdeen City Council, Town House, Broad Street, Aberdeen AB10 1AH.

The Secretary of this Trust is Jane MacEachran, Head of Legal & Democratic Services, Aberdeen City Council and the Treasurer is Steven Whyte, Head of Finance, Aberdeen City Council.

The Trustees are the Councillors of Aberdeen City Council, and are as follows:-

|   |                              |
|---|------------------------------|
| Lord Provost George Adam<br>(chairperson) | Councillor Muriel Jaffrey    |
| Councillor Yvonne Allan                   | Councillor James Kiddie      |
| Councillor Kirsty Blackman                | Councillor Jenny Laing       |
| Councillor Marie Boulton                  | Councillor Graeme Lawrence   |
| Councillor David Cameron                  | Councillor Neil MacGregor    |
| Councillor Scott Carle                    | Councillor M. Tauqeer Malik  |
| Councillor Neil Cooney                    | Councillor Aileen Malone     |
| Councillor John Corall                    | Councillor Andrew May        |
| Councillor Bill Cormie                    | Councillor Callum McCaig     |
| Councillor Barney Crockett                | Councillor Ramsay Milne      |
| Councillor Steve Delaney                  | Councillor Jean Morrison MBE |
| Councillor Graham Dickson                 | Councillor Nathan Morrison   |
| Councillor Alan Donnelly                  | Councillor Jim Noble         |
| Councillor Jackie Dunbar                  | Councillor John Reynolds     |
| Councillor Lesley Dunbar                  | Councillor Gill Samarai      |
| Councillor Andrew Finlayson               | Councillor Jennifer Stewart  |
| Councillor Fraser Forsyth                 | Councillor Sandy Stuart      |
| Councillor Gordon Graham                  | Councillor Angela Taylor     |
| Councillor Ross Grant                     | Councillor Ross Thomson      |
| Councillor Martin Greig                   | Councillor Gordon Townson    |
| Councillor Len Ironside CBE               | Councillor Willie Young      |
|   | Councillor Ian Yuill         |

All Trustees have served for the whole of the financial year to 31 March 2014.

The Auditor is Stephen Boyle, Assistant Director, Audit Scotland, 4<sup>th</sup> Floor South Suite, 8 Nelson Mandela Place, Glasgow G2 1BT.

## **Structure, governance and management**

The governing document is unavailable due to the venerable nature of the trust.

The trustees are elected in the course of the Local Authority elections and new members are supplied with training as part of their induction process.

The positions of Secretary and Treasurer are filled by professionally qualified officers of Aberdeen City Council.

## **Report of the trustees for the year ended 31 March 2014**

The trustees submit their annual report and financial statements for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

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

The Lands of Torry is administered by Aberdeen City Council's Corporate Governance Directorate with primary responsibility falling to the Corporate Governance accounting team. Trustees receive an annual report covering the activities of the Trust.

### **Statement of the Trustees' Responsibilities in Respect of the Accounts**

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources of the charity for that period. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the 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.

## **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the finances and assets of the Trust, and are satisfied that systems are in place to mitigate exposure to those risks.

## **Objectives and Activities**

The Lands of Torry goes back to at least 1704 when they were purchased on behalf of certain accounts.

The free revenue from the Lands of Torry is split between the following:

Duncan Liddel's Mortification – Professor of Mathematics - 25%

Duncan Liddel's Mortification – Library of College - 2%

James Cargill's Mortification – Bursary Fund – 10%

Patrick Coplands Mortification – Professor of Divinity – 12%

Common Good Fund – 51%

In general the charity's activities are limited to the accrual of income from investments, which are remitted to appropriate organisations for further disbursement or use as appropriate.

The Governance Costs are allocated in proportion to the value of the sums invested with the Council.

## **Achievements and Performance**

The charity's incoming resources were fully expended in the year in accordance with the objectives and activities outlined above.

## **Trustee's induction and training**


Councillors are provided with training on trustee duties as part of their councillor induction

## Financial Review and Reserves Policy

The accounts for the year show gross expenditure and income of £127,376 (2013 - £128,638). The free revenue for the year amounted to £125,897 (2013 - £127,077) which is split over the five accounts listed above

As at 31 March 2014 the Trust's financial position shows reserves of £2,029,081 (2013 - £1,940,081) are held split between the five funds in proportion to the investments they have made.

Signed on behalf of the charity on 30 September 2014.

