

**STIRLING COUNCIL
COMMON GOOD FUND**

SCOTTISH CHARITY SC019363

REPORT OF THE COUNCIL

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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Report of the Charity Trustee for Year Ended 31 March 2022

Introduction

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 2022.

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

For accounting periods commencing on or after 1 January 2015, Charities in the UK and the Republic of Ireland must apply the Charities Statement of Recommended Practice (SORP): Financial Reporting Standard 102 (FRS 102) when preparing their accounts on an accruals basis.

The accounts of the Stirling Council Common Good Fund have been prepared on the basis of Financial Reporting Standard 102 (FRS 102).

Reference and Administrative Information

Charity Name

Stirling Council Common Good Fund

Charity Number

SC 019363

Correspondence Address

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

Trustees

Stirling Council

Trust Officers

Kirsty Stanners
Chief Officer Finance
Stirling Council

Julia McAfee
Chief Officer Governance & Solicitor to the Council
Stirling Council

Bankers

The Royal Bank of Scotland PLC
2 Pitt Terrace
STIRLING
FK8 2EX

Independent Auditor

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

Structure, Governance and Management

Governance

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, Callander and Dunblane.

Management

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 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 the Charities Statement of Recommended Practice (SORP): Financial Reporting Standard 102 (FRS 102); 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 that has not been provided to the charity's independent auditor; 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.

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.

Achievements

Disbursements of Common Good Funds in the year comprise a grant of £7,000 to the Smith Museum and Art Gallery.

Financial Review

The income of the Common Good Fund for the year comprises £1,007 received from the investment of funds in Stirling Council's Loans Fund, rental income of £15,500 from the property at 65 King Street, Stirling, together with £409 from the recovery of insurance costs.

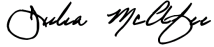
In addition to £7,000 of disbursements during the year to support the Smith Museum and Art Gallery (as noted above), the Common Good Fund also incurred costs of £1,117 maintaining the property at 65 King Street, Stirling.

Reserves Policy

The reserves of the individual Common Good Funds are held as a means of bringing benefit to the areas of Stirling, Bridge of Allan, Callander and Dunblane, or to some or all of the inhabitants of those areas.

The total accumulated reserves of the Common Good Fund are £1,285,120 as at 31 March 2022, of which £1,246,962 is classified as usable. The revaluation reserve balance of £38,158 is classified as unusable as it relates to gains arising from previous revaluations of the property at 65 King Street, Stirling.

The report was signed on behalf of the trustees.



Julia McAfee
Chief Officer Governance & Solicitor to the Council
27 October 2022

**Statement of Financial Activities
For The Year to 31 March 2022**

	Stirling £	Bridge of Allan £	Callander £	Dunblane £	2021/22 Total £	2020/21 Total £
Income from:						
<u>Investments:</u>						
Stirling Council Loans Fund	(603)	(366)	(6)	(32)	(1,007)	(5,855)
<u>Other:</u>						
Rents and Service Charges	(15,909)	-	-	-	(15,909)	(15,909)
Total Income	(16,512)	(366)	(6)	(32)	(16,916)	(21,764)
Expenditure on:						
<u>Charitable Activities:</u>						
Smith Art Gallery Grant	7,000	-	-	-	7,000	7,000
Depreciation of Property (Note 2)	2,567	-	-	-	2,567	2,567
<u>Other:</u>						
Upkeep of Property	1,117	-	-	-	1,117	1,371
Total Expenditure	10,684	-	-	-	10,684	10,938
Net (Income) / Expenditure	(5,828)	(366)	(6)	(32)	(6,232)	(10,826)
Gain on Revaluation of Fixed Assets	-	-	-	-	-	(23,591)
Net Movement in Funds	(5,828)	(366)	(6)	(32)	(6,232)	(34,417)
Reconciliation of Funds:						
Net Movement in Funds	(5,828)	(366)	(6)	(32)	(6,232)	(34,417)
Total Funds Brought Forward	(819,052)	(415,905)	(7,308)	(36,623)	(1,278,888)	(1,244,471)
Total Funds Carried Forward	(824,880)	(416,271)	(7,314)	(36,655)	(1,285,120)	(1,278,888)

All funds are Restricted.

Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed Assets			
Land & Buildings	1	134,867	137,434
Community Assets	1	1	1
Heritage Assets	1	1	1
Total Fixed Assets	2	<u>134,869</u>	<u>137,436</u>
Current Assets			
Debtors & Prepayments	4	1,291	3,444
Investments - Stirling Council Loans Fund	5	1,155,960	1,138,510
Total Current Assets		<u>1,157,251</u>	<u>1,141,954</u>
Current Liabilities			
Creditors - Amounts falling due within 1 Year	6	(7,000)	(502)
Net Current Assets		<u>1,150,251</u>	<u>1,141,452</u>
Total Net Assets		<u><u>1,285,120</u></u>	<u><u>1,278,888</u></u>
The Accumulated Funds of the Charity:			
Revaluation Reserve		38,158	38,158
Stirling Common Good Fund		786,722	780,894
Bridge of Allan Common Good Fund		416,271	415,905
Callander Common Good Fund		7,314	7,308
Dunblane Common Good Fund		36,655	36,623
Total Accumulated Funds Carried Forward		<u><u>1,285,120</u></u>	<u><u>1,278,888</u></u>

The unaudited accounts were issued on 23 June 2022 and the audited accounts were authorised for issue on 27 October 2022.

Signed on behalf of the trustees.

Kirsty Stanners

Kirsty Stanners
Chief Officer Finance
27 October 2022

Julia McAfee

Julia McAfee
Chief Officer Governance & Solicitor to the Council
27 October 2022

Notes to the Financial Statements

1. Accounting Policies

General

The 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, using the accruals concept of accounting and in accordance with Financial Reporting Standard 102 (FRS 102).

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. The total accumulated reserves of the Common Good Fund are £1,285,120 as at 31 March 2022, of which £1,246,962 is classified as usable (2020/21, £1,278,888 of which £1,240,730 is classified as usable). The revaluation reserve balance of £38,158 is classified as unusable as it relates to gains arising from all previous revaluations of the property at 65 King Street, Stirling (2020/21 £38,158).

Fixed Assets

Fixed Assets comprise property and land consisting of offices at 65 King Street, Stirling, the Town Wall at Dumbarton Road, Stirling, open space at Castle Wynd, Stirling and Laighills Park, Dunblane.

The offices at 65 King Street, Stirling and the open space at Castle Wynd, Stirling have been classified as Land & Buildings Assets. The King Street offices have been broken down into five main asset components (land, fixtures, plant, roof and structure). The asset components (excluding land) are subject to annual depreciation on a straight-line basis over their useful life as estimated by the Stirling Council Valuer. Although initially measured at cost, the offices are subject to a rolling 5 year revaluation carried out by the Council Valuer, with any increases in value being recognised in the Revaluation Reserve. The property was revalued during 2020/21 using a market value basis (annual rent X yield multiplier) resulting in a net increase on revaluation of £23,591.

The open space at Castle Wynd, Stirling represents a minor area of land and has been valued at £1.

Laighills Park, Dunblane has been classified as a Community Asset and has been valued at £1.

The Town Wall at Dumbarton Road, Stirling has been classified as a Heritage Asset and valued at £1 as it is considered impractical to obtain a valuation at a cost commensurate with the benefits to users of the financial statements, and that reliable cost or valuation information cannot be obtained.

Taxation

The Common Good Fund has charitable status for tax purposes.

2. Fixed Assets

The net book value of fixed assets as at 31 March 2022 is £134,869 after a depreciation charge for the year to 31 March 2022 of £2,567.

