

Falkirk Community Trust

Board Meeting 30th August 2018 10am Queen's Room, Callendar House

AGENDA

	AGENDA Part 1: Items	Purpose
1	Minute of Meetings held on 31 st May 2018	Approval
2	Matters Arising	Information
3	2017/18 Annual Accounts <i>Report by Financial Adviser (Chief Finance Officer, Falkirk Council / Drummond Laurie)</i>	Approval
4	2017/18 Annual Report Publication <i>Report by Chief Executive</i>	Approval
5	Projected Financial Position 2018/19	Information
6	Board Administration <i>Report by Chief Executive</i>	Approval
7	A Culture Strategy for Scotland Consultation <i>Report by Culture & Libraries Manager</i>	Information
8	Risk Update <i>Report by Business Development Manager</i>	Information
9	Health & Safety Update <i>Report by Sport & Recreation Manager</i>	Information

The following part of the meeting will be held in Private in accordance with the Trust's Protocol for Public Meetings and members of the public will be excluded.

	AGENDA Part 2: Private & Confidential Items	Purpose
10	Golf Course Update <i>Report by General Manager</i>	Information
11	Falkirk Council Update (<i>Verbal</i>) <i>Report by Financial Adviser (Chief Finance Officer, Falkirk Council)</i>	Information
12	Business Strategy 2019 -2024 <i>Report by Chief Executive</i>	Approval
13	Options Appraisal Update (<i>Verbal</i>)	Discussion
14	Unapproved Minute of the People Sub Group 09.07.18	Information
15	Unapproved Minute of the Trading Company Board 06.08.18	Information
16	Unapproved Minute of the Audit & Performance Sub Group 16.08.18	Information

Falkirk Community Trust

Board Meeting
Minute

Minute of a meeting of the Board of Directors of Falkirk Community Trust Limited (the "Company") held at Callendar House on **31st May 2018** at 10am. Ruth Morrison (RM) chaired the meeting throughout.

No members of the public attended.

Present: Ruth Morrison (RM) Chair; Suzanne Arkinson (SA); Cllr William Buchanan (WB) (items1-6); Cllr Joan Coombes (JC); Colette Filippi (CF) (items 1-6 & 10); Cllr Jim Flynn (JF) (items1-6 &10); Cllr Cecil Meiklejohn (CM) (items1-6 &10); Simon Rennie (SR); David White (DW).

Apologies: Cllr Lorna Binnie (LB); Derek Easton (DE).

In Attendance: Maureen Campbell (MC); Neil Brown (NB); Lesley O'Hare (LoH); Jane Clark (JC); Margaret Smith (MS); Andrew Roberts (AR) (items 1,2,4-6).

No.	Agenda Item	Agreement / Action	Due Date	Who
		Agenda Part 1: Business Items		
	Welcome	RM welcomed Directors to the meeting and all Directors warmly welcomed the award of Tourist Attraction of the Year to Callendar House at the Scottish Hospitality Awards.		
1	Minute of Meeting	The minute of the meeting held on 8 th March 2018 was approved.		
2	Matters Arising	<u>Barclay Report Update</u> The Board noted that CM has raised the matter with the Finance Minister and that MC has spoken with Michael Mathieson and with the Minister for Sport. The Board noted that SPoRTA continue to press for further dialogue with the Government.		
3	Director Appointments	The Board noted the recent recruitment campaign for Independent Directors and the recommendation from the Nominations Committee to make the following new appointment effective from 1 st June 2018: Andrew Roberts – Independent Director (article 19.2 (ii)) Decision The Board agreed the above recommendation of the Nominations Committee; and agreed to amend the appointment of Colette Filippi from article 19.2(ii) to article19.3 with immediate effect.		
4	Provisional Financial Outturn 2017/18	MS presented the provisional outturn on the financial status of the Trusts activities for the 12 months to March 2018 and noted that the figures reported are subject to final audit review. The Board noted that projected surplus on charitable activities is £35,000 and customer income is an improvement on that previously projected despite the extreme winter weather in the final quarter. A provisional charitable donation of £361,000 from the Trading Company was welcomed. The Board noted that an update on the net subsidy position will be reported to the August meeting. The Board discussed the impact of vacancy management and the year-end process.		
5	Council request for Statement of	The Board noted the Council's annual request for a Statement of Assurance from the Trust to feed into the Council's Annual Governance Statement. The response summarises how we		

No.	Agenda Item	Agreement / Action	Due Date	Who
	Assurance for year to end March 2018	<p>are managing the following:</p> <ul style="list-style-type: none"> • achievement of objectives and compliance with legislation, strategies, policies, and procedures; • robust and evidenced management of risk; • economic, efficient, effective, and safe use of resources and assets; and • proper financial stewardship, management and control; • the relevance, reliability, and integrity of financial and other management information. <p>The Board noted that in addition to external audit the Trust derives substantial assurance through a robust programme of internal audits. The Board noted that the management team have begun discussion with the Council's new corporate fraud team on the process for flagging and reporting any concerns which will be cascaded through the organisation.</p> <p>Decision</p> <p>The Board approved the Statement of Assurance.</p>		
6	Business Plan 2018/19 Update	<p>NB updated the Board on the Business Plan actions being taken to secure the agreed savings associated with the reduced service payment in 18/19. The Board noted the detailed report and that one club has come forward to express and interest in community asset transfer; that work progresses with Grangemouth Golf Club on management arrangements for the Golf Course; that agreement has been reached with Children's Services to enable outdoor activity provision to continue; that work is underway on co-location of facilities; that the heritage learning service is no longer available; that revised fees & charges were introduced in April; and that the Trust continues to achieve staff turnover savings.</p> <p>The Board welcomed the good set of statistics presented in the monitoring report and discussed the complexities and timescales of the Business Plan submissions deadline, the frustration of annualised budget planning and if the planning process could tie in to the options appraisal.</p>		
7	Libraries as Community Hubs: update	<p>LoH updated on work with Falkirk Council to explore colocation of services at Falkirk Library within the vision of libraries as community hubs. A design brief and sketch plans have been produced to meet both Trust and Council requirements. The Board noted that this has required some compromises and that the Trust is trying to be a good partner through an integrated solution while taking care to ensure our customer interests are fully considered.</p> <p>The Board noted that the children's library will relocate from the first to the second floor and that there are no funds forthcoming from the Council for the redesign of the children's library or redecoration of the second floor. The Trust will try to identify some funds but will be unable to meet the anticipated cost of £30-40k for shelving and décor of the space. The Board expressed concern that the children's library is being compromised.</p>		
8	Risk Update	<p>The Board noted 3 risks and mitigation action affecting the Trust at this time associated with GDPR, Marketing and Health & Safety over the summer holiday period.</p>		

No.	Agenda Item	Agreement / Action	Due Date	Who
9	Health & Safety Update	The Board noted the update on Health & Safety and that performance results for incidents and accidents at 0.011% is very small in comparison to the volume of admissions across our venues. Staff are vigilant and responsive to accidents and incidents and the Board praised the swift and effective response of gym staff at a recent incident.		

Agenda Item 2

Falkirk Community Trust

Matters Arising (Meeting 31 May March 2018)

Board Meeting: 30th August 2018

Item	Action	By Whom	Update
10	<u>Carron Gymnastics Centre</u> PF to ensure a process is in place to relocate users affected by the change in use.	PF	All customers have been contacted and offered an alternative location in which to pursue their chosen activity. At this time we have offered 24 different regular bookings alternative locations. Most have accepted and we await a response from 6. A further 9 regular bookings / customers have decided to source their own alternative. Most are relocating to St.Mungo's, Denny and Polmont Sports Centres.
12	<u>Trust Options Appraisal</u> MC to share arrangements for the briefing session with Elected Members planned for 7 June.	MC	Meeting held on 7 June. 14 Councillors attended along with 4 Board members. Further meeting of the Sounding Board held on 20 August. The meeting considered a draft report prepared by Council Officers. The Council CEO intends to report to the Council in September.

Falkirk Community Trust

Subject: Audited Annual Accounts 2017/18
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
Author: Chief Finance Officer, Falkirk Council

1. Introduction

- 1.1 Company law requires the Directors to prepare financial statements for each financial year and to make arrangements for the accounts to be independently audited. This report asked Directors to approve the audited accounts for 2017/18.

2. Audited Accounts

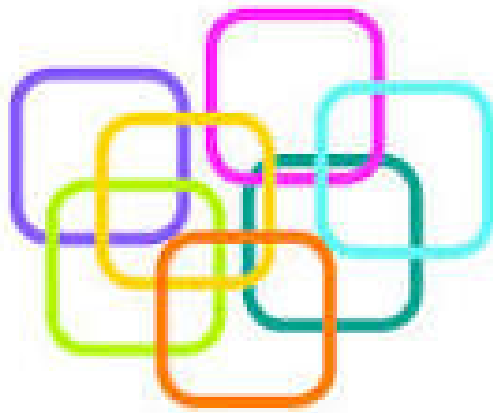
- 2.1 The consolidated financial statements for the Trust, including its subsidiary undertaking Falkirk Community Trading Limited for the period to March 2018 have been presented for audit. The report from the Independent Auditor confirms that, in their opinion, the financial statements give a true and fair view of the company's affairs. There are no significant matters arising in the audit report. A full management report from the auditor is attached in appendix 1.
- 2.2 The financial results for the year 1 April 2017 to 31 March 2018 are attached in appendix 2. The Consolidated Statement of Comprehensive Income on page 10 shows a surplus on unrestricted funds of £462,000. The unrestricted fund has increased to £2,015,000 (£1,553,000 at 31 March 2017). From this £227,000 has been earmarked for offsetting future severance costs, £780,000 earmarked to fund investment growth projects, and £147,000 earmarked for the Helix Asset Management Plan.
- 2.3 The Trust's subsidiary achieved a breakeven position for the period to 31 March 2018 after accounting for a charitable payment of £360,951 (2016/17 £269,240). The Board should also note that separate audited accounts have been prepared and approved by the Trading Company.

3. Recommendation

- 3.1 **The Board is asked to approve the Trust's Financial Statements for the period to March 2018.**



Chief Finance Officer



Falkirk
**Community
Trust**

Falkirk Community Trust Limited
and
Falkirk Community Trading Limited

Report of Audit Results

Year ended 31 March 2018



**DRUMMOND
LAURIE**
CHARTERED ACCOUNTANTS

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Introduction

Purpose of document

This document has been prepared to provide the Board of Falkirk Community Trust Limited an overview of our audit results in relation to the accounts of both the charity and its trading subsidiary for the year ended 31 March 2018.

Our audit objectives and procedures are detailed in Appendix 1.

This report will detail the results of our substantive audit work including an assessment of the key risks to the audit opinion, any issues we have identified with systems and controls, and details of our compliance review of the accounts with accounting standards and accounting policies.

We can confirm that there will be no modifications to the auditor's report within the accounts.

Restriction on circulation

This report of the audit results is provided on the basis that it is for your information only, and that it will not be quoted or referred to in whole or in part, without our prior written consent. Accordingly, we accept no responsibility to any third party in relation to it.

Substantive Audit Testing - Results

Assets

Our audit work on the assets of the group is focussed on gaining assurance that the assets are not materially overstated, that they are included at the correct valuation and that they are disclosed accurately in the accounts.

This can be broken down as follows:

- Confirmation of the continued ownership of a sample of motor vehicles held by the group at the year end.
- Confirmation that the value of the motor vehicles held by the group is appropriate and that the depreciation policies are being applied correctly.
- Verification of the stock value in the accounts to the year-end stock count reports for each location.
- Verification of a sample of stock items for correct pricing.
- Verification of the post year-end recovery of a sample of trade debt.
- Confirmation of year-end VAT debtor and post year-end recovery
- Verification of the accuracy of a sample of prepayments and accrued income.
- Reconciliation of the bank/cash balance per the accounts to bank statements, reconciling items and cash counts.
- Confirmation of inclusion of all bank accounts to bank audit letter.
- Agreement of the inter-company balance between the charitable parent and the trading subsidiary, confirming recoverability.

Assurance was gained that assets were not materially overstated in the accounts, are included at the correct valuation, and are disclosed correctly in the accounts.

Liabilities

Our audit work on the liabilities of the group is focussed on gaining assurance that the liabilities are not materially understated, are accurate and that they are disclosed correctly in the accounts.

This can be broken down as follows:

- Confirmation of the balances due to/from Falkirk Council at the year-end.
- Verification that the balances due to suppliers at the year-end are accurate within trade creditors, and that all uninvoiced balances at the year-end which relate to the financial year are accrued within other creditors and accruals.
- Confirmation of the accuracy of the employment tax creditor to the March 2018 payroll, and verification of post year-end payment.
- Verification of the accuracy of a sample of other creditors and accruals.

Assurance was gained that liabilities were not materially understated in the accounts, are accurate and are disclosed correctly in the accounts.

Income and Expenditure

Our audit work on the income of the group is focussed on gaining assurance that income is not materially understated, it is allocated to the correct fund and that it is correctly disclosed under the correct heading within the SOFA.

Our audit work on the expenditure of the group is focussed on gaining assurance that expenditure is not materially overstated, it is allocated to the correct fund and that it is correctly disclosed under the correct heading within the SOFA.

This can be broken down as follows:

- Proof in total of income received from the contract with Falkirk Council.
- Testing a sample of cash income from the various sites managed by the Trust to ensure that this has been included in the accounts. This also verifies the accuracy of the bankings made in the year, while cash income cut-off was also confirmed.
- Obtaining a sample of grant award letters in the year and confirming that the income has been recognised correctly in the appropriate period. Additionally, it was verified that the income and costs relating to the grants were correctly allocated to restricted or unrestricted funds.
- Confirming that all income and costs in relation to the Helix have been separately identified and included within a restricted fund.
- Testing a sample of expenditure included in the accounts to supporting documentation to ensure they are valid costs and allocated appropriately.
- Expenditure cut-off was verified by selecting transactions around the year-end and verifying that these were included in the correct period.
- Performing a full wages reconciliation from payroll reports to accounts balances, and ensuring all wages disclosures are accurate.

