

South Lanarkshire Council charitable trusts trustees' annual report – for the year ended 31 March 2025

The Trustees present their annual report together with the financial statements and Independent Auditors' report for the year ended 31 March 2025.

Reference and Administration Information

Charity Name: South Lanarkshire Council Charitable Trusts
Charity Number: SC025089
Principal Office: Finance Services
Council Offices
Almada Street
Hamilton
ML3 0AA
Trustees: Finance and Corporate Resources Committee, South Lanarkshire Council
Independent Auditors: Audit Scotland

Structure, Governance and Management

Governing Document

South Lanarkshire Council Charitable Trusts includes one remaining Charitable Trust Fund/Bequest established under previous local authorities. The Trust Fund/Bequest is restricted for the purpose which it was set up.

Charity Trustees

The trustees of the charities are elected members (Councillors) of South Lanarkshire Council. Trustees are appointed through their election to the Finance and Corporate Resources Committee of South Lanarkshire Council. The current trustees of South Lanarkshire Council Charitable Trusts are detailed below:

Councillor Alex Allison
Councillor Walter Brogan (Depute Chair)
Councillor Matthew Buchanan
Councillor Andy Carmichael
Councillor Maureen Chalmers
Councillor Margaret Cooper
Councillor Andrea Cowan
Councillor Maureen Devlin
Councillor Mary Donnelly
Councillor Joe Fagan (Ex Officio)
Councillor Grant Ferguson
Councillor Gladys Ferguson-Miller
Councillor Celine Handibode (Depute Chair)
Councillor Graeme Horne
Councillor Martin Hose
Councillor Ross Lambie (from 12/03/2025)
Councillor Katy Loudon
Councillor Hugh Macdonald
Councillor Catherine McClymont
Councillor Lesley McDonald (Chair)
Councillor Elaine McDougall
Councillor Mark McGeever
Councillor Richard Nelson (until 11/03/2025)
Councillor Mo Razzaq

Councillor John Ross
Councillor Graham Scott
Councillor Kirsty Williams

Organisational structure

The trustees delegate the day-to-day administration of the charities to officers of the council through the Scheme of Delegation as approved by South Lanarkshire Council on 18 May 2022.

The trustees (as elected members of the council) meet to consider and approve the Annual Accounts for South Lanarkshire Council which includes the financial statements for all South Lanarkshire Council Trust Funds. An annual report on Governance of Trust Funds is presented to the Finance and Corporate Resources Committee. This report details expenditure for the preceding financial year.

Related parties

Trustees hold this position because they are elected members of South Lanarkshire Council. South Lanarkshire Council provides administration services to the Trust.

Risk management

It is recognised that there is a risk that the funds of the Trusts are not used for the purpose that they were intended. To mitigate this risk, the governance arrangements in place ensure that the Finance and Corporate Resources Committee are advised of the balance and distribution of funds. In addition, the Office of the Scottish Charity Regulator (OSCR) also receive an annual report on the Trusts and their purpose.

Management of funds and investment policy

The trustees rely upon the expertise of South Lanarkshire Council to manage the investments to ensure the maximum return at least risk to the charity is achieved.

The majority of the funds of the charity are managed on behalf of the Council by Barclays Wealth. The investment objective is to provide a sustainable level of income, along with the prospect of growth in both capital and income through investment in a diversified portfolio of investments. The market value of these funds as at 31 March 2025 was £1,032,450 (2023/2024: £1,033,607).

The remaining fund of the charity is managed by South Lanarkshire Council. The interest received is shown in the Statement of Receipts and Payments.

During 2024/2025 income of £42,055 (2023/2024: £38,916) was received and is shown in the Statement of Receipts and Payments.

Trustee indemnity insurance

No such insurance has been taken out.

Reorganisation of South Lanarkshire Council Trust Funds

South Lanarkshire Council established The South Lanarkshire Charitable Trust (Charity Number SC049819) in December 2019 for the purposes of reorganising existing trust funds, including those held under South Lanarkshire Council Charitable Trusts (Charity Number SC025089).

The constitution of The South Lanarkshire Charitable Trust (SC049819) is a Trust Deed granted by South Lanarkshire Council. It provides a modern constitution with appropriate purposes, powers and governance arrangements.

The process of transferring the funds from South Lanarkshire Council Charitable Trusts (SC025089) to The South Lanarkshire Charitable Trust (SC049819) is ongoing. One Charitable Trust Fund / Bequest established under previous local authorities remains.

Objectives and activities

The remaining fund is the Loudon Bequest Trust Fund which was used to help finance holidays for elderly people within 12 Local Authority areas in the West of Scotland.

Achievements and performance

During the year to 31 March 2025, no grants were paid out.

Financial review

Overview

Income during 2024/2025 came from income on external investments of £31,663 (2023/2024: £30,301); interest calculated on the Trust Funds' revenue balances of £7,295 (2023/2024: £5,692).

Proceeds from the sale of investments of £3,097 (2023/2024: £2,923) were received.

The trust held cash and bank balances of £179,264 (2023/2024: £144,422) as at 31 March 2025 and investments with a book value of £814,442 (2023/2024: £818,144).

Reserves policy

The trusts are managed in order to allow the full potential benefit of the trusts to be realised. By ensuring distributed funds are of sufficient value to make a beneficial impact to recipients, there may be some erosion of capital. The Reserves of the Trust will be used in line with the specific requirements of the Trust.