Asset Cost, Valuation or Revalued Amount (£)	Laighills Park	Town Wall	Castle Wynd	65 King Street, Stirling					Total Assets
				Land	Fixtures	Plant	Roof	Structure	
Book Value at 1 April 2021	1	1	1	49,000	13,065	42,135	5,227	30,573	140,003
Book Value at 31 March 2022	1	1	1	49,000	13,065	42,135	5,227	30,573	140,003
Depreciation									
Depreciation 1 April 2021	-	-	-	-	523	1,404	131	509	2,567
Charge for Year	-	-	-	-	523	1,404	131	509	2,567
Depreciation 31 March 2022	-	-	-	-	1,046	2,808	262	1,018	5,134
Net Book Value									
As at 1 April 2021	1	1	1	49,000	12,542	40,731	5,096	30,064	137,436
As at 31 March 2022	1	1	1	49,000	12,019	39,327	4,965	29,555	134,869

The comparative net book value of fixed assets as at 31 March 2021 was £137,436 after a depreciation charge for the year to 31 March 2021 of £2,567.

Asset Cost, Valuation or Revalued Amount (£)	Laighills Park	Town Wall	Castle Wynd	65 King Street, Stirling					Total Assets
				Land	Fixtures	Plant	Roof	Structure	
Book Value at 1 April 2020	1	1	1	38,749	12,981	41,865	5,193	30,375	129,166
Revaluation	-	-	-	10,251	84	270	34	198	10,837
Book Value at 31 March 2021	1	1	1	49,000	13,065	42,135	5,227	30,573	140,003
Depreciation									
Depreciation 1 April 2020	-	-	-	-	2,595	6,980	650	2,530	12,755
Charge for Year	-	-	-	-	523	1,404	131	509	2,567
Revaluation	-	-	-	-	(2,595)	(6,980)	(650)	(2,530)	(12,755)
Depreciation 31 March 2021	-	-	-	-	523	1,404	131	509	2,567
Net Book Value									
As at 1 April 2020	1	1	1	38,749	10,386	34,885	4,543	27,845	116,411
As at 31 March 2021	1	1	1	49,000	12,542	40,731	5,096	30,064	137,436

3. Rental Income

The offices at 65 King Street, Stirling are subject to a standard annual rent charge of £15,500 excluding service charges.

4. Debtors and Prepayments

	31 March 2022 £	31 March 2021 £
Rent Receivable - 65 King Street, Stirling	1,291	3,444
	1,291	3,444

5. Investments

	31 March 2022 £	31 March 2021 £
Stirling Common Good - Temporary Investment (Stirling Council)	695,721	678,675
Bridge of Allan Common Good - Temporary Investment (Stirling Council)	416,271	415,905
Callander Common Good - Temporary Investment (Stirling Council)	7,314	7,308
Dunblane Common Good - Temporary Investment (Stirling Council)	36,654	36,622
	1,155,960	1,138,510

6. Sundry Creditors

	31 March 2022 £	31 March 2021 £
Grant payable to Smith Museum and Art Gallery	(7,000)	-
Works to 65 King Street, Stirling	-	(502)
	(7,000)	(502)

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.

8. Related Party Disclosure

The Council, as trustee, has not charged the Common Good Fund for legal, financial or administrative services provided during 2021/22 (£Nil, 2020/21).

Neither the Council nor any person connected to them received remuneration from the Common Good Fund during the year.

As outlined in the Statement of Financial Activities, Stirling Council paid total interest of £1,007 in 2021/22 to the Common Good arising from the investment of funds in Stirling Council's Loans Fund (2020/21, £5,855).

9. Audit Fees

Although paid by Stirling Council, fees directly attributable to the Common Good Fund in respect of external audit services carried out by the appointed auditor amounted to £684 in 2021/22 (2020/21, £684).

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

Reporting 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 Common Good Fund for the year ended 31 March 2022 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 notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2022 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.

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.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Responsibilities, 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.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to discontinue the charity's operations, or have no realistic alternative but to do so.

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:

- obtaining an understanding of the applicable legal and regulatory framework and how the charity is complying with that framework;
- identifying which laws and regulations are significant in the context of the charity;
- assessing 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 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.

Opinions 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 Charities SORP (FRS 102).

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.



Adam Haahr CA
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow
G2 1BT
27 October 2022

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