

The background of the slide features a large, light blue coat of arms of the City of Edinburgh. The coat of arms consists of a shield divided into four quarters. The top-left quarter shows a castle tower, the top-right shows a stag's head with antlers, the bottom-left shows a sailing ship on waves, and the bottom-right shows a lion passant guardant. Above the shield is a crown with four fleurs-de-lis. A ribbon scrolls across the bottom of the shield with the motto 'AENE FOR A'.

Agenda Item 8

Temperance Trust Annual Accounts 2015/16

Falkirk Council

Title: Temperance Trust Annual Accounts 2015/16

Meeting: Audit Committee

Date: 26 September 2016

Submitted By: Head of Corporate & Housing Services

1. Purpose of Report

- 1.1 The purpose of the report is to present the Audited Accounts of the Council for the year to 31 March 2016.

2. Recommendation

- 2.1 **The Committee is asked to consider and recommend approval to the Trustees of the Audited Annual Accounts of the Temperance Trust to 31 March 2016.**

3. Background

- 3.1 The Charities Accounts (Scotland) Regulations 2006 require charities to prepare annual accounts. These accounts must be audited in line with the requirements of the Local Government (Scotland) Act 1973 which set out arrangements for those charities where members of the authority are the only trustees.

4. Considerations

- 4.1 The Accounts of the Temperance Trust have now been audited. The auditor's certificate is free from qualification. Copies of the accounts will be sent to interested parties, posted on the Council's website and their availability advertised in the local press.

5. Consultation

- 5.1 This report does not require consultation.

6. Implications

Financial

6.1 There are no financial implications arising from the report recommendations.

Resources

6.2 There are no resource implications arising from the report recommendations.

Legal

6.3 There are no legal implications arising from the report recommendations.

Risk

6.4 There are no risks arising from the report recommendations.

Equalities

6.5 There are no equality implications arising from the report recommendations.

Sustainability/Environmental Impact

6.6 There are no sustainability/environmental implications arising from the report recommendations.

7. Conclusions

7.1 The Annual Accounts of the Temperance Trust have now been audited by Audit Scotland. The auditor's certificate is free from qualification.

Director of Corporate & Housing Services

Author – Amanda Templeman, Acting Depute Chief Finance Officer 01324 506371,
amanda.templeman@falkirk.gov.uk

Date: 15 September 2016

Appendices

1. Annual Accounts 2015/16

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- None

**FALKIRK TEMPERANCE TRUST
REGISTERED CHARITY NUMBER - SC001904**

**ANNUAL REPORT & ACCOUNTS
for the year ended 31 March 2016**

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

TRUSTEE'S ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2016

Falkirk Temperance Trust is a registered charity, **Scottish Charity Number SC001904**.

Principal contact address

Chief Finance Officer
Falkirk Council
Municipal Buildings
FALKIRK
FK1 5RS

Governing document

Falkirk Temperance Trust originates from 1919 as part of an estate of a Falkirk gentleman. Its original purpose was to help people refrain from alcohol. A revision to the Trust was approved by the Court of Session on 1 February 1991. This allowed the Trust to not only help assist organisations and people in dealing with alcohol abuse but also other forms of drug addiction.

Charitable purposes

The Trustees hold the trust fund and apply the income to assist mainly organisations operating within Falkirk dealing with alcohol abuse and other forms of substance addiction.

Recruitment and appointment of Trustees

The trust is administered by Falkirk Council, with the Chief Finance Officer appointed as Treasurer. Following the elections held in May 2007, Provost Pat Reid and Councillor John Patrick were appointed as Trustees, representing wards in the former Falkirk Burgh area. Councillor Craig R Martin replaced Councillor Patrick from 18 May 2012. Provost Reid and Councillor Martin remain Trustees at 31 March 2016.

Respective responsibilities of the trustees and auditor

The trustees are responsible for

- preparing financial statements in accordance with the 2006 Regulations
- making judgements and estimates that are reasonable and prudent
- keeping adequate accounting records which are up to date
- taking reasonable steps for the prevention and detection of fraud and other irregularities

The auditor's 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.

Activities and achievements

There was only one grant application made to the Trust in the financial year. This application did not comply with the Trust Deeds which require that funding needs to directly assist the residents of the Falkirk area.

