

Stirling Council

Consolidated Small Charitable Trusts

Annual Report and Financial Statements

For the Year Ended 31 March 2019

Contents

	<u>Page</u>
Trustees Annual Report	3
Statement of Receipts and Payments	6
Statement of Balances	6
Notes to the Financial Statements	7
Independent Auditor's Report	10

Trustees Annual Report For the Year Ended 31 March 2019

Section 106 of the Local Government (Scotland) Act 1973 applies the accounting and audit requirements of the Act to any trust fund where an authority or some members of the authority are the sole trustees. Local authorities administer a number of such trust funds some of which are registered as charities with the Office of the Scottish Charity Regulator (OSCR).

The preparation and audit of financial statements prepared by registered charities is regulated by the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and The Charities Accounts (Scotland) Regulations 2006 (the 2006 regulations). The 2006 regulations require charities to prepare a statement of account, and require an accompanying auditor's report where any legislation requires an audit. As section 106 requires an audit, the appointments of local authority auditors have been extended to include the provision of an auditor's report for charitable funds covered by that section.

Regulation 7 of the 2006 regulations permits connected charities to prepare a single set of accounts. Charities are connected if they have common or related purposes, or shared management. Stirling Council acts as sole trustee to a number of individual small charitable trusts, and on the basis of this shared management arrangement, the Council has taken the decision to consolidate the results of the individual small charitable trusts into a single set of accounts for audit purposes.

The Trustees have pleasure in presenting their report, together with the consolidated financial results of the individual small charitable trusts for the year ended 31 March 2019.

Structure, Governance and Management

Constitution

Each Charity is an unincorporated association governed by its constitution. The respective date of constitution for each individual Charity is outlined in the table on page 5.

It should be noted that the governing documents are not available for all charities as these have been lost over time. Funds are not used for any purpose other than the charitable purpose.

Trustees

Stirling Council is sole Trustee, and acting as a corporate body, makes decisions in accordance with its Scheme of Delegation. The Scheme of Delegation does not make provision for decisions in respect of each Charity to be made by a Committee, Sub-Committee, or Officer. As a result, power to make decisions is reserved to Council and is exercised through meetings of the full Council.

Trust Management

The Council's Chief Finance Officer as the proper officer for the administration of its financial affairs in terms of section 95 of the Local Government (Scotland) Act 1973 is also the proper officer in respect of the financial affairs of each Charity. The Solicitor to the Council as the proper officer in respect of the authentication of documents in terms of section 193 of the Local Government (Scotland) Act 1973 is also the proper officer in respect of the authentication of documents of each Charity.

Trust Address

c/o Julia McAfee
Chief Governance Officer & Solicitor to the Council
Stirling Council
Viewforth
Stirling. FK8 2ET

Trust Officers

James Boyle	Julia McAfee
Chief Finance Officer	Chief Governance Officer & Solicitor to the Council
Stirling Council	Stirling Council

Independent Auditor

Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT

Trustees' Responsibilities for the Financial Statements

Charity law applicable in Scotland requires the Trustees 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 Trustees have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed the Charities Statement of Recommended Practice (SORP): Financial Reporting Standard 102 (FRS 102), and;
- prepared the Financial Statements on the going concern basis.

The Trustees are 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 Trustees are aware:

- there is no relevant financial or other information that has not been provided to the charity's independent auditor; and
- the Trustees 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 auditor is aware of that information.

Reorganisation of Charities

Chapter 5 of The Charities Act 2005 provides for the reorganisation of charities, including amalgamation or winding up. Throughout 2017/18 the Council conducted a review of all small charitable trusts with the objective of reorganising these into fewer charities, and/or transferring the balances held to other charitable organisations who may be better placed to meet the purposes for which the trusts were originally established.

Stirling Council agreed with the approval of the Office of the Scottish Charity Regulator (OSCR):

- To transfer the assets of the 8 very small poverty related charitable trusts to Start-Up Stirling.
- To transfer the assets of the PM McIntyre Bequest to the Callander Common Good Fund.

