
Report To:	Education & Communities Committee	Date:	10 September 2013
Report By:	Corporate Director Education, Communities & Organisational Development	Report No:	EDUCOM/44/12/AE
Contact Officer:	Angela Edwards	Contact No:	01475 712824
Subject:	Talented Endowment Fund		

1.0 PURPOSE

- 1.1 The purpose of this report is to give Committee an update on the use of the endowment for talented children and young people in Inverclyde.

2.0 SUMMARY

- 2.1 Inverclyde Council has established an educational endowment for the benefit of exceptionally talented children and young people in the fields of the arts, culture and sport.
- 2.2 The trust fund was initially established under a Deed of Trust with an endowment of £150,000 by Inverclyde Council. The trust provides for financial assistance and support that includes using the funds for educational purposes.
- 2.3 A significant grant was made in the first year to the Inverclyde Schools Choir. Grants and awards in subsequent years have been made to individuals to assist with various activities including musical instruments, athletics, weightlifting, American football, boxing and sailing. Current policy is to approve grants up to 50% of eligible costs, up to a maximum of £1,000 in any 12 month period.
- 2.4 The three Trustees of the Bequest are Chief Officers of the Council - the Corporate Director Education, Communities and OD, the Corporate Director Environment, Regeneration & Resources and the Chief Financial Officer.
- 2.5 The balance on the endowment as at 31.3.13 is £64,460; the latest accounts are attached as Appendix 1.
- 2.6 Any person wishing to make an application for an endowment can do so by contacting Education HQ, Endowment for Talented Children and Young People, Municipal Buildings, Greenock, PA15 1LY.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the contents of this paper and the continued support provided to talented young people of Inverclyde.
- 3.2 That the Committee note the Annual Accounts for the Talented Children and Young Persons Fund for the year ending 31.3.13.

Albert Henderson
Corporate Director
Education Communities & Organisational Development

4.0 BACKGROUND

- 4.1 Inverclyde Council has established an educational endowment for the benefit of exceptionally talented children and young people in the fields of the arts, culture and sport for the purposes of the enhancement of talent and learning.
This exercises their powers under Section 85 of the Local Government (Scotland) Act 1973 and under all other enabling powers in that behalf, pursuant to the Education (Scotland) Act 1980.
- 4.2 Funds have been used to make awards to assist and nurture young people in our area who are already demonstrating exceptional talent in the fields of the arts, culture and sport. Awards can be up to 50% of eligible expenditure, up to a maximum of £1,000 in any 12 month period. The awards are considered by the three trustees.
- 4.3 The net movement in the fund amounted to £1,569. Awards totalling £1,965 were made in 2012/13 for a range of talents related to music and sports.
- 4.4 It is hoped that the young people concerned will further develop their talents and skills in the future. This will benefit the young people personally, their families and the communities to which they belong.
- 4.5 The Endowment for Talented Children and Young People will continue to provide for the benefit of exceptionally talented children and young people in the area of Inverclyde through financial awards and assistance.

5.0 PROPOSALS

- 5.1 Elected members note the use of the endowment fund to date and continue to support its use for the talented young people of Inverclyde.

6.0 IMPLICATIONS

- 6.1 Financial
Annual accounts for the endowment have been prepared by Finance Services and have been subject to Audit. The accounts are attached at Appendix 1.
- 6.2 Legal
No implications.
- 6.3 Human Resources
No implications.
- 6.4 Equalities
Impact assessments will be completed by October 2013
- 6.5 Repopulation
No implications.

7.0 CONCLUSION

- 7.1 The Trust has been successful in supporting talented young people across Inverclyde. It will continue to promote its purpose and ensure that a broader range of clubs/organisations/individuals are aware of the support available. The Corporate Director of Education, Communities and ODHR will shortly be meeting with the Corporate Communications Manager to discuss an advertising programme for the Trust to ensure a broad range of individuals, clubs and organisations are aware of the support available.

8.0 LIST OF BACKGROUND PAPERS

8.1 None

Endowment for Talented Children and Young People

Report and Financial Statements 2012-2013



Year ended 31 March 2013

Inverclyde
council

Endowment for Talented Children and Young People Contents

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Inverclyde Council resolved to establish an educational endowment for the benefit of exceptionally talented children and young people in the fields of the arts, culture and sport for the purposes of the advancement of education, in exercise of their powers under Section 85 of the Local Government (Scotland) Act 1973 and under all other enabling powers in that behalf, pursuant to the Education (Scotland) Act 1980.

