

**STIRLING COUNCIL
COMMON GOOD FUND**

SCOTTISH CHARITY SC019363

REPORT OF THE COUNCIL

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

Contents

	<u>Page</u>
Charity Trust Details	3
Report of the Charity Trustee	4
Council Responsibilities	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8
Independent Auditor's Report	10

Trust Details

Name:	Stirling Council Common Good Fund
Scottish Charity No.	SC 019363
Trustees	Stirling Council
Trust Officers	James Boyle Chief Finance Officer Stirling Council Iain Strachan Chief Governance Officer & Solicitor to the Council Stirling Council
Independent Auditor	Grant Thornton UK LLP 7 Exchange Crescent Edinburgh EH3 8AN
Bankers	The Royal Bank of Scotland PLC 2 Pitt Terrace STIRLING FK8 2EX
Correspondence Address	c/o Iain Strachan Chief Governance Officer Stirling Council Viewforth Stirling FK8 2ET

Report of the Charity Trustee for Year Ended 31 March 2015

The Council, as Trustee presents the Annual Report together with the financial statements of the Stirling Council Common Good Fund for the year ended 31 March 2015.

The Common Good fund is a recognised charity, Scottish Charities registration number SC 019363.

Structure, Governance and Management

The Common Good was transferred to Stirling Council in 1996, and is governed primarily by the Local Government (Scotland) Act 1994 which imposed the requirement that the Common Good could only be used for the benefit of the specific areas to which the Common Good had related prior to 1975, i.e. the former burghs of Stirling, Bridge of Allan and Callander.

Management of the Common Good Fund rests with the Council as Trustee. Decisions in relation to the Common Good are taken on behalf of the Trustees by the Provost's Panel who have delegated authority via Stirling Council's scheme of delegation to authorise expenditure up to £10,000, with any decision on requests above this level being referred to the Council for approval.

The Stirling Council meeting of 26 February 2015 agreed an earlier Provost's Panel recommendation to sell 512 square metres of ground forming part of Laighills Park, Dunblane for the sum of £26,000, and to use the proceeds of the sale less any necessary expenses of disposal to establish a Dunblane Common Good Fund. It was also agreed that the remaining Laighills Park asset be transferred to the Dunblane Common Good Fund. In accordance with existing accounting practice, the asset was transferred as a 'Community Asset' with a nominal carrying value of £1.

Objectives

The Common Good Fund is not intended to benefit one individual, for instance by giving a person a grant or paving their driveway. Nor is it to be used as a means of paying for the carrying out of the Council's statutory duties. This is because the Common Good is regarded as separate from the Council's own assets and is, in effect, held in trust for the local communities covering the former burghs of Stirling, Bridge of Allan, Callander and Dunblane.

In disbursing Common Good funds, the Council has discretion as to what it considers appropriate, so long as it can demonstrate that doing so will bring some benefit to the specified areas or some or all of the inhabitants of those areas.

Review of Financial Position

The income of the Common Good Fund for the year represents income received from the investment of funds in Stirling Council's Loans Fund and fixed term bonds with Lloyds TSB Corporate Banking, together with rental income from feuhold property. Original fixed term bonds amounting to £353,000 matured on 24 June 2014. The Trustees subsequently made a decision in December 2014 to reinvest sums totalling £1,070,000 in fixed term bonds with a maturity date of December 2015.

In prior years the Common Good Fund had undertaken responsibility for the upkeep of various public clocks. However, after further investigation it became clear that no documentation existed which set out the Common Good Fund's responsibility for this expenditure, nor the extent of the public clocks requiring to be maintained. Appropriate budget was therefore made available for Stirling Council to take over this commitment on an ongoing basis from 2014/15 onwards.

Net outgoing funds include an annual grant of £7,000 to the Stirling Smith Art Gallery and Museum, a grant of £5,376 towards the cost of the Stirling War Memorial restoration project, and a grant of £25,527 towards the cost of redeveloping the Provost Park, Bridge of Allan. Further contributions include £4,800 to the Guardians of Scotland Trust and £1,000 towards the Callander Town Co-ordinator.

The Accumulated funds vested in the Common Good Fund at the end of the year amounted to £1,305,375.



Iain Strachan
Solicitor to the Council

Date: 3 September 2015

Charity Trustee's Responsibilities for the Financial Statements

Charity law applicable in Scotland requires the Council, as Trustee, to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing these financial statements, the Council have:

- ◆ selected suitable accounting policies and applied them consistently;
- ◆ made judgements and estimates that are reasonable and prudent;
- ◆ followed applicable accounting standards and the Statement of Recommended Practice: Accounting by Charities 2005; and
- ◆ prepared the financial statements on the going concern basis.

The Council, as Trustee, is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006. They 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.

In so far as the Council are aware:

- ◆ there is no relevant financial or other information of which the charity's independent examiner is unaware; and
- ◆ the Council have taken all steps that they ought to have taken to make themselves aware of any relevant financial or other information and to establish that the independent examiner is aware of that information.

Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For Year to 31 March 2015

	Stirling £	Bridge of Allan £	Callander £	Dunblane £	2014/15 Total £	2013/14 £
Incoming Resources						
Interest and Investment Income	(4,663)	(3,026)	(19)		(7,708)	(6,628)
Rents and Service Charges	(8,982)				(8,982)	(9,550)
Receipt from Land Sale				(25,880)	(25,880)	-
Total Incoming Resources	(13,645)	(3,026)	(19)	(25,880)	(42,570)	(16,178)
Resources Expended						
Upkeep of Property	23,263		1,572		24,835	18,973
<u>Charitable Activities:</u>						
Upkeep of Public Clocks					-	3,597
Smith Art Gallery Grant	7,000				7,000	6,000
Guardians of Scotland Grant	4,800				4,800	-
Stirling War Memorial Grant	5,356				5,356	-
Provost Park Grant		25,527			25,527	-
Commemorative Medals		200			200	-
Callander Town Coordinator			1,000		1,000	1,000
Depreciation of Property (Note 2)	2,062				2,062	2,062
Total Resources Expended	42,481	25,727	2,572	-	70,780	31,632
Net Movement in Funds	28,836	22,701	2,553	(25,880)	28,210	15,454
Reconciliation of Funds						
Net Movement in Funds	28,836	22,701	2,553	(25,880)	28,210	15,454
Total Funds Brought Forward	(902,584)	(426,761)	(4,240)	-	(1,333,585)	(1,349,039)
Total Funds Carried Forward	(873,748)	(404,060)	(1,687)	(25,880)	(1,305,375)	(1,333,585)

All funds are Restricted.

Balance Sheet as at 31 March 2015

	2015		2014	
	£	£	£	£
Fixed Assets				
Heritable Property - Net Book Value		118,639		120,701
		118,639		120,701
Total Fixed Assets				
Current Assets				
Debtors & Prepayments		3,308		3,132
Investments				
Lloyds Bank - Fixed Term Bond	1,070,000		353,000	
Stirling Council Loans Fund	121,968	1,191,968	857,420	1,210,420
		1,195,276		1,213,552
Total Current Assets				
Less: Current Liabilities				
Creditors - Amounts falling due within 1 Year		8,540		668
		1,186,736		1,212,884
Net Current Assets				
		1,305,375		1,333,585
Total Net Assets				
		1,305,375		1,333,585
 The Accumulated Funds of the Charity				
Revaluation Reserve		4,040		4,040
Stirling Common Good Fund		869,708		898,544
Bridge of Allan Common Good Fund		404,060		426,761
Callander Common Good Fund		1,687		4,240
Dunblane Common Good Fund		25,880		-
		1,305,375		1,333,585
Total Accumulated Funds Carried Forward				
		1,305,375		1,333,585



James Boyle
Chief Finance Officer

Date: 3 September 2015



Iain Strachan
Chief Governance Officer & Solicitor to the
Council

Date: 3 September 2015

Notes to the Financial Statements

1. Accounting Policies

General

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

Nature and Purpose of Funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by a donor or when funds are raised for specific purposes.

Basis of Accounting

The Heritable Property is freehold land and as per IFRS16 (Tangible Fixed Assets), the property does not have an unlimited life and is subject to annual depreciation.

Taxation

The Common Good Fund has charitable status for tax purposes.

2. Fixed Assets

Heritable Property relates to property in the City of Stirling consisting of offices at 65 King Street, the Dumbarton Road Town Wall and Castle Wynd Open Space with a net book value of £118,639 after a depreciation charge for the year to 31 March 2015 of £2,062.

The offices were rented out during the year at a standard annual income of £6,000 excluding service charges. However, they were vacated towards the latter end of 2014/15 and a new tenant is currently being sought.

Asset cost, valuation or revalued amount	Land £	Fixtures £	Plant £	Roof £	Structure £	Heritable Property £
Book Value at 1 April 2014	40,500	6,227	33,472	6,227	48,573	134,999
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Book Value at 31 March 2015	40,500	6,227	33,472	6,227	48,573	134,999
Depreciation						
Depreciation to 1 April 2014	-	2,652	7,650	771	3,224	14,298
Charge for Year	-	162	956	147	796	2,062
Total Depreciation to 31 March 2015	-	2,814	8,606	918	4,020	16,360
Net Book Value						
As at 1 April 2014	40,500	3,575	25,822	5,456	45,349	120,701
As at 31 March 2015	40,500	3,413	24,866	5,309	44,553	118,639

3. Debtors and Prepayments

	2015	2014
	£	£
Interest Receivable on Short Term Investments	3,019	2,844
Investment Income Tax Reclaim	289	288
	<u>3,308</u>	<u>3,132</u>

4. Investments

	2015	2014
	£	£
Short Term Investment held with Lloyds Bank	1,070,000	353,000
Temporary Investment held with Stirling Council	121,968	857,420
	<u>1,191,968</u>	<u>1,210,420</u>

5. Sundry Creditors

	2015	2014
	£	£
Various Sundry Creditors	8,540	668
	<u>8,540</u>	<u>668</u>

6. Trustee Remuneration

Neither the Council nor any person connected to them received remuneration from the Common Good Fund during the year. No expenses were reimbursed to the Council, as Trustee, during the year.

7. Revenue Recognition

Interest income received on investments is recognised in the financial period in which it is earned.

Income received from rents and service charges is recognised in the financial statements in the financial period in which it is earned.

Independent Auditor's Report

Independent auditor's report to the trustees of Stirling Council Common Good Fund and the Accounts Commission for Scotland

We certify that we have audited the financial statements of Stirling Council Common Good Fund for the year ended 31 March 2015 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 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, we 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 Charity Trustee's Responsibilities for the Financial Statements, the trustees are responsible for the preparation of the financial statements which give a true and fair view. Our 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 us 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 charity'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, we read all the financial and non-financial information in the Report of the Council and Financial Statements 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 us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its 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.

Opinion on other prescribed matter

In our 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 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.



Joanne Brown, (for and on behalf of Grant Thornton UK LLP)
7 Exchange Crescent
Edinburgh
EH3 8AN
3 September 2015

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