The following table provides details of the 9 charitable trusts that were wound-up during 2017/18 following the transfer of their respective assets to other charitable organisations.

Charity No.	Charity Name	Charitable Purpose	Transferred
SC005921	P.M McIntyre Bequest	To provide general improvements in Callander and surrounding area.	£5,439.48
SC019350	George Murdoch Memorial Fund for Poor	For the purpose of providing assistance to those inhabitants of Stirling suffering financial hardship.	£14,894.40
SC019355	Belle Richardson Dobbie Fund for Poor	For the purpose of providing assistance to those inhabitants of Stirling and Bannockburn suffering financial hardship.	£20,554.03
SC019357	Miss Barbara Morrison Bequest for Coals for Poor	For the assistance to poor of Bridge of Allan and/or educate youth, make any improvements to the Bridge of Allan area.	£1,149.94
SC019358	A.E Foster Bequest for Poor	For the purpose of providing assistance to those inhabitants of Bridge of Allan suffering financial hardship.	£7,195.11
SC019359	William McCowan Bequest for Poor	For the purpose of providing assistance to those inhabitants of Bridge of Allan suffering financial hardship.	£2,440.15
SC023021	Gargunnoch Mortification Fund for Relief of Poverty	For the purpose of providing assistance to Gargunnoch inhabitants experiencing financial hardship.	£3,825.85
SC023023	Robert Buchanan Mortification	For the purpose of providing assistance to those inhabitants of Kippen suffering financial hardship.	£535.11
SC023024	Baird Airston Mortification for Poor	For the purpose of providing assistance to those inhabitants of Fintry suffering financial hardship.	£824.15

Remaining Trusts

The Council continues to work with OSCR to develop proposals and reach agreement for the transfer of the remaining 10 small charitable trust balances (as outlined in the following table). Until then, the trustees will continue to ensure that individual Charity balances are invested for the benefit of each Charity, and will be held and used in accordance with each Charity's objectives.

Charity SC025090 (Stirling Council Charitable Trusts) was established generally for the provision of relief to those in need by reason of age, ill health, disability, financial hardship or other disadvantage. The Charity however encompasses a number of small individual sub-funds, each with their own particular purpose.

Charity No.	Constituted	Charity Name	Charitable Purpose
SC019346	1900	MacFarlane Free Library Endowment Fund	To provide a free library for the inhabitants of Stirling, and in particular, the working and poorer classes.
SC019348	1981	The Village Club Strathblane	To provide a village club with reading room, library and recreation facilities for the inhabitants of Strathblane.
SC019349	1863	William Drummond Trust for Upkeep of Wigtownshire Martyrs Monument	For the maintenance and upkeep of the Wigtownshire Martyrs Monument, together with the walks and grounds within the Valley Cemetery, Stirling.
SC019351	1943	Miss Victoria M Anderson Trust	For the purpose of improving the amenity of Stirling Castle, including in particular the Back Walk.
SC019352	1966	Miss Catherine C Halley Bequest	For the benefit of persons with physical disabilities and/or mental health needs.
SC019353	1921	Rev Dr John Ebenezer Honeyman Thomson Bequest for Stirling Public Library	For the purpose of providing books of a religious nature to Stirling Public Library.
SC019356	1938	Gargunnoch Rest Garden Fund	For the purpose of providing an area of recreational ground at Gargunnoch for the benefit of children and the elderly.
SC019361	1925	Killearn War Memorial Fund	For the purpose of the maintenance and upkeep of the Killearn war memorial.
SC023022	1920	Strathblane War Memorial Fund	For the purpose of the maintenance and upkeep of the Strathblane war memorial.
Stirling Council Charitable Trusts:			
SC025090	2006	Lair Purchase	For the benefit of the poor (no geographical information)
SC025090	2006	Batterflats Home Comforts	For the benefit of the residents of Batterflats Home
SC025090	2006	Stirling OAP Treat Fund	For the benefit of the OAPs of Stirling
SC025090	2006	Blind Persons' Fund	For the benefit of blind persons
SC025090	2006	Maintenance of Lairs	For the maintenance of specific individuals' cemetery lairs
SC025090	2006	George.C. Thomson Bequest	For amenity improvements in Callander
SC025090	2006	Dunblane Institute	For the benefit of the people of Dunblane
SC025090	2006	Miss C Whitehead Bequest	For the provision of coal to the poor of Dunblane
SC025090	2006	Kate S Neilson Bequest	For the enhancement of Dunblane
SC025090	2006	Strathblane Tennis Club	For the benefit of the people of Strathblane
SC025090	2006	Water of Endrick	For the benefit of the poor of Water of Endrick
SC025090	2006	Perth & Kinross Education	For the benefit of the people of Dunblane
SC025090	2006	Miss Margaret Ogilvie Bequest	For the benefit of the poor (no geographical information)
SC025090	2006	Cornton Community Council	For the benefit of the people of Cornton