..... Trustee

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2014**

| Charity name                                     | Lands of Torry |                            |
|--|----------------|----------------------------|
| Charity number                                   | SC021299       |                            |
|  | 2013/14        | 2012/13                    |
|  | £              | £                          |
|  | <u>Note</u>    |                            |
| <b>Incoming Resources</b>                        |                |                            |
| Investment Income                                | 3              | 251 323                    |
| Rent from Land & Buildings                       | 4              | 127,125 128,315            |
| Total Incoming Resources                         |                | <u>127,376 128,638</u>     |
| <b>Resources expended</b>                        |                |                            |
| Charitable Activities                            | 5              | 125,897 127,077            |
| Governance Costs                                 | 6              | 1,479 1,561                |
| Total Resources expended                         |                | <u>127,376 128,638</u>     |
| Net incoming/outgoing resources before transfers |                | - -                        |
| <b>Other recognised gains/losses</b>             |                |                            |
| Gains/losses on investment assets                |                | 89,000 13,000              |
| Net movement in funds                            |                | <u>89,000 13,000</u>       |
| <b>Reconciliation of Funds</b>                   |                |                            |
| Total funds brought forward                      |                | <u>1,940,081 1,927,081</u> |
| Total Funds carried forward                      |                | <u>2,029,081 1,940,081</u> |




**BALANCE SHEET AS AT 31 MARCH**

|   |             |                  |                  |
|---|-------------|------------------|------------------|
| Charity name  |             | Lands of Torry   |                  |
| Charity number  |             | SC021299         |                  |
|   |             | 2014             | 2013             |
|   |             | £                | £                |
| <b>Fixed Assets</b>   | <b>Note</b> |                  |                  |
| Tangible Assets   | 8           | 2,004,000        | 1,915,000        |
| Total Fixed Assets  |             | <u>2,004,000</u> | <u>1,915,000</u> |
| <b>Current Assets</b>                                       |             |                  |                  |
| Stocks and work-in-progress                                 |             |                  |                  |
| Debtors   | 9           | 40,718           | 40,718           |
| Total Current Assets  |             | <u>40,718</u>    | <u>40,718</u>    |
| <b>Liabilities</b>  |             |                  |                  |
| Creditors: Amounts falling due within one year              | 10          | (15,637)         | (15,637)         |
| Net current assets or liabilities                           |             | <u>25,081</u>    | <u>25,081</u>    |
| <b>Net assets</b>   |             | <u>2,029,081</u> | <u>1,940,081</u> |
| <b>The funds of the charity</b>                             |             |                  |                  |
| Designated funds:   |             |                  |                  |
| Dr Duncan Liddel's Mortification - Professor of Mathematics |             | 511,166          | 488,745          |
| Dr Duncan Liddel's Mortification - Library of College       |             | 25,566           | 24,445           |
| James Cargill Mortification - Bursary Fund                  |             | 208,265          | 199,130          |
| Patrick Copland's Mortification - Professor of Divinity     |             | 249,902          | 238,940          |
| Common Good Fund  |             | 1,034,182        | 988,821          |
| <b>Total Charity Funds</b>                                  |             | <u>2,029,081</u> | <u>1,940,081</u> |

These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The property portfolio was valued internally by Stephen Booth, BSc MRICS and Neil Strachan, BLE MRICS who are RICS Registered Valuers, in accordance with the Statement of Assets Valuation Practice and Guidance Notes of the Royal Institute of Chartered Surveyors (RICS).

The Statement of Financial Activities, Balance Sheet and related notes were approved and authorised for issue by the Trustees on 30 September 2014 and signed by:

..... Trustee

## **NOTES TO THE ACCOUNTS AS AT 31 MARCH 2014**

Charity Name – Lands of Torry

Charity Number – SC021299

### **1 - Accounting Policies**

#### **Accounting Convention**

The accounts are prepared under the historical cost convention, with the exception of certain fixed assets which are included at market value.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) issued in March 2005, and comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **Going Concern**

The accounts have been prepared under the going concern concept on the basis that Trustees have considered it and are satisfied that the going concern concept is appropriate.

#### **Recognition of Revenue and Expenditure**

All income and expenditure due to be paid or received in respect of the year ended 31 March 2014 has been provided for within these accounts.

#### **Incoming Resources**

Incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All incoming resources are in relation to unrestricted funds.

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable.

#### **Resources Expended**

Liabilities are recognised when the charity has an obligation to make payment to a third party.

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any irrecoverable VAT.

## **NOTES TO THE ACCOUNTS AS AT 31 MARCH 2014**

Charity Name – Lands of Torry

Charity Number – SC021299

### **1 - Accounting Policies (cont'd)**

#### **Resources Expended (cont'd)**

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical. Other expenditure is allocated on a pro-rata basis on the basis of the time spent on activities.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### **Funds**

Unrestricted funds include incoming resources receivable or generated for the objects of the charity without specified purpose and are available as general funds. These funds can be used in accordance with the charitable objects at the discretion of the Trustees.