Assurance was gained that income was not materially understated and expenditure was not materially overstated in the accounts, while there was no evidence of misallocation of income and expenditure within the SOFA or separate funds.

Key risk areas

From our initial planning procedures and discussions, we identified areas where we consider the risk of misstatement in the accounts to be greater than normal. These were reviewed and detailed below together with our conclusions:

Key risk	Approach	Conclusion
<p>Funding</p> <p>With continuing austerity, Councils have had to reduce costs and the funding of the Trust will be no exception. Therefore, the going concern status of the Trust and ability to provide all services without running to financial deficit is considered a key risk.</p>	<p>Budgets and cash flow forecasts will be reviewed for the 12 months from the balance sheet date. Confirmation of funding for the year ended 31 March 2020 will not be received before audit sign-off, and therefore a confirmation of support from Falkirk Council will be required to ensure reliance can be placed for the full 12 months.</p>	<p>A letter of support has been obtained from Falkirk Council supporting the Trust for 12 months from the balance sheet date.</p> <p>There is no evidence that the Trust will not be able to meet its obligations across that period.</p>
<p>Income recognition</p> <p>Due to the nature of the Trust's activities, classification of income between activities and funds, and the timing of recognition of certain income are considered to be an area of key risk.</p>	<p>Grant income will be reviewed to ensure that this is recognised in accordance with accounting standards and that is allocated to the correct activity and fund.</p>	<p>There is no evidence from our testing to suggest that income is not classified correctly or allocated to incorrect funds.</p>
<p>Helix Funds</p> <p>All monies generated by the Helix site need to be reinvested in the site as part of the lottery funding agreement. There is the risk of misallocation and non-compliance with the funding agreement.</p>	<p>Detailed work is carried out on the allocation of Helix income and costs to restricted funds.</p>	<p>There is no evidence from our testing to suggest that Helix income and costs have been misallocated.</p>

Systems and Controls

As part of our audit work, the systems and controls implemented by the group were reviewed to identify any deficiencies and potential recommendations. This does not include all deficiencies and only represents matters which have come to our attention during the audit process:

Matters for Attention	Recommendation	Response from Management
<p>Accrued Income Accrued income information was not passed from certain income generating sites to the finance team and therefore accrued income was understated. This was immaterial but this error could have been material.</p>	<p>Procedures should be reviewed with all staff members involved to ensure everyone is clear on their responsibilities.</p> <p>The finance team should also liaise with the income management team once the information is collated to review income vouchers around the year end to ensure no errors have occurred.</p>	<p>Management have agreed that the recommendations are appropriate and will be implemented in advance of the year end 31 March 2019.</p>
<p>Income Cut-Off Income management posted a batch of banked March income into April 2018. This was immaterial but this error could have been material.</p>	<p>A further review should be carried out to input safeguards such that this cut-off error will be caught at an early stage in the accounts production process.</p>	<p>Management have agreed that the recommendations are appropriate and will be implemented in advance of the year end 31 March 2019.</p>

Based on our audit work carried out for the year ending 31 March 2018, we did not identify any further significant deficiencies from our review of systems and controls.

Financial reporting considerations

We have carried out full detailed disclosure reviews of the consolidated charity accounts of Falkirk Community Trust Limited and the small company accounts of Falkirk Community Trading Limited.

Prior to the preparation of the accounts, a meeting was held with Jennifer Lister and Lesleyanne Wray to update the accounts to ensure that any required disclosure changes are identified at an early stage. All of the amendments were presentational.

There were no audit adjustments to be brought to the attention of the Board.

As per the systems and controls section above, errors were identified within calculation of accrued income and cash income cut-off. These were immaterial and remain unadjusted and are as follows:

Falkirk Community Trust Limited – company

Dr Bank	£631	
Dr Debtors	£16,127	
Cr Income		£16,758

Falkirk Community Trading Limited

Dr Bank	£2,271	
Dr Debtors	£10,115	
Cr Income		£12,386

Falkirk Community Trust Limited - group

Dr Bank	£2,902	
Dr Debtors	£26,242	
Cr Income		£29,144

Once again, we commend the accounts team responsible for the preparation of the accounts at the year-end.

Independence

There are no changes to the relationships between Drummond Laurie Limited and the Falkirk Community Trust Group since the commencement of the audit engagement.

Appendix 1 **Audit Objectives**

Our principal audit objective is to obtain sufficient, relevant and reliable audit evidence to enable us to express opinions on the accounts of Falkirk Community Trust Limited and its trading subsidiary, Falkirk Community Trading Limited, for the accounting period under review, in accordance with the relevant standards and guidance issued under the Auditing Practices Board.

Substantive testing will be performed in order to obtain evidence to achieve our audit objectives:

- Completeness – there are no material transactions or liabilities excluded from the accounts;
- Valuation – assets and liabilities are held at the correct value and all transactions are correctly recorded;
- Existence – all transactions reflected in the accounts represent bona fide transactions and all assets disclosed actually exist in working condition;
- Ownership – all assets are owned, all liabilities are due, and all transactions are relevant and authorised for the business;
- Disclosure – amounts are properly classified and disclosed in the accounts; and
- Presentation – to ensure the accounts show a true and fair view.

Our audit will be performed so as to provide reasonable assurance that the accounts are free of material misstatement, give a true and fair view, and have been properly prepared in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Materiality is an expression of the relative significance or importance of a particular matter in the context of the accounts as a whole. A matter is material if its omission would reasonably influence the decisions of an addressee of the auditor's report. Likewise, a misstatement is material if it would have a similar influence. Materiality may also be considered in the context of any individual primary statement within the accounts or of individual items included in them. The assessment of what is material is a matter of professional judgement and includes consideration of both the amount (quantity) and the nature (quality) of misstatements.

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REFERENCE AND ADMINISTRATIVE INFORMATION**YEAR END 31 MARCH 2018**Falkirk Community Trust Limited

Directors	Ruth Morrison (Chair) Suzanne Arkinson Councillor William Buchanan Councillor Lorna Binnie Councillor Joan Coombes Derek Easton Colette Filippi Councillor Dennis Goldie Councillor Linda Gow Councillor Jim Flynn Alex McQuade Councillor Cecil Meiklejohn Steve Mackie Councillor Pat Reid Simon Rennie Andrew Roberts Ian Scott Councillor Robert Spears Robert Tait David White	(Appointed 1 st July 2017) (Appointed 7 th June 2017) (Appointed 28 th June 2017) (Appointed 1 st July 2017) (Appointed 1 st July 2017) (Term of Office ended 7 th June 2017) (Resigned 5 th May 2017) (Appointed 7 th June 2017) (Term of Office ended 30 th June 2017) (Appointed 7 th June 2017) (Resigned 18 th August 2017) (Term of Office ended 7 th June 2017) (Appointed 1 st June 2018) (Term of Office ended 30 th June 2017) (Term of Office ended 7 th June 2017) (Term of Office ended 30 th June 2017)
Senior Management Team	Maureen Campbell Neil Brown Jane Clark Paul Finnie Lesley O'Hare	Chief Executive General Manager Business Development Manager Sports & Recreation Manager Culture & Libraries Manager
Registered Office Auditors	Drummond Laurie CA Unit 5 Gateway Business Park Beancross Road Grangemouth FK3 8WX	
Solicitors	Shepherd & Wedderburn 191 West George Street Glasgow G2 2LB	
Bankers	Royal Bank of Scotland 2 Newmarket Centre Falkirk FK1 1JX	
Charity number	SC042403	
Company number	SC400657	

GROUP STRATEGIC REPORT

YEAR ENDED 31 MARCH 2018

Main activity

The purpose of the group is to deliver, on behalf of Falkirk Council, inspiring culture and recreation services and experiences that support the Falkirk area's communities' aspirations and meet visitor expectations by:

- Encouraging the population of the Falkirk area to be more active and promoting health and fitness opportunities that are accessible to everyone;
- Supporting people to be more creative and nurturing potential for personal success and wellbeing through provision of cultural and sporting facilities and resources;
- Helping individuals and community groups to benefit from lifelong learning opportunities and make a social and economic contribution; and
- Involving local people in caring for the area's environment and heritage and encouraging others to visit the area.

Public Benefit

The directors have referred to OSCR's general guidance on public benefit when reviewing the aims and objectives of the charity and in planning its future activities. The charity's activities and objectives are entirely for the benefit of the public of the Falkirk area and any visitors to the area, with the benefit being access to culture and recreation services. Monitoring the success of this provision is carried out by the Directors by regularly analysing KPIs for each culture and recreation site managed by the charity, particularly in relation to attendance figures and how the charity can increase participation.

Going Concern

Funding for 2018-19 has been agreed for the period to 31st March 2019. The level of funding from Falkirk Council for 2019-20 is yet to be agreed. Funding reduction in 2018-19 was mitigated by a savings plan which utilised some reserves. The Board will respond to an anticipated further reduction in funding from the Council with a savings plan bolstered by a healthy balance of reserves which may be required to meet the cost of implementing savings. Directors have reviewed the business strategy and are satisfied that they are able to continue to prepare accounts on a going concern basis. A letter of comfort has been received from the Council confirming that the service in general will be funded in future years.

Business objectives

For the period 2014 – 2019 the objectives of the group are:

- Meeting customer needs
- Organisational development
- Financial sustainability

These objectives are being met through a range of activity within the Trust's Business Plan and delivered through annual action plans which focus on 5 strategic priorities:

- Marketing
- Information & Communications Technology
- Venue and Programmes
- People and the Organisation
- Planning together

GROUP STRATEGIC REPORT

YEAR ENDED 31 MARCH 2018

Risk Management

The major strategic, business and operational risks associated with the group are identified. A Strategic Risk Management Policy is in place along with risk register, review and mitigation systems which are reviewed regularly by the management team. The strategic risk register was presented to the Board for scrutiny during the year to ensure that risk is drawn to the attention of Directors. The top three risks are:-

1. **Financial Risk:** National influences could lead to Council priorities for finance being focused away from the Trust leading to a reduction in funding for Culture and Sport. This could lead to the closure of facilities, reduction in service, loss of income and planned deterioration. Mitigation action is in place through: “*Inspiring Active Lives – A Strategy for Culture and Sport in the Falkirk area*” with a suite of delivery plans; delivering a new soft play centre business initiative; developing new opportunities for business growth; maintaining improvement in Trading Company performance; generating increased community involvement in service delivery; achieving Fundraising strategy targets.
2. **Information Risk:** Lack of investment by the Council and the Trust causes IT systems failure to meet both customer and business management needs and restricts customer transactions and customer data capture. Mitigation action in place through: Commissioning a new website; improving our digital capacity and online facilities; creating a brief and specification for an improved box office ticketing system; piloting mobile and flexible working.
3. **Assets & Property Risk:** Plant and machinery failure within ageing physical assets requiring redirection of capital and /or which could lead to facility closure with service reduction and loss of income. Mitigation action in place through; monitoring and reviewing performance of short and longer term Service Level Agreements; Asset Management Development Plan; implementing Council capital funded projects and forward planning investment proposals

Achievements and Performance

Positive results were achieved against an ever challenging financial backdrop. Despite the poor weather in the final quarter overall customer income increased by 2% on the previous year. Trading performance continued to improve and is now providing a good level of income to the charity. Income of £0.843m was secured from grants and fundraising.

Good progress was made in implementing the Trust’s Business Plan Approach to focus on income generation in facilities with potential to grow income that will reduce subsidy whilst also enhancing the benefits to communities of participation in culture and sport. A number of projects are now in development. The project to introduce a new soft play venture, with relocated café and reception space, at the Mariner Centre commenced construction on site and will open in September 2018.

More admissions, more visits, more participants and increased usage over the year included:

- last year’s investment in the tea room contributed to 22% increase in visits to Callendar House;
- an 8.5% increase in gym usage;
- over 20% increase in the number of Active Schools participant sessions;
- an increase in the number and range of shows at FTH delivered a 26% increase in admissions; and
- a 46% increase in the number of visits to the Helix.

Our customer satisfaction levels continued to be high as demonstrated through Tripadvisor certificates of excellence as well as securing VisitScotland 5 star rating at the Helix and maintaining 4 stars at Callendar House. We commissioned work to design and develop a website and work to create associated online sales capability commenced, all with a strong focus on improving the customer journey. The new website is due to launch in Summer 2018.

A positive initial meeting with a number of local clubs and organisations led to follow up meetings to explore joint working in advocating for culture and sport. The establishment of sports hubs in Camelon and Grangemouth is involving us in working closely with local communities and the voluntary and third sector, as is work to secure an end use for the Steeple.

GROUP STRATEGIC REPORT

YEAR ENDED 31 MARCH 2018

Investment in modernising Grangemouth Stadium continued and as a result we attracted several large event bookings for 18/19. Programmed activity at the Helix included the third year of the Fire & Light event with an 87% uptake of tickets over 2 days. The introduction of STEM at the Helix for S1 pupils was a very successful pilot for a bigger event in 18/19 to tie into the Year of Young People. Modernisation plans for FTH were taken forward and new seats will be installed in Summer 2018 with the aim of improving audience experience.

Financial Review

The Groups financial results for the year 1st April 2017 to 31st March 2018 are shown on pages 12 to 25. This shows a surplus on unrestricted funds of £0.462m. The unrestricted fund has increased to £2.015m (£1.553m as at 31st March 2017), however £0.367m of the increase is due to reallocation of funds from the Restricted Reserve, as they are no longer deemed to be restricted.

Income totalled £19.011m (2016/17 - £19.527m). The year on year reduction is mainly due to the reduction in income received from Falkirk Council of £0.501m. Costs incurred of £18.976m are largely in line with the previous year (2016/17 - £18.926m).

The Trust's wholly owned subsidiary, Falkirk Community Trading Limited, achieved a breakeven position for the period to 31st March 2018 after accounting for a charitable payment of £0.361m. The principal activity of the trading company is the provision of catering and retail services.

The balance sheet shows a bank balance of £3.664m (£3.598m as at 31 March 2017) and net assets of £2.176m (£2.141m as at 31 March 2017).