Reserves

The assets of the Trust are currently held by the Bank of Scotland and two accounts are in operation. The Treasurer's Account is used for the daily operations of the Trust and retains a working balance. A Guaranteed Fixed Deposit Account, which offers a higher interest rate, is used for the larger balance. This has a 6 month repayment period, whereby, the interest rate offered for the next period is reviewed. There are no restrictions on the use of funds held in either of these accounts.

Conclusion

The charity made no grant payments in 2015/16.

Surplus

The Trust returned a surplus in the year due to no grants being awarded. In principle bank interest earned in the year is used to fund grant payments in the same year. However, due to the limited number of grant applications in previous years this has not always been possible and Reserves have increased over time. Therefore, applications are approved where possible, regardless of timing, and this may result in a surplus in some years but a deficit in other years.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Office of the Scottish Charity Regulator in exercising their powers or duties.

Audit Arrangements

In response to section 106 of the Local Government (Scotland) Act 1973 and the provisions of the Charities Accounts (Scotland) Regulation 2006, it was agreed that from 2013/14, each Local Authority auditor should cover the registered charities for which the Authority is sole trustee. The appointed auditor of Falkirk Council is Audit Scotland. The audit fee for 2015/16 was £200. The fee was not paid in year and will be accounted for in 2016/17 because the accounts are compiled on a receipts and payments basis. The audit fee for 2014/15 was £200 but due to late invoicing was not paid until May 2016.

Authorised for Issue

The Audited Accounts were approved and issued by the trustees on 26 September 2016 and signed on their behalf by:

P Reid, Trustee
26 September 2016

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

STATEMENT OF RECEIPTS & PAYMENTS

FOR THE PERIOD 1 APRIL 2015 TO 31 MARCH 2016

2014/15 £		2015/16 £
	<u>Receipts</u>	
1,275	Bank interest	1,140
<hr/> 1,275		<hr/> 1,140
	<u>Payments</u>	
50	Independent Examiner Fee	0
1,900	Grants	0
<hr/> 1,950		<hr/> 0
<hr/> (675)	Surplus/(Deficit) for Period	<hr/> 1,140

The notes on page 5 form an integral part of the accounts. The audited accounts were approved and issued by the trustees on 26 September 2016 and signed on their behalf by:

P Reid, Trustee
26 September 2016

B Smail, Treasurer
26 September 2016

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

STATEMENT OF BALANCES

AS AT 31 MARCH 2016

2014/15 £		2015/16 £
	<u>Current Assets</u>	
150,595	Bank of Scotland Guaranteed Fixed Deposit	151,735
9,125	Bank of Scotland Treasurer's Account	9,125
<hr/> 159,720		<hr/> 160,860
	<u>Current Liabilities</u>	
<hr/> -		<hr/> -
<hr/> 159,720	Net Assets	<hr/> 160,860
	<u>Represented by:</u>	
160,395	Surplus brought forward	159,720
(675)	Surplus/(deficit) for period	1,140
<hr/> 159,720	Surplus carried forward	<hr/> 160,860

The notes on page 5 form an integral part of the accounts. The audited accounts were approved and issued by the trustees on 26 September 2016 and signed on their behalf by:

P Reid, Trustee
26 September 2016

B Smail, Treasurer
26 September 2016

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

NOTES TO THE ACCOUNTS

1. Basis of Accounting

These accounts 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

Unrestricted funds are those that may be used at the discretion of the Trustees in furtherance of the objectives of the Charity, being the surplus carried forward. There are no restricted funds.

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 the Charity Trustees or persons connected to a Trustee during the year (2014/15: Nil).

5. Administration Fee

No fee was charged by the Council and therefore no costs were incurred by the Charity for the administration of the funds on behalf of the Trustees.

FALKIRK TEMPERANCE TRUST

REGISTERED CHARITY NUMBER - SC001904

Independent auditor's report to the trustees of Falkirk Temperance Trust and the Accounts Commission for Scotland

I certify that I have audited the financial statements of Falkirk Temperance Trust for the year for the year ended 31 March 2016 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, statement of balances and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

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, I 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 Annual Report and Accounts, the trustees are responsible for the preparation of the financial statements which properly present the receipts and payments of the charity. My 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 me 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, I read all the financial and non-financial information in the Annual Report and Accounts 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 me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2016 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.

Opinion on other prescribed matter

In my 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 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.

James Rundell, CPFA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

26 September 2016

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