External audit

The auditor with responsibility for the audit of the accounts of South Lanarkshire Council Charitable Trusts for the year ended 31 March 2025 is:

Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s): Lesley McDonald

Full Name(s): Lesley McDonald

Position: Chair of Finance and Corporate Resources Committee

Date: 30 September 2025

South Lanarkshire Council charitable trusts statement of receipts and payments for the year ended 31 March 2025

Not applicable	Note	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Funds £	Permanent Endowment Funds £	Total Funds (current year) £	Total Funds (last year) £
Receipts	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Donations	Not applicable	0	0	0	0	0	0
Income from investments other than land and buildings	4	0	38,958	0	0	38,958	35,993
Sub Total	Not applicable	0	38,958	0	0	38,958	35,993
Receipts from Assets and Investments sales	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Proceeds from sale of investments	4	0	3,097	0	0	3,097	2,923
Sub Total	Not applicable	0	3,097	0	0	3,097	2,923
Total Receipts	Not applicable	0	42,055	0	0	42,055	38,916
Payments	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
External Audit Fee	8	0	2,000	0	0	2,000	1,167
Investment Management Costs	7	0	3,097	0	0	3,097	2,923
Administration Charge	9	0	2,115	0	0	2,115	2,383
Grants and Donations	5	0	0	0	0	0	0
Purchase of Investments	4	Not applicable	0	Not applicable	Not applicable	0	0
Total Payments	Not applicable	0	7,212	0	0	7,212	6,473
Net Receipts	Not applicable	0	34,843	0	0	34,843	32,443
Surplus / (Deficit) for the year	Not applicable	0	34,843	0	0	34,843	32,443

South Lanarkshire Council charitable trusts statement of balances as at 31 March 2025

Not applicable	Note	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Funds £	Permanent Endowment Funds £	Total Funds (current year) £	Total Funds (last year) £
Cash and Bank Balances	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Opening Balance	Not applicable	0	144,421	0	0	144,421	114,032
Transfer of Assets to the South Lanarkshire Charitable Trust	Not applicable	Not applicable	0	Not applicable	Not applicable	0	(2,053)
Surplus shown on receipts and payments account	Not applicable	0	34,843	0	0	34,843	32,443
Closing Balance	Not applicable	0	179,264	0	0	179,264	144,422
Investments	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Market Value of Investments (Managed by Barclays Wealth)	7	0	1,032,450	0	0	1,032,450	1,033,607
Total Investments	Not applicable	0	1,032,450	0	0	1,032,450	1,033,607

Signed on behalf of the charity's trustees

Signature(s): Lesley McDonald

Full Name(s): Lesley McDonald

Position: Chair of Finance and Corporate Resources Committee

Date: 30 September 2025

South Lanarkshire Council charitable trusts notes to the financial statements

1. Basis of accounting

These financial statements 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

Restricted funds are those funds that can only be applied for particular purposes.

3. Taxation

The charity is not liable to income or capital gains tax on its charitable activities.

4. Trustee remuneration, expenses and related party transactions

- No remuneration or expenses were paid to charity trustees or persons connected to a trustee during the year.
- The trust received income from external investments of £31,663 (2023/2024: £30,301) and £7,295 (2023/2024: £5,692) from South Lanarkshire Council. All transactions incoming and outgoing are made via South Lanarkshire Council's accounts.
- Proceeds from the sale of the Loudon Bequest investment of £3,097 (2023/2024: £2,923) were received.
- There were no transactions between the charity and any trustee or any connected person during the year.

5. Grants

In the year to 31 March 2025, there were no grants were paid out as the process of transferring the funds from South Lanarkshire Council Charitable Trusts (SC025089) to The South Lanarkshire Charitable Trust (SC049819) was ongoing. During 2023/2024 no grants were paid out.

6. Cash and bank balances

During the year the Trust's balances were held by South Lanarkshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the Trust for this administration. South Lanarkshire 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 and interest is payable on balances.

7. Investments

The charity has one investment managed by Barclays Wealth £1,032,450 (2023/2024: £1,033,607) on behalf of the council with an objective of achieving a balance between income and capital growth subject to a medium level of risk. Barclays Wealth charged a portfolio management fee of £3,097 (2023/2024: £2,923).

8. External audit fee

The external audit fee for 2024/2025 £2,000 (2023/2024: £1,167) is paid to Audit Scotland.

9. Administration charge

A charge for administration of the Trust Fund for 2024/2025 £2,115 (2023/2024: £2,383) is paid to South Lanarkshire Council.

South Lanarkshire Council charitable trusts independent auditor's report

Independent auditor's report to the trustees of South Lanarkshire Council Charitable Trusts and the Accounts Commission

Report 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 South Lanarkshire Council Charitable Trusts (SC025089) for the year ended 31 March 2025 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 Receipts and Payments, the Statement of Balances, and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2025 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

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 charity 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.

Responsibilities of the trustees for the financial statements

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 determines 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

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, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's 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 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.

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.

Opinion 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 Charity Accounts (Scotland) Regulations 2006.

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.

Mark Ferris FCCA, Senior Audit Manager, Audit Scotland, 4th Floor South Suite
The Athenaeum Building, 8 Nelson Mandela Place, Glasgow, G2 1BT

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

If you need this information in another language or format, please contact us to discuss how we can best meet your needs.

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www.southlanarkshire.gov.uk