Plans for the Future

We will be operating with a significant reduction to our core budget in 18/19 and have identified £0.927m of savings with limited impact on services or facilities. However we have had to utilise £0.245m from reserves to reach the total level of savings requested of us by the Council.

Implementing business growth projects is a priority to ensure financial sustainability as well as ensuring we are delivering services that meet customer needs. Income growth will be secured through creating a tea salon at Callendar House and a new service pod at the Hippodrome. Work with local clubs at Stenhousemuir Sports Centre to create a venue for gymnastics will meet a gap in provision for this very popular sport and is an example of our business approach model to give the neighbourhood centres a future. Ideas will be explored for the Helix, Grangemouth Sports Complex, the vacated upper floor at the Mariner Centre and for extending our gym offer. We will explore procurement frameworks and smart contracting to identify cost effective solutions and best value investment.

Asset management and development remains a challenge however and we will continue to work with the Council to support their strategic property review. Colocation of facilities will be explored at Falkirk Library in line with our vision of libraries as community hubs and we will work with Grangemouth Golf Club to review management opportunities at the Golf Course with a view to transfer of responsibility in 2019. Identifying support mechanisms to grow capacity of community groups for taking on or sharing in service delivery will be a business strategy priority going forward.

Our current business strategy comes to the end of its 5 years in 2019 and we will develop a new business strategy that takes account of the current funding climate, the opportunities for growth and investment and considers the future needs and aspirations of our organisation.

Ruth Morrison
Chair of the Board
Falkirk Community Trust Limited

Date: 30 August 2018

GROUP DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2018

Structure, Governance and Management

Charitable status

Falkirk Community Trust is a company limited by guarantee, governed by its memorandum and articles of association dated 31st May 2011. The company has charitable status and the Scottish Charity Number is SC042403. The charitable company was incorporated on 31st May 2011 and began to trade on 1st July 2011 to take responsibility for the management and operation of a range of community facing sport, recreation, arts, heritage and library services provided by Falkirk Council.

Board of Directors

Five independent directors are drawn from local business, sport, culture, environmental and learning sectors. Five directors are nominated elected members of Falkirk Council. There is also one Employee Director nominated by Trust staff, which is currently vacant.

The Board has the ability to appoint two additional co-opted Directors to allow the Trust to benefit from relevant skill sets and expertise as required. Two co-opted Directors are appointed to the Board. The Chair of the Board is elected from the Independent Directors. The Directors are trustees for the purposes of charity law. A list of the current Directors including those who served during the accounting period can be found on Page 2.

Responsibility for the day to day operations of the Trust has been delegated to Maureen Campbell, the Trust Chief Executive.

Trading Subsidiary

A wholly owned trading subsidiary, Falkirk Community Trading Limited, was established to govern those activities which are not recognised as charitable. It has a board of 5 directors drawn from the Trust's board and executive management and independent experts.

The Director details are as follows:

Suzanne Arkinson	
Maureen Campbell	(Appointed 31 st October 2017)
Shona Dunsmore	
Ased Iqbal	
Steve Mackie	(Resigned 18 th August 2017)
Chris Morris	
Ian Scott	(Term of Office ended 30 th June 2017)

Induction and training of directors

An induction process is in place for new directors. This covers strategic and operational issues affecting the group. The ongoing training and development needs of directors are considered regularly by the board.

Governance structure

The Board of Directors meets quarterly with executive officers and senior managers present. Decisions are taken to set the overall strategy for the business as well as to monitor its activities. The executive and senior managers are charged with the task of implementing these decisions. Agendas and minutes of Falkirk Community Trust board meetings are published on the Trust's website (www.falkirkcommunitytrust.org).

Two sub groups are established each comprising five directors drawn from the Trust's board. The Audit and Performance sub group focuses on company performance specifically in relation to the business plan and audit arrangements. The People sub group is charged with recruitment of all senior managers and strategic liaison with trade union representatives.

GROUP DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2018

Reserves Policy

The Trust has the following three reserves:-

Unrestricted Income Fund

Maintaining a level of reserves helps to meet unexpected events. The Board agreed that it would maintain an unrestricted reserve of 2% calculated on the basis of the Service Payment received from Falkirk Council and the total budgeted expenditure. This gives a range of between £228,700 and £396,000. The unrestricted reserve at 31 March 2018 was £2.015m with £0.227m earmarked for offsetting future severance costs, £0.780m earmarked to fund investment growth projects and £0.147m earmarked for Helix Asset Management Plan. During the year £0.367m was reallocated from Helix Restricted reserve to unrestricted reserve, as it was deemed the funds did not need to be restricted for Helix. Although the reserve is well above the recommended limit, the Trust's reserve policy notes that maintaining the reserve at the threshold limits should not be taken as given and situations may arise where the Trust operates outwith the framework. The current level of reserves will help the Trust to manage in the current difficult financial climate, in particular providing an opportunity to deploy funds on activities aimed at generating additional income.

Restricted Funds – Grants and Other Funding

This fund represents grants received for specific purposes, with the balances held to be applied in accordance with the funders' requirements. The balances held are detailed at Note 18 and shows an overall balance of £0.161m as at 31 March 2018.

Financial Risk Management – Objectives and Policies

The Trust has a Risk Management Plan, supported by subsidiary risk management plans. In addition there are Business Continuity arrangements covering all operational activities and locations. These arrangements incorporate regular reporting to the Management Team and the Directors.

Robust financial management is critical to the Trust's success and integral to its forward planning, particularly given that Falkirk Council, the Trust's main funder, is under significant financial pressure due to the current economic climate. In 2017/18 the funding from Falkirk Council reduced by £0.501m with further reduction of £0.642m confirmed for 2018/19. Going forward it is anticipated that Falkirk Council will still need to make significant financial savings and the Trust's Business Plan for 2017-20 gives consideration to a potential reduction in the service payment by as much as 50% by 2020. The Plan acknowledges that this will require a significant transformational shift in the way culture and sport is developed, managed and delivered in the Falkirk area with a strong emphasis on community engagement and increased income generation.

Employees

The group maintains a policy of regularly providing all employees and, where represented, trade unions with information on the group's performance. It is the group's policy to give full consideration to employment from persons with protected characteristics including disabled persons, bearing in mind their particular aptitudes and abilities.

Auditors

Drummond Laurie CA were appointed for 2 years covering the financial statements up to the year ended 31 March 2019.

Information for Auditors

In so far as the directors are aware there is no relevant audit information of which the charitable group's auditor is unaware and the directors have taken all steps to make themselves aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Ruth Morrison
Chair of the Board
Falkirk Community Trust Limited

Date: 30th August 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2018

The trustees (who are also directors of Falkirk Community Trust Limited for the purposes of company law) are responsible for preparing the Group Strategic Report and the Group Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF FALKIRK
COMMUNITY TRUST LIMITED**

YEAR ENDED 31 MARCH 2018

Opinion

We have audited the group and parent company financial statements of Falkirk Community Trust Limited (the 'charitable company') for the year ended 31 March 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Independent Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF FALKIRK
COMMUNITY TRUST LIMITED**

YEAR ENDED 31 MARCH 2018

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and Group Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and Group Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and Group Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the group and parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors (who are also the trustees of the charitable company for the purposes of charity regulations) are responsible for the preparation of the group and parent charitable company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 directors are responsible for assessing the group and parent charitable company'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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our 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 Independent Auditors' Report that includes our 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 our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Independent Auditors' Report.

Use of our report

This report is made solely to the group and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors those

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF FALKIRK
COMMUNITY TRUST LIMITED**

YEAR ENDED 31 MARCH 2018

matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and parent charitable company and the charitable company's members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

David Wheeler (Senior Statutory Auditor)
for and on behalf of Drummond Laurie CA
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Unit 5 Gateway Business Park
Beancross Road
Grangemouth
FK3 8WX

Date:

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(INCORPORATING A GROUP INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted Fund £'000	Restricted Fund £'000	Total 2018 £'000	Total 2017 £'000
Income and Endowments from:					
Donations and Legacies	3	20	3	23	22
Charitable Activities					
-Provision of Leisure and Cultural Activities	4	4,870	869	5,739	5,794
-Contract with Falkirk Council		11,316	117	11,433	11,934
Other Trading Activities	5	1,803	-	1,803	1,771
Investments	6	13	-	13	6
Total Income		18,022	989	19,011	19,527
Expenditure on:					
Raising Funds		1,442	-	1,442	1,502
Charitable Activities	7	16,485	1,049	17,534	17,424
Total Expenditure		17,927	1,049	18,976	18,926
Net Income/(Expenditure)		95	(60)	35	601
Transfers between funds	17	367	(367)	-	-
Net Movement in Funds		462	(427)	35	601
Fund Balances brought forward at 1 April 2017		1,553	588	2,141	1,540
Fund Balances carried forward to 31 March 2018	15-18	2,015	161	2,176	2,141

All of the above results are derived from continuing activities. All gains and losses recognised in the year ended are included above.

**CHARITY STATEMENT OF COMPREHENSIVE INCOME
(INCORPORATING THE CHARITY INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted Fund £'000	Restricted Fund £'000	Total 2018 £'000	Total 2017 £'000
Income and Endowments from:					
Donations and Legacies	3	20	3	23	22
Charitable Activities					
- Provision of Leisure and Cultural Activities	4	4,870	869	5,739	5,794
- Contract with Falkirk Council		11,316	117	11,433	11,934
Investments	6	374	-	374	275
Total Income		16,580	989	17,569	18,025
Expenditure On:					
Charitable activities	7	16,485	1,049	17,534	17,424
Total Expenditure		16,485	1,049	17,534	17,424
Net Income/(Expenditure)		95	(60)	35	601
Transfers between Funds	17	367	(367)	-	-
Net Movement in Funds		462	(427)	35	601
Fund Balances brought forward at 1 April 2017		1,553	588	2,141	1,540
Fund Balances carried forward to 31 March 2018	15-18	2,015	161	2,176	2,141

All of the above results are derived from continuing activities. All gains and losses recognised in the year ended are included above.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2018**

Company No.: SC400657

	Note	Group 2018 £'000	Charity 2018 £'000	Group 2017 £'000	Charity 2017 £'000
Fixed Assets					
Tangible assets	10-11	216	216	214	214
Current Assets					
Stocks	12	90	-	73	-
Debtors	13	345	369	298	281
Cash in Hand		3,664	3,649	3,598	3,586
		4,099	4,018	3,969	3,867
Current Liabilities					
Creditors : amounts falling due in one year	14	2,139	2,058	2,042	1,940
Net current Assets		1,960	1,960	1,927	1,927
Net Assets		2,176	2,176	2,141	2,141
Unrestricted Funds					
Unrestricted Income Funds		2,015	2,015	1,553	1,553
		2,015	2,015	1,553	1,553
Restricted Funds					
Grant and Other Funding	18	161	161	221	221
Helix Funding	17	-	-	367	367
		161	161	588	588
TOTAL FUNDS		2,176	2,176	2,141	2,141

The financial statements were approved and authorised for issue by the Board on 30th August 2018 and signed on its behalf by:

Ruth Morrison
Chair of the Board
Falkirk Community Trust

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Total 2018 £'000	Total 2017 £'000
Operating Activities			
Net Income/(Expenditure)		35	601
Adjustments	19a	38	95
Working Capital Movements	19b	33	2,227
Cashflow from Operating Activities		106	2,923
Investing Activities			
Purchases of property, plant and equipment		(61)	(23)
Proceeds from sale of property, plant and equipment		8	18
Interest Received		13	6
Cashflow from Investing Activities		(40)	1
Net Change in Cash and Cash Equivalents		66	2,924
Cash and Cash Equivalents at 1 April	19c	3,598	674
Cash and Cash Equivalents at 31 March	19c	3,664	3,598

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2018**

1. Statutory Information

Falkirk Community Trust Limited is a charitable company limited by guarantee and incorporated in Scotland with registration number SC400657. The registered office is Suite 1A, The Falkirk Stadium, 4 Stadium Way, Falkirk, FK2 9EE.

2. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost basis of accounting, and in accordance with applicable accounting standards. The financial statements are set out so as to comply with FRS 102, the Charities SORP (FRS 102) and the Companies Act 2006.

Basis of Preparation – Going Concern

The trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertaking Falkirk Community Trading Limited made up to 31 March 2018.

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific trusts, which may be declared by the donor or with their authority. Some are restricted income funds expendable at the discretion of the Board in furtherance of a particular activity, such as government grants for a specific centre, and funds raised for particular client groups or activities. Others are capital funds where the assets are required to be invested for long term use.

Unrestricted funds are expendable at the discretion of the Board in furtherance of the objectives of Falkirk Community Trust. If part of the unrestricted funds is earmarked at the discretion of the Board for a particular project, it is designated as a separate fund. This designation has an administrative purpose only, and does not legally restrict the Board's discretion to apply the fund.

Incoming resources

Activities for generating income are accounted for when there is entitlement to the income, it is virtually certain that the income will be received and the income can be reliably measured.

Income from Falkirk Council is accounted for on an accruals basis and is agreed in advance based on the level of service provided.

Investment Income is accounted for on an accruals basis.

Capital Grants received are accounted for on an accruals basis.

Resources Expended

All expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed to a cost heading, they have been allocated on a basis consistent with use of the resources.

Creditors are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts.

Charitable expenditure comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. These costs are allocated based on an estimate of the proportion of time that personnel spend on charitable activities.

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

Costs of generating funds represents the costs which are associated with generating incoming resources from all sources other than from undertaking charitable activities. The main components of costs within this category are costs of fundraising trading, including cost of goods sold and other associated costs.

Stocks

Stocks of materials and consumables are stated at the lower of cost and net realisable value in the ordinary course of operating.

Fixed Assets

Assets are capitalised only if they have an individual value of £1,000 or above. Assets are initially capitalised at purchase price plus any costs to bring to its current state.

Depreciation is provided on vehicles, plant and equipment at rates calculated to write off the cost less estimated residual value of each asset evenly over their expected life of between 5-8 years. The assets are reviewed annually for impairment.