#### **Taxation**

The charity is recognised by HM Revenue and Customs as a charity and as a consequence of the tax reliefs' available, income is not liable to taxation.

#### **Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### **Interest and Management Charges**

Interest and Management Charges are not treated as Debtors/Creditors but are treated as adjustments within the balances held by the Aberdeen City Council Loans Fund.

Interest is applied to the charity accounts gross of income tax based on an annual interest rate received from banks on funds invested by Aberdeen City Council on behalf of the charity during the year.

Management charges are 1% of the loans fund held at the start of the year where the balance is over £500.

## NOTES TO THE ACCOUNTS AS AT 31 MARCH 2014

Charity Name – Lands of Torry

Charity Number – SC021299

|  | 2014<br>£      | 2013<br>£      |
|--|----------------|----------------|
| <b>2 AUDIT FEES</b>                                    |                |                |
| Audit fee  | 1365           | -              |
| Independent Examiners Fee                              | -              | 350            |
|  | <u>1365</u>    | <u>350</u>     |
| <b>3 INVESTMENT INCOME</b>                             |                |                |
| Interest receivable                                    | <u>251</u>     | <u>323</u>     |
| <b>4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b> |                |                |
| Rent from land and buildings                           | <u>127,125</u> | <u>128,315</u> |
| <b>5 CHARITABLE ACTIVITIES</b>                         |                |                |
| Charitable Activities                                  | <u>125,897</u> | <u>127,077</u> |
| <b>6 GOVERNANCE COSTS</b>                              |                |                |
| Aberdeen City Council                                  | <u>1,479</u>   | <u>1,561</u>   |
| <b>7 TRUSTEES REMUNERATION AND STAFF COSTS</b>         |                |                |

The Trust has no employees. None of the Trustees received any remuneration for their services, nor were they reimbursed for any expenses during the year.

## NOTES TO THE ACCOUNTS AS AT 31 MARCH 2014

Charity Name – Lands of Torry

Charity Number – SC021299

|   | 2014<br>£        | 2013<br>£        |
|---|------------------|------------------|
| <b>8 TANGIBLE FIXED ASSETS</b>          |                  |                  |
| Lands of Torry                          |                  |                  |
| Market value at 1 April                 | 1,915,000        | 1,902,000        |
| Net investment gains                    | 89,000           | 13,000           |
| Market value at 31 March                | <u>2,004,000</u> | <u>1,915,000</u> |
| <b>9 DEBTORS</b>                        |                  |                  |
| Prepayments & Accrued income            | <u>40,718</u>    | <u>40,718</u>    |
| <b>10 CREDITORS</b>                     |                  |                  |
| Amounts Falling due within one year:    |                  |                  |
| Accruals and deferred income            | 4,492            | 3,633            |
| Short Term Loan - Aberdeen City Council | <u>11,144</u>    | <u>12,004</u>    |
|   | <u>15,637</u>    | <u>15,637</u>    |

The Trustees have invested the free reserves of the charity in the City of Aberdeen Loans funds, in order to earn interest for the benefit of the charity. The loans fund is a credit balance at year end due to costs incurred that have been funded by Aberdeen City Council on behalf of the charity.

### 11 CONTROLLING INTEREST

The charity is under the control of the Trustees.

### 12 RELATED PART TRANSACTIONS

Aberdeen City Council provides the accounting services for the trust. A management fee of £251 has been charged (2013 - £251)

## **Independent auditor's report to the trustees of Lands of Torry Trust and the Accounts Commission for Scotland**

I have audited the financial statements of Lands of Torry Trust for the year ended 31 March 2014 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 the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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, I 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 Trustees' Annual Report, the trustees are responsible for the preparation of the financial statements which give a true and fair view. My 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 me 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 trust'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, I read all the financial and non-financial information in the Trustees' Annual 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 me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

### **Opinion on financial statements**

In my opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2014 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.

**Other matter - unaudited comparative amounts**

The financial statements for the year ended 31 March 2013 were not audited. The comparative amounts in the financial statements for the year ended 31 March 2014 are therefore unaudited.

**Opinion on other prescribed matter**

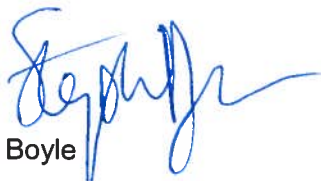
In my opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which 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.



Stephen Boyle  
Assistant Director of Audit  
Audit Scotland  
4th Floor, South Suite  
The Athenaeum Building  
8 Nelson Mandela Place  
Glasgow G2 1BT

30 September 2014

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