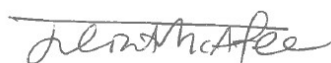
Financial Review

No monies were disbursed from any of the 10 charities during 2018/19. Income earned across all charities in 2018/19 totalled £371 (£271, 2017/18) representing interest received on funds invested in Stirling Council's Loans Fund. Total Funds held by all charities stood at £54,092 as at 31 March 2019 (£53,721, 31 March 2018). All funds were invested in Stirling Council's Loans Fund.

Reserves Policy

Reserves may only be used for specific purposes relating to each Trust's objectives. The revaluation reserve balance of £395,000 reflects the initial recognition of the Village Club property within these accounts, together with all subsequent revaluations carried out on the asset.

The report was signed on behalf of the trustees on 29 August 2019.



Julia McAfee
Chief Governance Officer & Solicitor to the Council
Date: 29 August 2019

Statement of Receipts and Payments - For the Year Ended 31 March 2019

		Total 2018/19 £	Total 2017/18 £
Voluntary Receipts			
Donations & Gift Aid	Note 4	-	-
Investment Income - Stirling Council	Note 4	(371)	(271)
Total Receipts	Note 4	(371)	(271)
Payments			
Costs of Charitable Activities	Note 4	-	-
Funding Transfers to Other Charities	Note 4	-	56,858
Total Payments		-	56,858
(Surplus)/Deficit For the Year	Note 4	(371)	56,587

Statement of Balances - As at 31 March 2019

		Total 2018/19 £	Total 2017/18 £
Fixed Assets - Village Club, Strathblane	Note 3	395,000	431,624
Revaluation Reserve	Note 3	(395,000)	(431,624)
Funds Reconciliation			
Total Funds - opening balance	Note 5	(53,721)	(110,308)
(Surplus)/Deficit For the Year (as above)	Note 4	(371)	56,587
Total Funds - closing balance	Note 5	(54,092)	(53,721)
Cash & Bank Balances			
Investments - Stirling Council Loans Fund	Note 5	(54,092)	(53,721)
Total Cash & Bank Balances	Note 5	(54,092)	(53,721)

All funds are restricted meaning that they may only be used for specific purposes

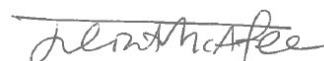
The notes on pages 7 to 9 form an integral part of these accounts.

The unaudited accounts were issued on 28 May 2019 and the audited accounts were authorised for issue on 29 August 2019.

Signed on behalf of the trustees on 29 August 2019.



James Boyle
Chief Finance Officer
Date: 29 August 2019



Julia McAfee
Chief Governance Officer & Solicitor to the Council
Date: 29 August 2019

Notes to the Financial Statements

1. Basis of Accounting

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

2. Nature and Purpose of Funds

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

Charity SC025090 (Stirling Council Charitable Trusts) encompasses a number of small individual sub-funds, each with their own particular purpose. For this reason, the sub-funds listed in Note 4 are thereby classified as restricted since the monies in one sub-fund cannot be applied to purposes within another sub-fund.

For a number of the charitable trusts there are no governing documents, therefore as a prudent approach, all the funds of these trusts have been classified as restricted.