On incorporation, vehicles, plant and equipment were transferred from the Council at the cost of £1. These assets were revalued to their fair value after transfer.

Fixed Asset Investments

Investments are recognised at cost less any deemed impairment of value.

Taxation

The Charity is exempt from income tax by virtue of Section 505(1) Income and Corporation Taxes Act 1988 and from capital gains tax by virtue of Section 145 Capital Gains Tax Act 1979.

Pensions

Falkirk Community Trust is a member of the Falkirk Pension Fund, a Local Government Pension Scheme, which is a defined benefit scheme and provides benefits based on final pensionable pay. As part of the Admission Agreement to the Scheme both Falkirk Community Trust and Falkirk Council agreed that assets of the Pension Fund in respect of Trust employees and former employees shall, at all times, be notionally allocated to Falkirk Council and the liabilities of the Pension Fund shall, at all times, be the responsibility of Falkirk Council and not Falkirk Community Trust. As a consequence of this agreement there is no requirement to disclose pension assets and liabilities in the accounts of Falkirk Community Trust.

Provisions

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the statement of financial position.

3. Donations and Legacies

	Unrestricted Fund £'000	Restricted Fund £'000	2018 £'000	2017 £'000
Other Donations	20	3	23	22
	23	3	23	22

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

4. Income from provision of Leisure and Cultural Activities

	Unrestricted Fund £'000	Restricted Fund £'000	Total 2018 £'000	Total 2017 £'000
Fees, Charges & Admissions	4,463	16	4,479	4,298
Sales	51	4	55	53
Grant Income	-	843	843	1,030
Rental Income	73	-	73	80
Miscellaneous Income	283	6	289	333
	4,870	869	5,739	5,794

5. Income from Other Trading Activities

The wholly owned trading subsidiary Falkirk Community Trading Limited, which is registered in Scotland – Company Number SC400658 - pays any profits to the charity. The Trading Company operates all the catering and retail operations carried out at the premises managed by the Charity. The Registered Office is located at Suite 1A, The Falkirk Stadium, 4 Stadium Way, Falkirk, FK2 9EE. A summary of the trading results is shown below.

	Total 2018 £'000	Total 2017 £'000
Turnover	1,803	1,771
Cost of sales and administration costs	(1,803)	(1,771)
Net profit/(loss) on ordinary activities before taxation	-	-
Taxation on profit/(loss) on ordinary activities	-	-
Profit/(loss) for the period	-	-
The assets and liabilities of the Trading Company are:		
Current Assets	114	112
Current Liabilities	(114)	(112)
Net Current Assets	-	-
Net Assets	-	-

6. Investment Income

	2018 £'000	2017 £'000
Charitable Donation from Subsidiary	361	269
Bank and other interest	13	6
	374	275

7. Costs of providing Leisure and Cultural Activities

	Unrestricted Fund £'000	Restricted Fund £'000	Total 2018 £'000	Total 2017 £'000
Wages and salaries	7,976	326	8,302	8,333
Social security costs	577	34	611	628
Employer pension costs	1,471	54	1,525	1,517
Voluntary Severance	43	-	43	25
Apprenticeship Levy	40	2	42	-
Other Staff costs	181	14	195	179
Property Expenses	2,104	1	2,105	1,977
Transport Expenses	189	1	190	175
Supplies and Services	3,904	617	4,521	4,590
	16,485	1,049	17,534	17,424

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

8. Auditor Remuneration

	2018	2017
	£'000	£'000
Audit Fees - Charity	8	9
- Trading Company	2	2
	10	11

9. Staff numbers and costs

The remuneration and associated costs of the company were:-

	Group	Charity	Group	Charity
	2018	2018	2017	2017
	£'000	£'000	£'000	£'000
Wages and salaries	8,899	8,302	8,889	8,333
Social security costs	637	611	652	628
Pension costs	1,621	1,525	1,607	1,517
Severance Costs	43	43	25	25
Apprenticeship Levy	45	42	-	-
Other Staff Costs	197	195	200	179
	11,442	10,718	11,373	10,682

Employees receiving salaries, plus benefits in kind, of more than £60,000 were in the following bands:-

	Group	Charity	Group	Charity
	2018	2018	2017	2017
	Number	Number	Number	Number
£60,000 - £70,000	-	-	-	-
£70,000 - £80,000	1	1	1	1
£80,000 - £90,000	-	-	-	-
£90,000 - £100,000	1	1	1	1

Pension costs in relation to those employees earning over £60,000 totalled £35,000 (2017: £34,000).

No member of the Board received remuneration from Falkirk Community Trust, Directors indemnity insurance or travel expenses.

Management Team Remuneration

	Group	Charity	Group	Charity
	2018	2018	2017	2017
	Number	Number	Number	Number
£50,000 - £60,000	3	3	3	3
£60,000 - £70,000	-	-	-	-
£70,000 - £80,000	1	1	1	1
£80,000 - £90,000	-	-	-	-
£90,000- £100,000	1	1	1	1
	5	5	5	5

**NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018**

The average monthly full-time equivalent number of permanent/temporary employees of the company during the year was:

	Group 2018 Number	Charity 2018 Number	Group 2017 Number	Charity 2017 Number
Business Development	18	18	19	19
Parks & Recreation	28	28	28	28
Libraries	54	54	52	52
Arts	30	30	28	28
Heritage	6	6	8	8
Sport & Fitness	149	149	151	151
Helix	19	19	20	20
Trading Subsidiary	26	-	25	-
	330	304	331	306

* The figures above do not include Casual Seasonal staff

		2018	2017
Average Employee Numbers	- Full Time	188	209
	- Part Time	305	271
	Total	493	480

10. Tangible fixed assets

	Vehicles, Plant & Equipment £'000
<i>Cost or Valuation</i>	
At 1 April 2017	546
Additions	61
Disposals	(24)
At end of year	583
<i>Depreciation</i>	
At 1 April 2017	332
Charge for the year	55
Disposals	(20)
At end of year	367
<i>Net Book Value</i>	
At 31 March 2018	216
At 31 March 2017	214

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

11. Fixed asset investments

The company owns 100% of the ordinary share capital of Falkirk Community Trading Limited, a company registered in the United Kingdom. The value of the investment is £1 (2017 - £1).

12. Stock

	Group 2018 £'000	Charity 2018 £'000	Group 2017 £'000	Charity 2017 £'000
Stock	90	-	73	-

13. Debtors

	Group 2018 £'000	Charity 2018 £'000	Group 2017 £'000	Charity 2017 £'000
Trade debtors	147	139	166	149
Due from Subsidiary Undertaking	-	32	-	-
VAT	107	107	90	90
Prepayments and accrued income	91	91	42	42
	345	369	298	281

14. Creditors : amounts falling due within one year

	Group 2018 £'000	Charity 2018 £'000	Group 2017 £'000	Charity 2017 £'000
Trade creditors	411	351	440	346
Amounts due to related parties	1,010	1,001	985	989
Social security costs and other taxes	142	132	151	142
Annual Leave accrual	222	222	184	184
Other creditors and accruals	354	352	282	279
	2,139	2,058	2,042	1,940

Included in other creditors and accruals is £112,000 (2017 - £73,000) of deferred income. This relates to payments in advance for events occurring post year end.

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

15. Reconciliation of Movements in Funds

	Group 2018 £'000	Charity 2018 £'000	Group 2017 £'000	Charity 2017 £'000
Surplus for the Period	35	35	601	601
Revaluation carried out in the period	-	-	-	-
Net addition to funds	35	35	601	601
Opening Funds	2,141	2,141	1,540	1,540
Closing Funds	2,176	2,176	2,141	2,141

16. Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Fund balances at 31 March 2018 are represented by:			
Tangible Fixed Assets	216	-	216
Current Assets	3,777	322	4,099
Current Liabilities	(1,978)	(161)	(2,139)
	2,015	161	2,176

17. Summary of Movement in Funds

	Fund Balances Brought Forward £'000	Incoming Resources £'000	Resources Expended £'000	Surplus/ (Deficit) £'000	Transfers In £'000	Transfers Out £'000	Fund Balances Carried Forward £'000
Unrestricted Funds	1,553	18,022	(17,927)	95	367	-	2,015
Restricted Funds	221	989	(1,049)	(60)	-	-	161
Helix Funds	367	-	-	-	-	(367)	-
	2,141	19,011	(18,976)	35	367	(367)	2,176

Unrestricted Funds

Unrestricted Funds can be used at the discretion of the Board of Trustees in furtherance of the objects of the Trust.

Restricted Fund

The Restricted Fund represents funds received from external organisations for specific purposes. Further detail is given in Note 18.

Helix Fund

Helix funds were transferred to unrestricted reserve during the year following Board approval that they could now be deemed as unrestricted.

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

18. Restricted Grant Funds

Analysis by fund of amounts received during the year and where the fund balance at 31 March 2018 is greater than £20,000.

Sufficient resources are held to enable each fund to be applied in accordance with any restrictions. Transfers between funds are not performed.

	Fund Balance Brought Forward £'000	Incoming Resources £'000	Resources Expended £'000	Fund Balances Carried Forward £'000
Hippodrome Festival	-	77	(65)	12
Youth Music Initiative	43	174	(199)	18
Active Schools	23	326	(325)	24
Muiravonside Park Projects	14	36	(39)	11
Callendar Park Projects	29	49	(58)	20
Helix Events	43	50	(85)	8
Libraries – Carewords Project	-	31	-	31
Others	69	100	(132)	37
	221	843	(903)	161

Hippodrome Festival

Creative Scotland Grant given for the Silent Film Festival programme held at the Hippodrome Cinema.

Youth Music Initiative

Creative Scotland Grant for the development of music within schools.

Active Schools

Falkirk Council funding to provide the delivery of the Active Schools Programme.

Muiravonside Park Projects

Another tranche of the Heritage Lottery Funded grant for developing Muiravonside Country Park was received during the year, along with remaining payments from Groundworks grants for improvements to play equipment in the park

Callendar Park Projects

EB Scotland (£30,000) and Leader (£19,000) was given for a number of projects within Callendar Park. They include installation of a new natural play trail, upgrade to the existing play area and path improvements.

Helix Events

Events Scotland/Visit Scotland provided £30,000 to host the Fire & Light Event on New Years Day at the Helix. They have given further grant of £10,000 to host a STEM event in May in relation to the Year of Young People. £4,000 was received from Tesco to support the Big Helix Picnic event in August 2017.

Libraries – Carewords Project

Lottery Funding of £91,500 (the first tranche of which was received in March 2018) was secured for the Care Words project which will, through a volunteer led support model, help reduce the isolation and loneliness experiences by older people in day and residential care settings. The project covers a three-year period and will commence in April 2018.

NOTES TO THE ACCOUNTS (contd.)
YEAR ENDED 31 MARCH 2018

19. Notes to the cashflow statement

	Total 2018 £'000	Total 2017 £'000
(a) Adjustments		
Depreciation	56	92
(Gain)/Loss on Disposal of Assets	(5)	9
Interest Received	(13)	(6)
	38	95

	Total 2018 £'000	Total 2017 £'000
(b) Working Capital Movements		
(Increase)/Decrease in Stocks	(17)	(8)
(Increase)/Decrease in Debtors	(47)	1,769
Increase/(Decrease) in Creditors	97	466
	33	2,227

	Total 2018 £'000	Total 2017 £'000
(c) Cash Balances		
Cash at bank and in hand	3,664	3,598
Bank Overdraft	-	-
Total Cash and Cash Equivalents	3,664	3,598

20. Pension Scheme

Employees of the company are members of Falkirk Council Pension Fund. Contributions in the period relating to those employees amounted to £1.621m and the amount of outstanding contributions at the 31 March 2018 amounted to £0.164m.

The fund is valued every three years by a professionally qualified independent actuary using the projected unit method to determine the rates of contribution payable. Unless the actuary directs otherwise, the contribution rate set for Falkirk Community Trust will be the same rate as payable by Falkirk Council. In the period to 31 March 2018 the employer contribution rate was 21.5%.

21. Related Party Transactions

The group is related to Falkirk Council by virtue of Falkirk Councillors being Directors of the company. The group is contracted to provide recreation and leisure services by Falkirk Council. In the year to 31 March 2018, Falkirk Council made a payment of £11.433m to the group and leased the facilities occupied by the company for a peppercorn rent.

At 31 March 2018, Falkirk Council owed the group £51,000 and the group owed Falkirk Council £1.061m (including amounts due to Falkirk Council Pension Fund) in relation to normal trading activities. This has been set-off and the creditor in the accounts totals £1.010m. As part of the Funding Agreement with Falkirk Council, the Trust agreed to enter into service level agreements for a period of three years for services provided by the Council to the Trust. The cost of these services, such as finance services, human resources, and facilities management was £1.049m.

The Trust is related to Falkirk Community Trading Limited by virtue of the Trust being the parent company. The Trust has taken advantage of the exemption under Financial Reporting Standard No 8 "Related Party Transactions" from disclosing transactions with Falkirk Community Trading Limited on the grounds that it is a wholly owned subsidiary consolidated within the Trust's group accounts. At 31 March 2018, Falkirk Community Trading to owed £31,700 (2017 - £10,000 was due from) to Falkirk Community Trust Limited representing amounts due in respect of the trading activities of the subsidiary undertaking.

During the period the following five elected members from Falkirk Council served on the Board: Councillors William Buchanan, Lorna Binnie, Joan Coombes, Jim Flynn and Cecil Meiklejohn. No Director received any remuneration in their roles as Directors.

22. Contingent Liability

In consideration of Falkirk Council transferring consumable assets and equipment such as library books, sports equipment and office furniture to Falkirk Community Trust, the Company agreed to assume a debt to the value of £5m indexed annually. This debt would only be payable on the expiry or termination of the Funding Agreement with Falkirk Council and would be adjusted by any consumable assets and equipment transferring back to Falkirk Council.

23. Ultimate Controlling Party

Falkirk Community Trust Limited and its trading subsidiary, Falkirk Community Trading Limited are controlled by the Board of Directors of Falkirk Community Trust Limited.