The trust fund was established under a Deed of Trust dated 11 May 2011 with an endowment of £150,000 by Inverclyde Council.

The trust provides for financial and other assistance and support that includes using the funds for educational purposes.

The Trust has proved to have been extremely successful in the promotion of talented young people with an example being the Inverclyde Schools Concert Band’s gold award in Birmingham in the first year of the Trust. Grants and awards have also been made to assist with the World Junior Choir championships in Austria and various activities including musical instruments, athletics, weightlifting and yacht sailing.

The three Trustees of the Bequest are Chief Officers of the Council - the Corporate Director of Education and Communities, the Corporate Director of Regeneration and Environment and the Chief Financial Officer.

If you wish to apply for financial assistance, or you are aware of a person who may wish to apply for financial assistance, then application forms can be obtained by contacting: Angela Edwards, Head of Educational Planning, Culture and Corporate Policy, Endowment for Talented Children and Young People, Municipal Buildings, Greenock, PA15 1LY. Tel: 01475 712828, e-mail angela.edwards@inverclyde.gov.uk.

Endowment for Talented Children and Young People Trustees' Annual Report: Legal and Administrative Information

Reference and Administrative Information

- Trust Name Endowment for Talented Children and Young People
- Principal Offices C/o Inverclyde Council, Municipal Buildings, Clyde Square, Greenock, PA15 1LY

Current Trustees

The Trustees for the twelve months 1st April 2012 to 31st March 2013 and until the date of signing were:

- Albert Henderson, Corporate Director of Education, Communities and Organisational Development (Chair)
- Aubrey Fawcett, Corporate Director of Environment, Regeneration and Resources
- Alan Puckrin CPFA, Chief Financial Officer

Albert Henderson as the Chair of the Trustees has signed the Trustees Annual Report and Balance Sheet.

Other Trustees who served during the Year

None

Honorary Secretary

- Inverclyde Council Legal Services

Treasurer

- Alan Puckrin CPFA, Chief Financial Officer Inverclyde Council

Independent Examiner

David Sullivan, Internal Audit Section, Argyll & Bute Council, Council Headquarters, Kilmory, Lochgilphead, Argyll PA31 8RT.

Endowment for Talented Children and Young People

Trustees' Annual Report: Other Sections

Structure, Governance and Management

Structure

The name of the trust is the Endowment for Talented Children and Young People. The trust is an unincorporated trust governed on the basis its constitution in the deed of trust of 11 May 2010.

Appointment of Trustees

The Trustees are assumed on their appointment to one of the designated chief officer posts of Inverclyde Council - Corporate Director of Education, Communities & Organisational Development, Corporate Director Environment, Regeneration & Resources and the Chief Finance Officer.

Organisational Structure

The Trustees meet to consider applications for support and that sufficient funding is available. At a special annual meeting, Trustees consider the income and expenditure levels during the financial year and that suitable arrangements are in place to manage the funds of the trust.

The Trustees, in order to discharge their responsibilities, rely on the advice and expertise of the officers of Inverclyde Council. The Council provides all administrative support to the trust including financial, legal and secretarial support. The Council also administers the payments from the trust. The Council makes no charge for these services. There are no other costs in connection with governance

Related Parties

All Trustees hold this position because they are senior employees of Inverclyde Council. Inverclyde Council provides support services to the Trust.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to its operation and finances, and is satisfied that the

systems are in place to mitigate the exposure to the major risk.

Management of Funds and Investment Policy

The Trustees rely upon the expertise of officers of Inverclyde Council to manage the investments to ensure the maximum return at least risk to the trust. In this way, the income stream for the future benefit of the charity is protected while allowing income for the current year's expenditure.

The funds of the trust are deposited with Inverclyde Council and receive interest at the average market rate for the short-term borrowing. The interest received from Inverclyde Council is shown in the Comprehensive Income and Expenditure Statement.

Objectives and Activities

Objectives

Its purpose is to advance the education of children and young people who show exceptional talent in the fields of the Arts, Culture and Sport by the provision of financial and other assistance and support which includes using the funds for educational purposes.

Activities

The Trust makes educational grants in accordance with its purposes to individuals and organisations and invests its funds with the Council.

Achievements and Performance

In line with policy adopted by the Council and the terms of the trust, the Endowment for Talented Children and Young People made awards to eight people in the area of Inverclyde in support of artistic, cultural and sporting activities. Two of the awards were unused after six months and the cheques cancelled. An award made in the previous year was unused after six months and the money refunded to the Endowment.