3. Fixed Assets

Fixed Assets comprise the Village Club building in Strathblane. Stirling Council does not own the property but holds it as the trustee in accordance with the trust deeds of the Village Club Strathblane charitable trust, which requires the building to be made available for the provision of a village club with reading room, library and recreation facilities for the inhabitants of Strathblane.

The revaluation reserve balance reflects the initial recognition of the Village Club property within these accounts, together with subsequent revaluations carried out on the asset. Depreciation is not charged on the property as the Council's internal valuer revalues the property on an annual basis. The revaluation exercise for 2018/19 resulted in a reduction of £36,624 in the carrying value of the asset.

4. Surplus/Deficit for the Year

The following table shows the Surplus for the Year of £371 (2017/18, Deficit £56,587) analysed by expenditure incurred and sources of income received by each individual charity.

	2018/19			2017/18		
	Stirling Council Interest	Expenditure	Net (Surplus)/ Deficit	Stirling Council Interest	Expenditure	Net (Surplus)/ Deficit
	£	£	£	£	£	£
MacFarlane Free Library	(42)	-	(42)	(23)	-	(23)
The Village Club Strathblane	(11)	-	(11)	(6)	-	(6)
William Drummond Trust	(10)	-	(10)	(6)	-	(6)
Miss Victoria M Anderson Trust	(16)	-	(16)	(9)	-	(9)
Miss Catherine C Halley Bequest	(32)	-	(32)	(17)	-	(17)
Rev Dr JEH Thomson Bequest	(38)	-	(38)	(20)	-	(20)
Gargunnoch Rest Garden Fund	(9)	-	(9)	(5)	-	(5)
Killearn War Memorial Fund	(11)	-	(11)	(6)	-	(6)
Strathblane War Memorial Fund	-	-	-	-	-	-
Stirling Council Charitable Trusts (see note below)	(202)	-	(202)	(110)	-	(110)
P.M McIntyre Bequest	-	-	-	(20)	5,440	5,420
George Murdoch Memorial Fund	-	-	-	(14)	14,894	14,880
Belle Richardson Dobbie Fund	-	-	-	(20)	20,554	20,534
Miss Barbara Morrison Bequest	-	-	-	(1)	1,150	1,149
A.E Foster Bequest	-	-	-	(7)	7,195	7,188
William McCowan Bequest	-	-	-	(2)	2,440	2,438
Gargunnoch Mortification Fund	-	-	-	(4)	3,826	3,822
Robert Buchanan Mortification	-	-	-	-	535	535
Baird Airston Mortification	-	-	-	(1)	824	823
Total Income	(371)	-	(371)	(271)	56,858	56,587

Note: Income earned by each of the individual sub-funds consolidated within Charity SC025090 (Stirling Council Charitable Trusts) is as follows:

	2018/19		2017/18	
	Stirling Council Interest	Total Income	Stirling Council Interest	Total Income
	£	£	£	£
Lair Purchase	-	-	(1)	(1)
Batterflats Home Comforts	(3)	(3)	(1)	(1)
Stirling OAP Treat Fund	(3)	(3)	(2)	(2)
Blind Persons' Fund	(3)	(3)	(2)	(2)
Maintenance of Lairs	(58)	(58)	(31)	(31)
George C Thomson Bequest	(57)	(57)	(31)	(31)
Dunblane Institute	(2)	(2)	(1)	(1)
Miss C Whitehead Bequest	(4)	(4)	(2)	(2)
Kate S Neilson Bequest	(38)	(38)	(21)	(21)
Strathblane Tennis Club	(12)	(12)	(7)	(7)
Water of Endrick	(4)	(4)	(2)	(2)
Perth & Kinross Education	(5)	(5)	(2)	(2)
Miss Margaret Ogilvie Bequest	(9)	(9)	(5)	(5)
Cornton Community Council	(4)	(4)	(2)	(2)
Total Income	(202)	(202)	(110)	(110)

5. Total Funds

The following table shows Total Funds of £54,092 as at 31 March 2019 (£53,721, 31 March 2018) analysed across each individual charity.