Falkirk Community Trust

Subject: Annual Report 2017-18
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
Author: Chief Executive

1. Introduction

- 1.1 The Funding Agreement with the Council requires the Trust to provide an annual report of its operations and performance. This report seeks approval to publish the Annual Report and an early draft is attached.

2. Annual Report 2017-18

- 2.1 The Annual Report has been drafted to give a balanced view of the Trust's performance. This seventh report follows the same format as the previous three years, being structured under the themes of *Inspiring Active Lives*. A number of customer focussed features have been included to give the reader a good depth of understanding of the work that we do and its positive impact on people's lives. New this year, profiles of two staff members highlight their roles in motivating people to be more active. The report also includes high level performance results, a summary of trading performance and a summary of the accounts. The reader is directed to the Annual Accounts and to full performance reports, both on the website.
- 2.2 As with the previous Annual Reports the design brief was to use lively and attractive images to keep the document upbeat and as illustrative as possible. The draft attached is still in the design stages, and further adjustments will be made as required. It will be published both as an easy to read format on the website and as printed documents. To keep costs to a minimum a short run will be printed and business communications will mainly be to direct access via the website. The published document will be provided to OSCR and Companies House. In line with the Funding Agreement it will be reported to Falkirk Council and copies will be distributed to all Elected Members.
- 2.3 The Annual Report is a very useful tool to explain what the Trust does for a wide range of audiences such as funders, national bodies and local organisations. A shorter and snappier version will be created for a customer and community audience and to enable the Trust to more effectively report performance publicly in the local area. Leaflets will be available in all Trust venues. Annual performance will also be communicated via digital channels.

3. Recommendation**3.1 The Board is asked to:**

Approve the publication of the Annual Report 2017-18 and a condensed version and note that it will be reported to Falkirk Council.

Maureen Campbell.

Maureen Campbell
Chief Executive

Falkirk Community Trust

Subject: Projected Financial Position 2018/19
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
Author: Chief Finance Officer, Falkirk Council

1. Introduction

- 1.1 This report presents an early update on the projected financial position of the Trust's activities for 2018/19.
- 1.2 Budget monitoring reports are an essential element of sound financial management, with the reports to the Board underpinned by monthly reports to managers. The main purpose is to ensure that income and expenditure continues to be managed effectively and is consistent with budget.

2. Overall Financial Projection

- 2.1 The attached statement (Appendix 1) sets out the projected outturn at March 2019 based on actual performance to the end of July 2018. The annual budget reflects the agreed application of £345,000 from reserves in order to balance the budget and £810,000 to fund approved project expenditure. There is a projected deficit on charitable activities of £97,000 due to lower than expected customer income being offset by an underspend in employee costs and supplies & services.

3. Analysis of significant variations

- 3.1 A detailed summary of income and expenditure for each service area is provided at Appendix 2, with the most significant variations detailed below.
- 3.2 It should be noted that the projected position reported at this stage assumes the achievement of future income targets that have been incorporated in the latter half of the 2018/19 budget.
- 3.3 Business Development (£17,000 over budget). This is mainly due to the anticipated charitable donation from the Trading Company being £26,000 lower than budgeted for. This is partly offset by a small saving of £9,000 on employee expenditure.
- 3.4 Parks & Recreation (£35,000 under budget). Recreation is under budget by £52,000 as a result of increased income and employee savings. This is partly offset by Parks being over budget by £17,000 due to employee costs being higher than budget.
- 3.5 Sports and Fitness (£203,000 over budget). This is primarily as a result of income being lower than budget, partly offset by savings in staffing expenditure. The period of closure at the Mariner Centre is a significant factor that has contributed to this position. In addition to this there are also projected shortfalls against the income

budgets for Grangemouth Complex, Bo'ness Recreation Centre, and Schools community use.

- 3.6 A summary of income to July 2018 for key facilities/areas is detailed at Appendix 3.
- 3.7 As detailed in Appendix 5, it is anticipated that planned investment projects funded from reserves of £780,000 will be undertaken in 2018/19. In addition to this £30,000 is allocated from reserves to contribute to the cost of the 2018/19 fireworks display. The budget for expenditure has been adjusted to match the anticipated expenditure during the year.

4 Trading Company

- 4.1 The Trading Company's projected surplus is £366,400 for 2018/19 which is £25,850 lower than the budgeted surplus of £392,570 (2017/18 surplus - £360,951). This is mainly as a result of reduced income resulting from the temporary closure of the Mariner Centre. This is reflected in a reduced anticipated income from donations in the figures projected for the Trust in this report.

5 Balance Sheet

- 5.1 Appendix 4 details the Trust Balance Sheet. As at July 2018 the bank balance is £3.7m and the net assets are £2.9m. The debtors figure of £0.3m primarily represents income due from Falkirk Council to the Trust. The creditors balance of £1.3m is mainly the amount owed to Falkirk Council for the payment of salaries and expenses paid on behalf of the Trust.
- 5.2 The projected position at March 2019 shows net assets of £0.9m, representing £0.2m of restricted funds and £0.7m of unrestricted funds.

6. Reserves

- 6.1 Taking into account the financial projection for 2018/19, the anticipated reserves position is shown in Appendix 5. The Board agreed that it would maintain an unrestricted reserve of 2% calculated on the basis of the Service Payment received from Falkirk Council and the total budgeted expenditure. This gives a range of between £213,000 and £358,000. The projected balance is £304,000 after allocating £345,000 of reserves to balance the 2018/19 budget position.

7 Recommendations

- 7.1 **The Board is invited to note the projected year-end financial position for 2018/19.**



Chief Finance Officer

**FALKIRK COMMUNITY TRUST - 2018/19
BUDGETARY CONTROL STATEMENT**

Falkirk Community Trust

Period ended 31st July 2018

Chief Executive : Maureen Campbell

	Annual Budget £'000	Actual to Date £'000	Projected Outturn £'000	Variance (Fav)/Unfav £'000
Employee Expenses	11,436	3,386	11,241	(195)
Property Expenses	2,330	248	2,330	-
Transport Expenses	190	38	190	-
Supplies & Services	2,920	874	2,835	(85)
Third Party Payments	111	(159)	111	-
Support Services	806	202	806	-
Capital Costs	94	-	94	-
Severance Costs	-	-	-	-
Project Costs	810	-	810	-
Gross Expenditure	18,697	4,589	18,417	(280)
Service Payment	(10,891)	(5,323)	(10,891)	-
Grants	(353)	(33)	(353)	-
Sports Facilities	(4,466)	(1,212)	(4,093)	373
Other Facilities	(1,421)	(548)	(1,443)	(22)
Charitable Donation	(393)	-	(367)	26
Other Income	(18)	-	(18)	-
Total Income	(17,542)	(7,116)	(17,165)	377
(Surplus)/Deficit*	1,155	(2,527)	1,252	97
Add: (Surplus) as at 1 April 2018			(2,015)	
(Surplus) as 31 March 2019			(763)	

Provisional Unrestricted Funds @ 31 Mar 2019:

Unrestricted Reserve	(304)
Voluntary Severance	(227)
Helix Asset Management Plan	(232)
Approved Projects	0
	(763)

*For the 2018/19 Budget the Board agreed a reserve contribution of £345,000. In addition to this the budget also reflects £810,000 of project funding from reserves.

Divisional Forecast Report
2018/2019

Appendix 2
Falkirk Community Trust - Charity

<----- From Period 1 to 4 ----->

<u>2017/2018</u> <u>Actual</u>		<u>Annual Budget</u>	<u>Actuals for</u> <u>Period</u>	<u>Forecast</u>	<u>Variance</u>
Heritage					
235,041	10 - Employee Expenses	241,660	82,167	239,680	(1,980)
226,960	20 - Property Expenses	236,610	33,172	236,610	0
0	30 - Transport Expenses	530	0	530	0
114,337	40 - Supplies & Services	103,910	15,763	103,910	0
53,350	65 - Support Services	53,350	13,338	53,350	0
629,687	Gross Expenditure	636,060	144,441	634,080	(1,980)
(70,327)	70 - Income	(67,820)	(17,791)	(67,820)	0
559,360	Net Expenditure	568,240	126,649	566,260	(1,980)
Sports and Fitness					
5,025,047	10 - Employee Expenses	5,444,610	1,691,949	5,275,010	(169,600)
1,020,951	20 - Property Expenses	1,032,050	146,253	1,032,050	0
14,560	30 - Transport Expenses	22,340	4,466	22,340	0
944,913	40 - Supplies & Services	922,510	287,444	922,510	0
0	50 - Third Party Payments	2,500	0	2,500	0
342,960	65 - Support Services	342,960	85,740	342,960	0
7,348,431	Gross Expenditure	7,766,970	2,215,852	7,597,370	(169,600)
(3,654,311)	70 - Income	(4,466,570)	(1,211,625)	(4,094,070)	372,500
3,694,120	Net Expenditure	3,300,400	1,004,227	3,503,300	202,900
Hellx					
646,559	10 - Employee Expenses	690,880	242,645	692,380	1,500
123,536	20 - Property Expenses	221,900	16,263	221,900	0
23,447	30 - Transport Expenses	17,940	3,835	17,940	0
469,328	40 - Supplies & Services	160,540	24,963	160,540	0
(34,000)	50 - Third Party Payments	0	(8,500)	0	0
1,228,869	Gross Expenditure	1,091,260	279,206	1,092,760	1,500
(613,812)	70 - Income	(289,500)	(175,532)	(289,500)	0
615,057	Net Expenditure	801,760	103,674	803,260	1,500
Restricted / Management Fee					
430,180	10 - Employee Expenses	457,730	149,621	457,730	0
1,177	20 - Property Expenses	0	0	0	0
1,011	30 - Transport Expenses	1,050	73	1,050	0
467,956	40 - Supplies & Services	35,430	118,244	35,430	0
(5,961)	50 - Third Party Payments	0	(152,571)	0	0
894,363	Gross Expenditure	494,210	115,367	494,210	0
(12,210,279)	70 - Income	(10,999,480)	(5,356,177)	(10,999,480)	0
(11,315,916)	Net Expenditure	(10,505,270)	(5,240,810)	(10,505,270)	0

Divisional Forecast Report
2018/2019

Appendix 2
Falkirk Community Trust - Charity

<----- From Period 1 to 4 ----->

<u>2017/2018</u> <u>Actual</u>		<u>Annual Budget</u>	<u>Actuals for</u> <u>Period</u>	<u>Forecast</u>	<u>Variance</u>
Business Development					
937,803	10 - Employee Expenses	967,450	67,229	958,690	(8,760)
76,644	20 - Property Expenses	149,150	(26,434)	149,150	0
1,257	30 - Transport Expenses	11,440	845	11,440	0
477,446	40 - Supplies & Services	557,400	206,986	557,400	0
3,907	50 - Third Party Payments	103,080	4,376	103,080	0
89,740	65 - Support Services	89,740	22,435	89,740	0
50,493	68 - Capital Costs	93,690	0	93,690	0
1,637,290	Gross Expenditure	1,971,950	275,437	1,963,190	(8,760)
(92,630)	70 - Income	(809,370)	(22,851)	(783,520)	25,850
1,544,659	Net Expenditure	1,162,580	252,586	1,179,670	17,090
Parks					
926,103	10 - Employee Expenses	944,230	299,727	944,530	300
268,721	20 - Property Expenses	325,130	16,418	325,130	0
141,935	30 - Transport Expenses	128,710	27,518	128,710	0
275,818	40 - Supplies & Services	243,300	60,931	243,300	0
(113)	50 - Third Party Payments	0	(1,931)	0	0
114,320	65 - Support Services	114,320	28,580	114,320	0
1,726,784	Gross Expenditure	1,755,690	431,243	1,755,990	300
(308,982)	70 - Income	(644,020)	(164,656)	(679,020)	(35,000)
1,417,802	Net Expenditure	1,111,670	266,587	1,076,970	(34,700)
Libraries					
1,532,137	10 - Employee Expenses	1,630,020	525,724	1,614,220	(15,800)
277,696	20 - Property Expenses	252,800	50,105	252,800	0
8,326	30 - Transport Expenses	7,290	1,042	7,290	0
483,112	40 - Supplies & Services	515,150	85,035	515,150	0
152,420	65 - Support Services	152,420	38,105	152,420	0
2,453,691	Gross Expenditure	2,557,680	700,010	2,541,880	(15,800)
(105,141)	70 - Income	(95,670)	(27,552)	(82,670)	13,000
2,348,550	Net Expenditure	2,462,010	672,459	2,459,210	(2,800)
Arts					
984,781	10 - Employee Expenses	1,058,980	326,758	1,058,980	0
109,890	20 - Property Expenses	112,800	12,611	112,800	0
0	30 - Transport Expenses	230	0	230	0
418,313	40 - Supplies & Services	381,700	74,816	381,700	0
(9,869)	50 - Third Party Payments	5,830	0	5,830	0
53,350	65 - Support Services	53,350	13,338	53,350	0
1,556,465	Gross Expenditure	1,612,890	427,523	1,612,890	0
(420,098)	70 - Income	(514,280)	(139,396)	(514,280)	0
1,136,368	Net Expenditure	1,098,610	288,126	1,098,610	0