The awards were made in the year to individuals for the following purposes.

Sport: Contribution towards costs of

- Attendance at American football training camp in USA (1 person)
- Boxing (1 person)
- Athletics (1 person)
- Weightlifting training for Commonwealth Games (1 person)

Music: Contribution towards costs of

- West of Scotland Schools Concert Band (2 people, one award unused)
- Attendance at Castle Toward residential course (1 person, award unused)
- National Boys' Choir residential course (1 person)

Financial Review

Income and Expenditure for the Year ended 31 March 2013

The Comprehensive Income and Expenditure Statement on page 9 provides an analysis for the trust of the income and expenditure for the twelve months from 1 April 2012 to 31 March 2013.

The trust made awards totalling £1,965. Income of £336 was received from interest on short-term deposits with Inverclyde Council and a donation of £60 was received from the Provost's Benevolent Fund.

The shortfall of £1,569 was taken from the reserves of £66,029 brought forward.

Assets and Liabilities at 31 March 2013

The Balance Sheet on page 10 provides an analysis for the trust of the assets and liabilities as at 31 March 2013.

The reserves of the trust are £64,460 and are all deposited with Inverclyde Council.

Reserves Policy

The trust has been in existence since 2011 and the Trustees consider that its reserves are sufficient.

The Trust has always maintained a healthy balance of Revenue Reserves and as such there had been to-date no requirement to adopt an official reserves policy. The unrestricted reserves at the year-end were £64,460.

Future Plans

The Endowment for Talented Children and Young People will continue to provide for the benefit of exceptionally talented children and young people in the area of Inverclyde through financial awards and other assistance.

Conclusion

We have been able to use the funds at our disposal to make significant awards in the current year during harsh economic conditions while protecting our reserves to safeguard funding for the future.

The awards made exceeded incoming resources during the reporting period and the shortfall of £1,569 has been taken from the reserves brought forward.

The trust has a healthy balance of £64,460 of Revenue Reserves for the future benefit of talented children and young people of Inverclyde.

Approved by the Trustees on Twenty Third August, Two Thousand and Thirteen and signed on behalf of all Trustees.

Albert Henderson

Corporate Director Education,
Communities & Organisational
Development
Chair of the Trustees
Inverclyde Council
23 August 2013

Alan Puckrin CPFA
Chief Financial Officer
Trustee
Inverclyde Council
23 August 2013

Independent Examiner's Report to the Trustees of the Endowment for Talented Children and Young People

I report on the accounts of the charity for the year ended 31st March 2013 which are set out on pages 8 to 12.

Respective Responsibilities of Trustees and Examiner

The trustees are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and interpreted and adopted by The Code of Practice on Local Authority Accounting in the United Kingdom 2012/13 (The Code). The Chief Financial Officer of Inverclyde Council in his capacity as the Section 95 Officer is responsible for making arrangements for the proper administration of the Council's financial affairs and, as part of that responsibility, administers the trusts and reports to trustees. My responsibility is to examine the accounts as requested and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination includes a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material aspect the requirements:

- To keep accounting records, and
- To prepare accounts which accord with the accounting records have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

David Sullivan BSc ACMA
Accountant – Internal Audit
Argyll & Bute Council
23rd August 2013

Signed:

**Endowment for Talented Children and Young People
Movement in Reserves Statement
for the Year ended 31 March 2013**

This statement shows the movement in the year on the reserves held by the Endowment that can be applied to fund awards. The Surplus or Deficit on the Provision of Service shows the cost of the operations of the Endowment in accordance with accounting practice, more details of which are shown in the Comprehensive Income and Expenditure Account on the next page.

1 April 2011 to 31 March 2012 Usable Reserves: Revenue		1 April 2012 to 31 March 2013 Usable Reserves: Revenue
£		£
69,301	Balance at 1 April	66,029
	Movement in Reserves during the Year	
(3,272)	Surplus or (Deficit) on Provision of Services	(1,569)
0	Other Comprehensive Expenditure and Income	0
(3,272)	Increase or (Decrease) for the Year	(1,569)
66,029	Balance at 31 March Carried Forward	64,460

Endowment for Talented Children and Young People Comprehensive Income and Expenditure Statement for the Year ended 31 March 2013

This statement shows the accounting cost in the year of providing services in accordance with International Financial Reporting Standards.