	Stirling Council Loans Fund	Total Funds 31/3/19	Stirling Council Loans Fund	Total Funds 31/3/18
	£	£	£	£
	MacFarlane Free Library	(6,144)	(6,144)	(6,102)
The Village Club Strathblane	(1,551)	(1,551)	(1,540)	(1,540)
William Drummond Trust	(1,504)	(1,504)	(1,494)	(1,494)
Miss Victoria M Anderson Trust	(2,408)	(2,408)	(2,392)	(2,392)
Miss Catherine C Halley Bequest	(4,642)	(4,642)	(4,610)	(4,610)
Rev Dr JEH Thomson Bequest	(5,478)	(5,478)	(5,440)	(5,440)
Gargunnoch Rest Garden Fund	(1,351)	(1,351)	(1,342)	(1,342)
Killlearn War Memorial Fund	(1,583)	(1,583)	(1,572)	(1,572)
Strathblane War Memorial Fund	-	0	-	0
Stirling Council Charitable Trusts (see note below)	(29,431)	(29,431)	(29,229)	(29,229)
Total Funds	(54,092)	(54,092)	(53,721)	(53,721)

Note: Total Funds held in the name of each of the individual sub-funds consolidated within Charity SC025090 (Stirling Council Charitable Trusts) are as follows:

	Stirling Council Loans Fund	Total Funds 31/3/19	Stirling Council Loans Fund	Total Funds 31/3/18
	£	£	£	£
Lair Purchase	(31)	(31)	(31)	(31)
Batterflats Home Comforts	(389)	(389)	(386)	(386)
Stirling OAP Treat Fund	(478)	(478)	(475)	(475)
Blind Persons' Fund	(438)	(438)	(435)	(435)
Maintenance of Lairs	(8,419)	(8,419)	(8,361)	(8,361)
George C Thomson Bequest	(8,325)	(8,325)	(8,268)	(8,268)
Dunblane Institute	(310)	(310)	(308)	(308)
Miss C Whitehead Bequest	(549)	(549)	(545)	(545)
Kate S Neilson Bequest	(5,490)	(5,490)	(5,452)	(5,452)
Strathblane Tennis Club	(1,809)	(1,809)	(1,797)	(1,797)
Water of Endrick	(650)	(650)	(646)	(646)
Perth & Kinross Education	(685)	(685)	(680)	(680)
Miss Margaret Ogilvie Bequest	(1,262)	(1,262)	(1,253)	(1,253)
Cornton Community Council	(596)	(596)	(592)	(592)
Total Funds	(29,431)	(29,431)	(29,229)	(29,229)

6. Revenue Recognition

Interest income received on Investments is recognised in the financial period in which the interest is received.

7. Related Party Transactions

The Council, as trustees, has not charged any of the trusts for legal, financial or administrative services provided during 2018/19 (£Nil, 2017/18).

No trustee or any person connected to them received remuneration or expenses from any of the trusts during 2018/19 (£Nil, 2017/18).

Interest income of £371 was earned in 2018/19 from funds invested with Stirling Council's Loans Fund (£271, 2017/18).

8. Audit Fees

Although paid by Stirling Council, fees directly attributable to the Consolidated Small Charitable Trusts in respect of external audit services carried out by the appointed auditor amounted to £666 in 2018/19 (2017/18, £666).

Independent Auditor's Report

Independent auditor's report to the trustees of Stirling Council Consolidated Small 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 Stirling Council Consolidated Small Charitable Trusts for the year ended 31 March 2019 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, 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 my opinion the accompanying financial statements:

- properly present the receipts and payments of the charities for the year ended 31 March 2019 and their 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 charities 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 which properly present the receipts and payments of the charities, 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

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.

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.

Other information in the statement of accounts

The trustees are responsible for the other information in the statement of accounts. The other information comprises the information other than the financial statements and my auditor's report thereon. 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 matters prescribed by the Accounts Commission or required by applicable law to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the statement of accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Report on other requirements

Opinion on matter prescribed by the Accounts Commission

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 Charities Accounts (Scotland) Regulations 2006.

Matters on which I am required to report by exception

I am required by The Charities 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 120 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.



Paul Craig CA
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT
29 August 2019

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