Trust Facilities - Summary of Income										
Facility	Actual Income to Date				Full Year Income					
	April to July 17 £000	April to July 18 £000	Inc/ (Dec) £000	Inc/ (Dec) %	Annual Budget £000	Projected Actual £000	Variance £000	17/18 Actual £000	Increase/ (Decrease) £000	Inc/ (Dec) %
Grangemouth Complex	211	196	(15)	-7%	740	620	(120)	541	79	15%
Mariner Centre	156	97	(59)	-38%	785	665	(120)	395	270	68%
Boness Recreation Centre	58	57	(1)	-2%	257	203	(54)	191	12	6%
Grangemouth Health & Fitness	179	190	11	6%	558	558	0	548	10	2%
Mariner Health & Fitness	79	67	(12)	-15%	250	221	(29)	242	(21)	-9%
Boness Health & Fitness	58	60	2	3%	179	182	3	175	7	4%
Stenhousemuir Gym	123	143	20	16%	426	426	-	393	33	8%
Grangemouth Stadium	60	68	8	13%	168	168	0	156	12	8%
Schools - Community Use	92	118	26	28%	413	349	(64)	328	21	6%
Neighbourhood Centres	63	60	(3)	-5%	241	241	0	225	16	7%
Sports Fields & Pavilions	18	19	1	6%	20	4	(16)	22	(18)	-82%
Outdoor Amenities	27	28	1	4%	72	49	(23)	36	13	36%
Ski Slope	22	28	6	27%	112	105	(7)	102	3	3%
Sports Development	41	38	(3)	-7%	170	176	6	176	-	0%
Active Forth	68	43	(25)	-37%	77	126	49	124	2	2%
Falkirk Town Hall	71	89	18	25%	303	303	-	206	97	47%
Hippodrome	35	31	(4)	-11%	153	153	-	137	16	12%
Other Town Halls	15	14	(1)	-7%	51	51	-	57	(6)	-11%
Grangemouth Golf Course	140	106	(34)	-24%	238	238	-	159	79	50%
Helix	140	176	36	26%	290	290	-	375	(85)	-23%
Parks	8	13	5	63%	78	78	-	33	45	136%
Outdoor Activities	25	32	7	28%	32	67	35	60	7	12%
Library Income	29	28	(1)	-3%	96	83	(13)	105	(22)	-21%
Other Arts & Heritage income	53	37	(16)	-30%	126	126	-	147	(21)	-14%
Business Development	26	22	(4)	-15%	54	54	-	18	36	200%
Total	1,797	1,760	(37)	-2%	5,887	5,536	(351)	4,951	585	12%

Other Income (reconciliation with Appendix 1)

Falkirk Council Funding	5,323	10,891	10,891	0
Restricted Income	33	353	353	0
Trading Company Donation	0	393	367	-26
Interest on Account Balances	0	18	18	0
	<u>5,356</u>	<u>11,655</u>	<u>11,629</u>	<u>-26</u>
Income as per Appendix 1	<u>7,116</u>	<u>17,542</u>	<u>17,165</u>	<u>-377</u>

**FALKIRK COMMUNITY TRUST - 2018/19
BUDGETARY CONTROL STATEMENT**

Falkirk Community Trust - Balance Sheet

Period ended 31st July 2018

	Mar 2018 £'000	Jul 2018 £'000	Projected Mar 2019 £'000
Fixed Assets			
Tangible Assets	216	216	216
Current Assets			
Stocks	90	90	90
Debtors	345	272	300
Bank	3,664	3,661	2,418
	<u>4,099</u>	<u>4,023</u>	<u>2,808</u>
Current Liabilities			
Creditors	<u>2,139</u>	<u>1,322</u>	<u>2,100</u>
Net Current Liabilities	1,960	2,701	708
Net Assets	<u><u>2,176</u></u>	<u><u>2,917</u></u>	<u><u>924</u></u>
Unrestricted Funds			
Unrestricted Fund	861	1,602	304
Voluntary Severance	227	227	227
Helix AMP	147	147	232
Approved Projects	780	780	-
	<u>2,015</u>	<u>2,756</u>	<u>763</u>
Restricted Funds			
Grant Funding	161	161	161
Helix Funding	-	-	-
	<u>161</u>	<u>161</u>	<u>161</u>
Total Funds	<u><u>2,176</u></u>	<u><u>2,917</u></u>	<u><u>924</u></u>

**FALKIRK COMMUNITY TRUST 2018/19
MOVEMENT IN FUNDS**

Reserves	April 2018 £'000	2018/19 Movements					Projected March 2019 £'000
		Income £'000	Expend. £'000	Surplus / (Deficit) £'000	Transfers		
					In £'000	Out £'000	
Unrestricted Funds							
Unrestricted Reserve	861	17,165	(17,607)	(442)		(115)	304
Voluntary Severance	227	-	-	-	-	-	227
Helix - AMP	147	-	-	-	85	-	232
Fireworks	-	-	(30)	(30)	30	-	-
Spend to Save Projects	780	-	(780)	(780)	-	-	-
Total Unrestricted Funds	2,015	17,165	(18,417)	(1,252)	115	(115)	763
Restricted Funds							
Grant Reserve	161	-	-	-	-	-	161
Helix	-	-	-	-	-	-	-
Total Restricted Funds	161	-	0	0	-	0	161
Total Funds	2,176	17,165	(18,417)	(1,252)	115	(115)	924

Falkirk Community Trust

Subject: Board Administration
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
From: Chief Executive

1. Introduction

- 1.1 This paper reviews the make up of the Sub Groups and proposes a meetings schedule for 2019. It also reviews the timings of meetings following the recent survey. The Board is asked to consider the proposals and approve the revised Group membership along with the dates and times of meetings for 2019.

2. Sub Group Membership : Proposed Membership

- 2.1 The Board manages some of its remit through: The Audit & Performance Group to review the performance results and to ensure effective audit arrangements are maintained and monitored. The People Group deals with employee matters, the appointment of the Senior Management Team and is a key link to the Trade Unions. It also ensures that the Trust has an Employee Development Plan and acts as a final point of appeal for employee claims against dismissal. Trust Directors are also appointed to Falkirk Community Trading Company to assist in the continuity and awareness between both Boards.
- 2.2 The remit of the Sub Groups is attached at Appendix 1.
- 2.3 The Board are asked to consider if the proposed membership split works effectively. The membership reflects the interest expressed in the survey along with current membership for the purposes of continuity.

Proposed Membership

Audit & Performance

David White (Chair)
Derek Easton
Jim Flynn
Lorna Binnie
Andrew Roberts
Billy Buchanan

People Sub Group

Ruth Morrison (Chair)
Suzanne Arkinson
Derek Easton
Cecil Meiklejohn
Joan Coombes

Trading

Suzanne Arkinson (Chair)
Andrew Roberts
Plus Chris Morris, Ased Iqbal, Shona Dunsmore, Maureen Campbell

Health and Safety link

David White

2.4 Timing of Meetings

The Board was asked to consider if there is a more suitable time of day and choice of day for meetings to take place. The survey completed recently suggests that there was no overall consensus on the timings. The majority of respondents supported keeping the Board at its current time.

There was a desire for the Trading meeting to move to Tuesdays and this has been done. In respect of Audit and Performance and the People Sub Groups these will move to later in the day to accommodate more attendees who may be unavailable due to work commitments and the Board Development sessions will be held at twilight times.

2.5 Issue of Papers

The Board pack is currently issued in hard copy. The recent survey asked the Board if they prefer this or electronic format. The consensus was to retain hard copy issue of the papers.

3. **Diary Dates for 2018/2019**

Full Board Meeting (Quorum 5 comprising 2 Council Appointed Directors and 3 Independent Directors)

Directors: All Board Directors
Attendees: FCT Senior Management Team, Margaret Smith (FC Finance).

Dates:

30 th August 2018 -	9.15am – 1.00pm
8 th November 2018 -	9.15am – 1.00pm
21 st March 2019 -	9.15am – 1.00pm
30 th May 2019 -	9.15am – 1.00pm
29 th August 2019 -	9.15am – 1.00pm
7 th November 2019 -	9.15am – 1.00pm

Venue: Queens Room, Callendar House

Pre Board Meeting

Attendees: Ruth Morrison, Joan Coombes, Maureen Campbell, Jane Clark

Dates:

20 th August 2018 -	9.30am – 11.00am
29 th October 2018 -	9.30am – 11.00am
11 th March 2019 -	9.30am – 11.00am
20 th May 2019 -	9.30am – 11.00am
19 th August 2019 -	9.30am – 11.00am
28 th October 2019 -	9.30am – 11.00am

Venue: Falkirk Stadium

Audit & Performance Sub Group (Quorum 3)

Directors: Councillor Jim Flynn, Councillor Lorna Binnie, Councillor Billy Buchanan David White, Derek Easton, Andrew Roberts

Attendees: Lesley O'Hare, Paul Finnie, Danny Cairney, Gordon O'Connor, Alistair Mitchell

Dates:

16 th August 2018 -	9.30am – 11.30am
22 nd November 2018 -	3.00pm – 5.00pm
14 th February 2019 -	3.00pm – 5.00pm
16 th May 2019 -	3.00pm – 5.00pm
15 th August 2019 -	3.00pm – 5.00pm
21 st November 2019 -	3.00pm – 5.00pm

Venue: Falkirk Stadium

People Sub Group (Quorum 3)

Directors: Ruth Morrison, Suzanne Arkinson, Derek Easton, Councillor Cecil Meiklejohn, Councillor Joan Coombes

Attendees: Maureen Campbell, Jenny Simpson (HR)

Dates: 6th December 2018 - 3.00pm – 5.00pm
20th June 2019 - 3.00pm – 5.00pm
12th December 2019 - 3.00pm – 5.00pm

Venue: Falkirk Stadium

Trading Company (Quorum 2)

Directors: Suzanne Arkinson, Andrew Roberts, Chris Morris, Maureen Campbell, Ased Iqbal, Shona Dunsmore

Attendees: Paul Finnie, Carol Whyte, Stephen Fulton, David Wilkinson (FC Finance)

Dates: 6th August 2018 - 2.00pm – 4.30pm (Callendar House)
13 November 2018 - 9.30am – 12 noon (Mariner Centre)
12 February 2019 - 9.30am – 12 noon
14th May 2019 - 9.30am – 12 noon
6th August 2019 - 9.30am – 12 noon
22nd October 2019 - 9.30am – 12 noon

Venue: Various

Business Planning Board Meeting (Quorum 5)

Directors: All Board Directors

Attendees: Senior Management Team

Dates: 27th September 2018 - 9.30am – 1.00pm
17th January 2019 - 4.00pm – 7.00pm
26th September 2019 - 4.00pm – 7.00pm
17th October 2019 - 4.00pm – 7.00pm

Venue: Falkirk Stadium, Board Room, 3rd Floor

4. The Chair Position

- 4.1 We previously noted that we had consulted the Council and OSCAR on whether Ruth Morrison might extend her term on the Board to allow for a transition following the communication of the Council Option Appraisal Outcomes.
- 4.2 However, OSCAR have advised that this would require a change to the Articles and it was felt this was not appropriate in the current circumstances. We will therefore require to advertise for another Independent Director and to decide on the identification of a new Chair. The Board is asked to discuss and agree a way forward.

5. Recommendation

- 5.1 **Board is asked to review the programme and operation of Sub Groups and approve the calendar of meetings for 2019.**
- 5.2 **The Board is asked to agree the appointment of a new Chair.**

5.3 **The Board is asked to agree to recruit a new Independent Director.**

Maureen Campbell.

Maureen Campbell
Chief Executive

Remit

People Sub Group

1. Membership

1.1 The group consists of:

- 5 Directors. Quorum: 3 Directors.
- Core staff support: Chief Executive, HR Advisors

2. Remit

2.1 The group should focus on the 'people' agenda. It is specifically charged with the recruitment of all senior managers and strategic liaison with Trade Union representatives.

2.2 The group reviews and approves all of the HR policies and procedures.

2.3 The group acts as the final appeal panel for employee related appeals following dismissal.

2.4 It reviews progress in the following areas:

- Review Development of Employee Development Strategy
- Review Vacancy Management including Turnover
- Monitor Absence Management
- Review Employee Satisfaction Survey
- Monitor Health & Safety as it concerns employees

3. Frequency of Meetings

3.1 The group meet twice per year to review general progress. It meets with Trade Unions annually.

3.2 Whenever there is recruitment to be taken forward a specific timetable will be developed. The Chief Executive and HR Advisors will support the Board in this process.

4. Minutes

4.1 Reports and agenda will be issued 1 week before the meeting takes place. Minutes of the meeting will be presented to the Board for information.

Remit

Audit & Performance Sub Group

1. Membership

1.1 The group consists of:

- 6 Directors. Quorum : 3 Directors
- Core staff support: Sport & Recreation Manager, Culture & Libraries Manager, Finance Advisers, External Auditors

2. Remit

2.1 The group should focus on the “performance” agenda.

2.2 It is specifically responsible for:

- to consider the adequacy of the Trust’s overall control environment;
- to consider and agree Internal Audit plans, ensuring that work is planned with due regard to risk, materiality and coverage;
- to review summary Internal Audit reports and seek assurances that action has been taken to address issues identified;
- to consider the reports of External Audit and other inspection agencies and seek assurance that recommendations made are addressed; and

2.3 It will also review progress in the following areas:

- Drill into the unit operating plans and quarterly performance data to better understand underlying performance issues.
- Monitor the Business Plan and contribute to its future development.

3. Frequency of Meetings

3.1 It is proposed that the group meet four times per year to review general progress.

4. Minutes

4.1 Reports for the meeting and minutes and actions arising from the meeting will be presented to the Board for information.

Falkirk Community Trust

Subject: A Culture Strategy for Scotland
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
From: Culture and Libraries Manager

1. Introduction

- 1.1 In our role as advisors to Falkirk Council on cultural matters, Falkirk Community Trust has been asked to respond to the Scottish Government's consultation on the draft Culture Strategy for Scotland (<https://www.gov.scot/Resource/0053/00537570.pdf>) on behalf of Falkirk Council.
- 1.2 As such, we began a consultation process in early August seeking the views of the area's public, third and voluntary sector cultural organisations, and those organisations for whom cultural activity is integral to their service delivery. The first draft of the Trust's proposed response is attached as Appendix 1.

2. A Culture Strategy for Scotland: Summary

- 2.1 The Strategy has a broad outlook that views culture as the way a society expresses itself and includes languages as well as many formal, informal, established, evolving and emerging forms of culture, heritage, creative expression and practice.
- 2.2 The Strategy seeks to stimulate a step change that will bring about a shift in how society and government view and value culture. It aims to build collaborative alliances that will help to realise the full potential of culture for everyone and every community.
- 2.3 This process has already started with the inclusion of a new national outcome for culture on the refreshed National Performance Framework, that is:

'We are creative and our vibrant and diverse cultures are expressed and enjoyed widely.'
- 2.3 This important development signifies that Scottish Ministers and the Scottish Government recognise the potential and importance of culture as an intrinsic part of Scotland's wellbeing and that other policy areas should give consideration to it.