2011-2012	Note	2012-2013
£		£
3,685		1,965
3,685	4	1,965
0	5	0
(0)		(60)
3,685		1,905
(413)		(336)
0		0
(413)	6	(336)
3,272		1,569
0		0
3,272		1,569
<p>The Endowment for Talented Children and Young People has no recognised gains or losses other than the results for the year as set out above. All of the activities of the fund are classed as continuing. The notes on pages 11 to 12 form part of these financial statements.</p>		

Endowment for Talented Children and Young People Balance Sheet as at 31 March 2013

The Balance Sheet is a snapshot of the value at the reporting date of the assets and liabilities recognised by the Endowment. The net assets of the trust (assets less liabilities) are matched by the reserves held by the Endowment. These usable reserves are available to the trustees to provide awards.

31 March 2012		Notes	31 March 2013		
£			£		
	Cash and Cash Equivalents				
66,029	Short-term Deposits	7	64,460		
66,029	Net Assets		64,460		
	Reserves				
66,029	Usable Reserves: Revenue		64,460		
66,029	Total Reserves		64,460		
<p>The notes on pages 11 to 12 form part of these accounts.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Albert Henderson Corporate Director of Education Communities & Organisational Development Chair of the Trustees Inverclyde Council 23 August 2013</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Alan Puckrin CPFA Chief Financial Officer Trustee Inverclyde Council 23 August 2013</p> </td> </tr> </table>				<p>Albert Henderson Corporate Director of Education Communities & Organisational Development Chair of the Trustees Inverclyde Council 23 August 2013</p>	<p>Alan Puckrin CPFA Chief Financial Officer Trustee Inverclyde Council 23 August 2013</p>
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Endowment for Talented Children and Young People

Notes to the Accounts

Note 1 Accounting Policies

Basis of Preparation

The financial statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13 (The Code). The Code is based on International Financial Reporting Standards with interpretation appropriate to the public sector. The principal policies adopted in the preparation of the financial statements are set out below.

Incoming Resources

All incoming resources are included in the Comprehensive Income and Expenditure Account when the Endowment is entitled to the income. All incoming resources are applied to usable reserves funds. Interest is included when receivable.

Resources Expended

All expenditure is included in the Comprehensive Income and Expenditure Statement on an accruals basis and is recognised when there is a legal or constructive obligation to pay.

Cash and Cash Equivalents

Cash is represented by deposits with the Council repayable immediately. The Endowment has no cash equivalents.

Reserves

The Endowment has a single reserve fund. The Usable Reserves (Revenue) is a fund available to support services at the discretion of Trustees.

Comparative Figures

Figures for 2011-2012 are shown as appropriate for purposes of comparison.

Note 2 Staff Numbers and Costs

The Endowment for Talented Children and Young People has no staff. All support functions are provided by Inverclyde Council.

Note 3 Payments to Trustees

No remuneration or expenses were paid during the year to any Trustees or person connected to a Trustee.

Note 4 Awards

Eight awards were made in the year to individuals for the following purposes. Two of the awards were unused after six months and the cheques cancelled. An award made in the previous year was unused after six months and the money refunded to the Endowment.

Sport: Contribution towards costs of

- Attendance at American football training camp in USA (1 person)
- Boxing (1 person)
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Music: Contribution towards costs of

- West of Scotland Schools Concert Band (2 people, one award unused)
- Attendance at Castle Toward residential course (1 person, award unused)
- National Boys' Choir residential course (1 person)

Note 5 Governance Costs

Inverclyde Council provides management services to the Endowment at no charge. The independent examination has been conducted on a "no-charge" basis and accordingly no accrual has been made for the examiner's fees.

Note 6 Related Party Disclosures

The Endowment was established and funded by Inverclyde Council and the Trustees are Chief Officers of Inverclyde Council. Interest of £336 was received from the local authority (2011-2012 £413). As at 31 March 2013, Inverclyde Council owed the Endowment £64,460 (2011 £66,029).

Note 7 Short-term Deposits

The Bequest for Talented Children and Young People has temporary loans with Inverclyde Council. The balance is repayable on demand.

2011-2012		2012-2013	
£		£	£
69,301	Balance at 1 April 2012		66,029
	Net Cash (Outflow) from Operating Activities		
(3,685)	Net surplus/(deficit) on the cost of services	(1,905)	
0	Adjustments for non-cash movements	0	(1,905)
	Net Cash Inflow from Investing Activities		
413	Interest Received		336
	Net Cash Inflow from Financing Activities		
0			0
66,029	Balance at 31 March 2013		64,460



Inverclyde
council

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