3. Response Summary

- 3.1 Our response reflects the Council's role as the major **funder** of culture through the its service payment to Falkirk Community Trust and grants to voluntary sector organisations, and as **deliverer** of culture through the role creativity and literacy play in the education of our young people from nursery to high school.
- 3.2 Our response broadly agrees with the vision, aims and objectives of the Strategy which emphasises the instrumental value of culture as a strong contributor to meeting a number of National Outcomes; although we add a cautionary note - that culture's instrumental value should not be seen to outweigh its intrinsic value. The case for culture for its own sake must continue to be made.

- 3.3 Our response is supportive of the ambition to open up and extend the definition of culture so that it is of and for every community and everyone and, in particular, the desire to explore ways in which people can have a greater say in shaping the cultural life of their communities including participatory models of decision-making and community ownership. There already structures in place (community planning partnerships, arts forums/networks) that are well-placed to shape the cultural life of our communities which fits well with Falkirk Council's review of local governance – how to align local people much more effectively with the decision-making processes of local government.
- 3.4 We summarise the ways in which the Trust and the Council can contribute to the delivery of the Strategy and describe how successful implementation of the Strategy might look like.

4. Consultation

- 4.1 The consultation began with a discussion with the Council Leader and Portfolio Holder which helped us refine the draft response prior to going out to wider consultation.
- 4.2 We have issued the draft response to the Board (through this paper), relevant Council Officers, external organisations including Forth Valley College, NHS Forth Valley, FDAMH and Artlink Central and voluntary sector arts and heritage organisations.
- 4.3 We ask what these organisations – and others - can do, to help achieve and support the vision, ambitions and aims. We acknowledge that these organisations may wish to submit their own individual/separate responses to the Strategy.
- 4.4 We are asking for feedback to be submitted by Friday 31 August and our response will be amended to take into account that feedback. The response will then be submitted to Elected Members and Falkirk Council Officers for final approval before being submitted to the Scottish Government by 19 September 2018.

5. Recommendations

- 5.1 **That the Board notes and makes comments on our draft response to the draft Culture Strategy for Scotland.**



Lesley O'Hare
Culture and Libraries Manager



Consultation on A Culture Strategy for Scotland RESPONDENT INFORMATION FORM

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:
<https://beta.gov.scot/privacy/>

Are you responding as an individual or an organisation?

- Individual
- Organisation

Full name or organisation's name

Falkirk Community Trust on behalf of Falkirk Council

Phone number
Address

01324 590906

Suite 1A, The Falkirk Stadium, 4 Stadium Way, Falkirk

Postcode

FK2 9EE

Email

Leslev.ohare@falkirkcommunitytrust.org

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
- Publish response only (without name)
- Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

- Yes
- No

CONSULTATION QUESTIONS

A Culture Strategy for Scotland – Draft for Consultation

A VISION FOR CULTURE IN SCOTLAND

The vision statement is set out in Section 2 of the consultation document.
A summary is provided below:

The strategy is bold and ambitious. It is centred on the fundamental value of culture and its empowering and transformative potential. It is committed to long term change through greater collaboration and integration across culture, communities and policy development.

- Culture in Scotland is innovative, inclusive and open to the wider world.
- Cultural excellence – past, present and emerging – is celebrated and is fundamental to future prosperity and wellbeing.
- Culture’s empowering and transformative power is experienced by everyone.

Question 1: What is your view of the Vision as set out above?
(Further details are in section 2 of the consultation document).

Tick one box

- Support the vision x
Don't support the vision
Don't know

Question 2: If you have any further comments on the Vision, please provide them below. What do you like, or dislike, or what would you change?

Comments We agree that the strategy as a whole is bold and that the vision captures that level of ambition.

AMBITIONS, AIMS AND ACTIONS

The strategy sets out three ambitions:

- **Transforming through culture:** Recognising that culture and creativity are central to Scotland’s cultural, social and economic prosperity
- **Empowering through culture:** Opening up and extending culture so that it is of and for every community and everyone
- **Sustaining culture:** Sustaining and nurturing culture to flourish and to evolve as a diverse, positive force in society, across all of Scotland

You are now asked to answer questions about each ambition, and the aims and actions that sit under each ambition. A summary of aims and actions is provided at each section.

AMBITION: TRANSFORMING THROUGH CULTURE

Transforming Through Culture: Recognising that culture and creativity are central to Scotland’s cultural, social and economic prosperity.

Question 3: What is your view of the ambition, ‘Transforming through culture’ as set out above?

(Further details are in section 4.3. of the consultation document).

Tick one box

- Support ambition x
Don’t support ambition
Don’t know

Question 4: If you have further comments on the ambition ‘Transforming through culture’, please provide them below. What do you like, dislike, or what would you change?

Comments

We support the ambition of transformation through culture which echoes the aspirations of both First Minister Jack McConnell’s St Andrews Day speech of 2003:

‘placing culture at the heart of government will help shape Scotland’s future and release the potential of all Scots’

and, more recently, that of Cabinet Secretary Fiona Hyslop in 2013:

‘It is [the Scottish Government’s] role to create the conditions for cultural and creative excellence to flourish. Why? Because this is a prerequisite for all those other benefits that culture can deliver ... above all for our quality of life, and our well-being and... for our economy.’

The VOCALScotland Prospectus was produced in 2015 as an advocacy document to help health, social care, education, criminal justice, etc. understand why they should be investing in cultural activity as part of the prevention agenda;

'[it] promotes a compelling agenda for change that takes existing culture and sport services and develops them to enable successful delivery where traditional approaches are often struggling.'

Despite all this, to date, there has been a failure to get a high level commitment to culture at government level. As such, the clear statement of the concept of transformation through culture is a compelling one if it can be realised.

The aims and actions under ‘Transforming Through Culture’ are set out in section 4.3. of the consultation document.

A summary is provided below:

Aim 1: Place culture as a central consideration across all policy areas

- **Action 1:** Develop a new cultural leadership post within Scottish Government, supported by strategic thinkers from across the culture sectors and beyond. The role will support creative and innovative thinking and highlight the benefits of a more connected and multi-disciplinary approach across all areas of Government and its major stakeholders to consider the big societal issues faced in Scotland today and in the future.

Aim 2: Open up the potential of culture as a transformative opportunity across society

- **Action 2:** Develop a national partnership for culture that includes working with academic partners to develop new approaches to measuring an extended view of culture and better articulate the benefits of culture to society

Aim 3: Position culture as central to progress in health and well-being, economy, education, reducing inequality and realising a greener and more innovative future

- **Action 3:** Develop alliances that support social change through culture and promote leadership and joined up working across the culture sector, other sectors, local and national government and communities.

Question 5: Please provide comments on the aims and actions under this ambition. What do you like, or dislike, or what would you change?

Comments

Aim 1/Action 1: we agree with the proposal to create a new cultural leadership post within the Scottish Government that will be a strong advocate for the role of culture in contributing to the delivery of a number of National Outcomes and the catalyst to ensuring that high level commitment to culture across all government departments. We would also hope to see one of the outcomes of this is a more flexible approach to sharing budgets and a stronger focus on the prevention agenda. The post might also have an international ambassadorial role. There could be a perception that the external remit of this post might have a detrimental effect on the independent decision-making of cultural lead bodies (Creative Scotland, Museums Galleries Scotland, Historic Environment Scotland, Scottish Libraries and Information Council, etc.) and we would hope that this does not turn out to be the case.

Aim 2/Action 2: we value the development of a national partnership for culture and, in particular, the focus on developing new approaches to measuring the impact of this extended view of culture. We believe that a

strong evidence base is critical to influencing other government departments, health boards, local authorities, etc. to free up finance from non-culture budgets on the basis of culture's contribution to the prevention agenda. We also believe that a national partnership could help achieve consensus on national priorities across cultural organisations and explore ways of sharing good practice and avoiding duplication.

Aim 3/Action3: assuming the successful delivery of Actions 1 and 2, cultural service delivery in the public sector could be a strong contributor to meeting a number of National Outcomes; however, there is a danger that culture's instrumental value is seen to outweigh its intrinsic value. The case for culture for its own sake must continue to be made.

AMBITION: EMPOWERING THROUGH CULTURE

Empowering Through Culture: Opening up and extending culture so that it is of and for every community and everyone.

Question 6: What is your view of the ambition 'Empowering through culture'? (Further details are in section 4.4. of the consultation document).

Tick one box

Support ambition x
Don't support ambition
Don't know

Question 7: If you have further comments on the ambition, 'Empowering Through Culture' please provide them below. What do you like, dislike, or what would you change?

Comments

We believe this is a laudable ambition but there is a concern that, in trying to embrace new and emerging cultural activity, intangible cultural heritage as well as more widely accepted cultural forms that the definition of culture becomes vague/indistinct. However, we see tremendous benefits in empowering local communities and increasing understanding of the diverse ways in which culture contributes to a healthy community.

The aims and actions under 'Empowering Through Culture' are set out in section 4.4. of the consultation document.

A summary is provided below:

Aim 1: Extend the view of culture to include the everyday and emerging, the established and more formal

- **Action 1:** Promote an inclusive and extended view of culture which recognises and celebrates the value and importance of emerging, every day and grassroots culture and creativity

Aim 2: Develop opportunities for people to take part in culture throughout their lives

- **Action 2:** Develop an approach that supports long term partnerships between cultural and creative organisations, businesses and organisations in Scotland's most deprived communities, including schools, care homes and organisations working towards achieving social justice

Aim 3: Recognise each community's own local culture in generating a distinct sense of place, identity and confidence

- **Action 3:** Explore ways in which people can have a greater say in shaping the cultural life of their communities including participatory models of decision-making and community ownership

Question 8: Please provide comments on the aims and actions under this ambition. What do you like, or dislike, or what would you change?

Comments

Aim 1/Action 1: who will promote this inclusive and extended view of culture? How does the Strategy propose to articulate what this is (and is not)? We believe there are multiple levels at which this message could be shared: government, national (non-) cultural bodies, community planning partnerships as well as through informal networks.

Aim 2 Action 2: we suggest that success will be more culturally aware people working in non-cultural settings (health, social care, education, criminal justice etc.) but this will require a fundamental shift in how funding is awarded; there are numerous examples of effective partnerships between creative individuals/organisations and non-cultural organisations but these are generally funded on a short-to medium term basis (1-3 years) and few move on to being mainstream funded. The evidence generated through Transformation – Aim 2/Action 2 should provide the evidence to transform short term projects into mainstream provision.

Aim 3/Action 3: we think this is an interesting concept – how are 'people' defined? There already structures in place (community planning partnerships, arts forums/networks) that are well-placed to shape the cultural life of our communities as long as the inclusive and extended view of culture is accepted. This fits well with Falkirk Council's review of local governance – how to align local people much more effectively with the decision-making processes of local government.

AMBITION: SUSTAINING CULTURE

Sustaining culture: Sustaining and nurturing culture to flourish and to evolve as a diverse, positive force in society, across all of Scotland.

Question 9: What is your view of the ambition 'Sustaining Culture'?
(Further details are in section 4.5 of the consultation document.)

Tick one box

Support ambition x
Don't support ambition
Don't know

Question 10: If you have further comments on the ambition, 'Sustaining Culture' please provide them below. What do you like, dislike, or what would you change?

Comments

The aims and actions under 'Sustaining Culture' are set out in section 4.5. of the consultation document.

A summary is provided below:

Aim 1: Develop the conditions and skills for culture to thrive, so it is cared for, protected and produced for the enjoyment of all present and future generations

- **Action 1:** Explore new funding models to support the culture sector and to develop the creative economy that includes new partnerships and examining the potential of Scottish Government powers such as Scottish National Investment Bank, devolved tax and legislative powers that will generate a collective responsibility to supporting culture in the long term.
- **Action 2:** Develop programmes to support skills development, leadership and innovation to prepare for the future including digital

Aim 2: Value, trust and support creative people – for their unique and vital contribution to society and the economy

- **Action 3:** Support the freelance cultural workforce and nurture skills, talent and excellence by exploring ways to improve their economic and social status and adopt a broad and long term approach to supporting skills development from early years onwards.

Aim 3: Encourage greater openness and diverse cultures to reflect a changing Scotland in the 21st century

- **Action 4:** Increase inclusive opportunities to broaden the backgrounds of those working and volunteering in the culture sectors.
- **Action 5:** Develop a longer term and more strategic approach to supporting international ambitions and partnerships across the breadth of the culture sector

Question 11: Please provide comments on the aims and actions under this ambition. What do you like, or dislike, or what would you change?

Comments

Aim 1/Actions 1: This action flows logically from the idea of a more connected and multi-disciplinary approach to how culture is funded and where it is delivered. Although, again that is caveated by the need to retain a commitment to culture that is important in and of itself because a nation that values its artists and their work, its built heritage, its museums' collections, etc. does so because they have an importance above and beyond the instrumental.

Aim 1/Action 2: we believe this is a given and that society must continue to prepare for multiple futures. It is worth considering how Curriculum for Excellence supports (or does not...) young people to make informed choices about studying cultural subjects and how those studies might inform their future career choices.

Aim 2/Action 3: we support the idea of supporting the freelance cultural workforce; this relates back to the relatively short-term nature of cultural project funding, the prevalence of short-term contracts across the cultural sector as well as the generally low rates of pay in the sector. We envisage a role for the cultural leadership post in influencing government policy to adopt new ways of supporting freelance workers (e.g. Germany's social security insurance for artists; Ireland's artists' exemption from income tax on sales of their work)

Aim 3/Action 4: we do not disagree with this action but need more clarity on how existing equalities and diversity legislation and policies need to improve in order to allow this to happen.

Aim 3/Action 5: This is of interest to us in Falkirk as we do have a tradition of bring European artists/performances to the area although, due to budget constraints, this has reduced significantly in recent years.

DELIVERING A CULTURE STRATEGY FOR SCOTLAND

The final culture strategy will highlight where individuals, communities, and organisations are already working towards the vision, ambition and aims of the strategy.

Question 12: Please provide details of any examples of good work and best practice, from Scotland or internationally, that you think could be included in the final strategy? We are interested in a range of different approaches.

Comments

- Growing Old Competitively (<http://alexrotasphotography.co.uk/>; <http://www.falkirkcommunitytrust.org/venues/park-gallery/default.aspx#leylines>)
- Falkirk FC ex is prob a good eg of museum practice - supporting local interest group that then widens audience base;
- Tommy Clement Douglas commission work with local voluntary organisation to realise their aspiration;
- New Found Sound as part of Hippfest. Pupils working with professional arts practitioners to create content for festival;
- Arts Champions project with young people living in care – ensuring access, create cultural opportunities for less-advantaged young people;
- Add more examples including engagement with local heritage groups.

Question 13: What can you or your organisation do to support the vision, aims, ambitions and actions of the strategy?

Comments

Falkirk Community Trust delivers a broad range of cultural activity (performing arts, film exhibition, contemporary art, youth arts, museums and libraries); and our thinking is broadly in line with the tone and ambition of the draft Culture Strategy for Scotland. We advise Falkirk Council on all matters cultural and take a lead on delivering the area's arts and heritage delivery plans and the Library Development Plan. Falkirk Council also delivers a similar range of activity within its nurseries and schools. We recognise the fundamental importance of a happy, healthy, active community and continue to work with community planning partners and the voluntary sector to expand opportunities for participation in and attendance at a range of cultural activities and programmes. We firmly believe in the power of culture and sport to change lives and we are advocates within the Community Planning Partnership stressing the importance of collaboration

with health, social care, education, criminal justice, etc. partners to achieve better outcomes for our communities.

'In terms of overall budget, culture is allocated relatively small amounts yet it achieves much for many' (p.32)

Question 14: What do you think success for the strategy will look like?

Comments

Connective and creative collaborations at government level generating innovative policy changes to meet all National Outcomes;

The benefits of cultural engagement highlighted on p27 of the draft Strategy (access, participation, engagement) must be backed up by action (for example, if participation in early life creates more rounded individuals, should there be further (or appropriate) investment in creative subjects in the curriculum?

If sector issues in terms of pay, working conditions, etc. are acknowledged on pp 32-35, what will the strategy have done to address these issues?

Monitoring and Evaluating A Culture Strategy for Scotland

Question 15: What is your view of the proposed approach to monitoring and evaluating the strategy set out in section 5?

Tick one box

Support approach
Don't support approach
Don't know

Question 16: If you have further comments on the proposed monitoring and evaluation approach, please provide them below.

Comments

OTHER COMMENTS

Question 17: Please use this section to provide any other comments that you wish to share about the strategy.

Comments

p.34: it's worth noting that with capital investment in new facilities come revenue implications. In part there is a continuing tension between a 'business model' approach to culture and the aspiration to increase access, engagement and participation for all sections of the community. In part, these are mutually exclusive and as such, we would hope that the Strategy got to grips with this in real terms. As per our previous comments, this probably requires a fundamental change in our collective approach to and understanding of, the role and value of culture in our society.

p.29: there are a number of references to culture and a sense of place; it's also worth noting that place and people are in a constant state of flux and perhaps consideration should be given to culture reinforcing a sense of belonging to a group, area, place.

IMPACT ASSESSMENTS

Impact assessments are developed as part of the process of developing any government strategy to identify what impacts the strategy may have on specific groups in society.

Partial impact assessments have been developed for the culture strategy and can be found [here](#) as separate downloadable documents.

Question 18: Do you think the partial Equality Impact Assessment has identified where the strategy might impact on people differently depending on characteristics such as age, disability, gender, race, religion or belief, sexual orientation or gender identity?

Tick one box

- Yes
No
Don't know

Question 19: If you have further comments on the Equality Impact Assessment, please provide them below. For example, what would you add or change?

Comments

Question 20: Do you think the partial Children's Rights and Welfare Impact Assessment sets out how the proposals presented in the strategy might impact on the rights and welfare of children?

Tick one box

- Yes
No
Don't know

Question 21: If you have further comments on the Children's Rights and Welfare Impact Assessment, please provide them below. For example, what would you add or change?

Comments

Question 22: How do you think this strategy might impact upon people on low incomes, people living in deprived areas, people in material deprivation, people with no / or low wealth and people from different socio-economic backgrounds? Please provide comments below.

Comments

Question 23: Do you think the partial Business and Regulatory Impact Assessment identifies how the proposals presented in the Strategy might impact on businesses, the third (voluntary) sector or have any regulatory impact?

Tick one box

- Yes
- No
- Don't know

Question 24: If you have further comments on the Business and Regulatory Impact Assessment, please provide them below. For example, what would you add or change?

Comments

Falkirk Community Trust

Subject: Risk Update
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
Author: Business Development Manager

1. Introduction

1.1 This report provides a summary statement on strategic risks affecting the Trust. Strategic risks typically affect the whole organisation and can potentially pose significant hazards and the Board are asked to consider the current position.

2. Risk Position

2.1 The Senior Management Team regularly review the risks facing the Trust and have identified the following risk area as being particularly pertinent at this time.

Risk	Risk Level	Mitigation
Finance Delays in implementing business growth projects combined with delay in getting the website and online bookings system in place are placing pressure on ability to meet income targets. Income for the first Q is lower than expected and there is a risk that it will not catch up over the next 3 Q's.	Medium	Projects are being pushed on as much as possible. The soft play project and the green room refurbishment for afternoon teas are both on track to open by end of September. The new website is planned to launch in early November with online sales capacity and additional benefit of new state of the art ticketing system for sales at FTH and Hippodrome.

3. Recommendation

3.1 The Board is asked to note the risk outlined in this report.

Jane Clark

Jane Clark
 Business Development Manager

Falkirk Community Trust

Subject: Health, Safety & Risk Update
Meeting: Falkirk Community Trust Board
Date: 30 August 2018
Author: Sport & Recreation Manager

1. Introduction

- 1.1 The purpose of this report is to inform and update Board Members of the current status regarding our ongoing Health, Safety & Risk (HS&R) record, and management process across all Trust locations and staff. This is an update report following the report submitted to the Board in May 2018.

2. Operational Issues and Developments

Operational Update:

- Additional Fire Risk Assessment training has been scheduled for appropriate Trust Staff through our Council colleagues in Health & Safety. The Fire Service have also issued letters to all premises reminding them of their policy of how to call in an emergency for Fire purposes. This is to alleviate attendances at non-emergency fire alarm activations. Staff training on this process is currently being completed for appropriate staff.
- Changes to our Child Protection processes are underway due to the implications of GDPR implications. This will involve discussion and changes to working practices for many of our clubs and groups hiring our facilities.
- Recent information on vehicle accident costs has been analysed and as a result we have reviewed how these accidents are recorded and reported. This will help in future with identification of potential problem areas and or staff. Appropriate training for staff will be arranged where needed.

- 3. The Health, Safety & Risk Group** – The group met on 22nd June where a full agenda of items were discussed. This included items such as for example:

- Driver maintenance checks and drivers returning to work after absence.
- Lone working arrangements
- Review of EAP's and NOP's
- Contractors (internal and external) access to premises and signing in / out
- Access to electronic portal for repairs & maintenance information
- Seasonal increases in customer footfall and vigilance.

- 4. Insurance and Liability Claims** – All staff have been reminded of the importance of completing and recording the correct level of information in relation to accidents and incidents involving customers on our premises. Insurance claims and litigation is on the increase and we are regularly asked for detailed information in relation to these accidents / incidents. Retaining this information and documentation reduces the liability of the Trust and can allow our claims handlers to effectively defend these claims.

5. **First Aid Training** – The Sport & Leisure section of the Trust are now in a position to provide basic and qualification re-newel First Aid training to the staff within this section without going to an external agency via the Council. We have qualified appropriate members of the Duty Officer team to provide this service, and this will allow a small financial saving to be made, and alleviate the need to rely on courses being made available via the Council contract. We are also currently assessing how this service could be rolled out to all sections of the Trust and to measure if this would be a cost effective measure to implement.

6. **Post Summer Assessment** – We have just been through a very busy summer period, with the excellent weather contributing to good attendances at our outdoor venues in particular. It is pleasing to note that we have navigated this busy period with no major incidents or accidents taking place. Staff are to be commended for their continued vigilance and levels of care our customer's experience.

7. Performance

7.1 Accident Performance Management

We continue to closely monitor our performance in respect of accidents within our venues. Current statistics are as follows:

Staff Accidents

- From April - June 2018 (incl) there have been a total of 2 accidents involving staff reported for these months. All were of a minor nature and did not involve any loss of time at work. This equates to 0.32 % of the workforce who have been involved in an accident at work during April, May and June 2018.

Customer Accidents

From April - June 2018 (incl) there have been a total of 87 reported accidents to customers across all sites. This equates to approx 1 in every approx. 12,000 customers (0.0083%) who have had a reported accident when using our services in April, May and June of this year (1,041,775). The majority of these accidents occur at our busy Sport & Recreation facilities as well as the Outdoor venues such as Helix and our other Parks.

See Appendix 1 for breakdown.

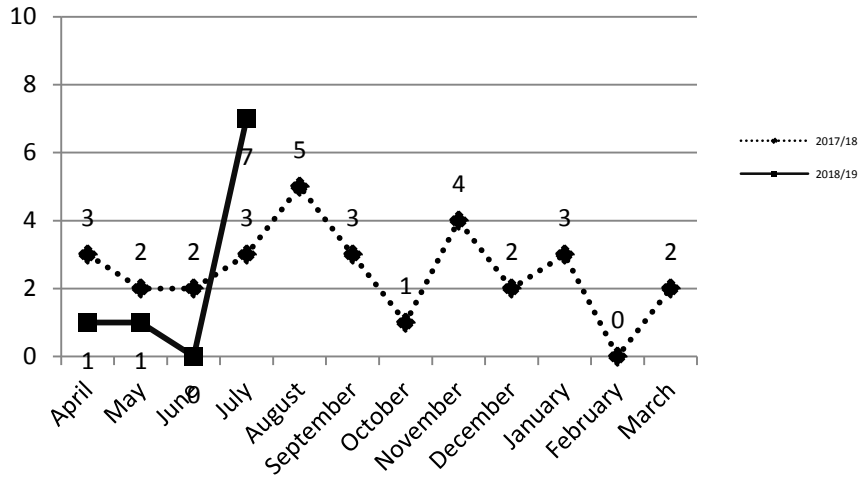
8. Conclusion

8.1 The Board will be pleased to note that all accidents and incidents are dealt with in an effective and efficient manner by our trained staff. This will be raised at our regular liaison meetings with our teams. Our staff are our biggest asset and we need to ensure they receive the support and training required to keep our many customers safe and secure when engaging with us at our facilities and venues.

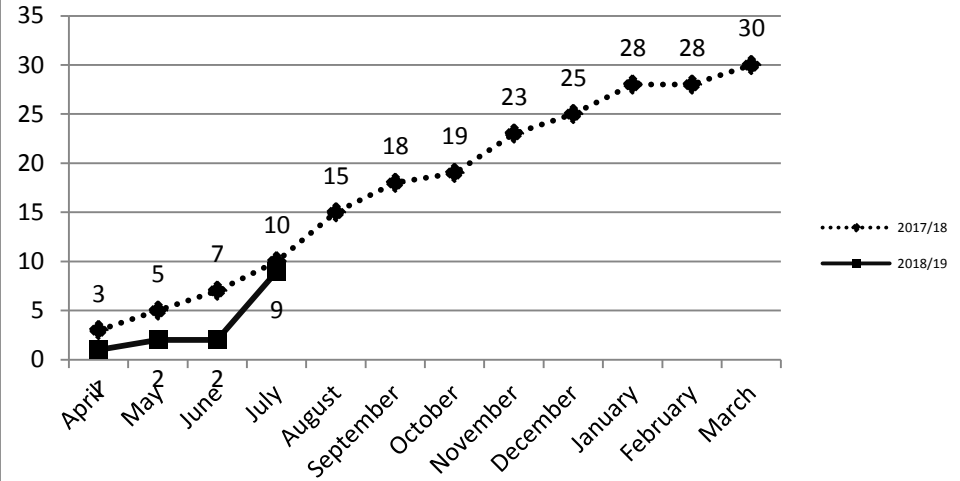


Paul Finnie
Sport & Recreation Manager

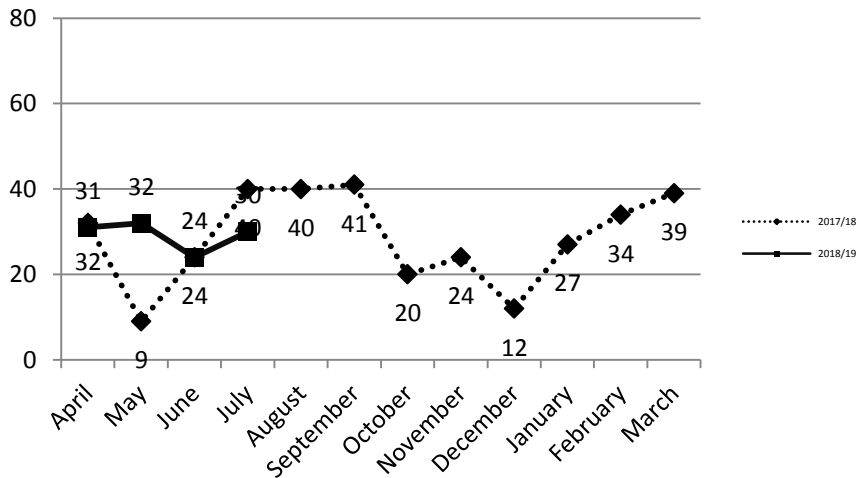
Accidents involving members of Staff



Cumulative Accidents involving members of Staff



Accidents involving Customers



Cumulative Accidents involving Customers

