



Mugdock Country Park

Joint Management
Committee

Annual Accounts

2021-22



MUGDOCK
COUNTRY PARK

Mugdock Country Park Joint Management Committee

Contents

<u>Management Commentary</u>	1
<u>Annual Governance Statement 2021/22</u>	11
<u>Statement of Responsibilities for the Accounts</u>	15
<u>Principal Financial Statements</u>	16
<u>Movement in Reserves Statement</u>	16
<u>Comprehensive Income and Expenditure Statement</u>	16
<u>Cash Flow Statement</u>	17
<u>Balance Sheet</u>	17
<u>Notes to Principal Financial Statements</u>	18
<u>1. Accounting Policies</u>	19
<u>2. Accounting Standards Issued, Not Adopted</u>	19
<u>3. Pensions Commitment</u>	19
<u>4. Exit Packages</u>	19
<u>5. Shop Trading Account</u>	20
<u>6. Net Cash Flow from Revenue Activities</u>	20
<u>7. Temporary Advance (to)/from East Dunbartonshire Council</u>	20
<u>8. Independent Auditors Report</u>	21

Mugdock Country Park Joint Management Committee

Management Commentary

A Strategy, Objectives & Business Model

Mugdock Country Park (the Park) is located 10 miles north of Glasgow close to the populations of Milngavie and Strathblane. It was designated a Country Park in 1987 and combines woodland, heathland, marshland and moor along with formal walking routes, a loch, castles and gunsite remaining from WWII.

The area has a long and fascinating history as well as an outstanding natural environment, which sees almost 70% of the Park, designated a Site of Special Scientific Interest (SSSI) and Mugdock Castle designated a Scheduled Ancient Monument. Craigend Castle is C listed and the Courtyard (former Stables buildings) is B-listed. Mugdock Country Park is currently owned and managed by both East Dunbartonshire and Stirling Councils through a Joint Management Committee, which meets quarterly.

As one of Scotland's leading Tourist Attractions, the Park is working to develop a sustainable operating and business model. During 2021, work has been ongoing to agree a new Strategy, which proposes to:




Despite Covid related restrictions continuing into 2021-22 the Park was able to remain open to visitors and continued to see footfall increase from an annual average of over 600,000 visitors to over 800,000 visitors. This shows the importance of outdoor space and opportunity for leisure activities. Park staff have been providing events, services and facilities where possible, within Government guidance. This has meant an increase in

Mugdock Country Park Joint Management Committee

income compared to the previous year although pre-Covid targets could not be fully met. During the year, The Park worked on a number of activities to achieve the following outcomes:



Developing Education and Learning:
Resuming Forest Schools activities with schools, nurseries and park visitors



Promoting Culture and Heritage:
Information panel placed near Craigend Stables showing the changing use of the buildings over the years.



Supporting Ecology and Environment
Continuing programme of tree planting and control of invasive species.



Attracting Finance and Funding
Enabling filming to continue during lockdown providing a steady source of income

As restrictions gradually lifted initially only outdoor facilities could be hired out including the Pond and Gallowhill BBQ sites and the exterior areas at Mugdock Castle. More recently indoor space has been hired and the Panto was able to take place throughout most of December. During the year, the Visitor Centre was relocated to the Courtyard when a unit became available. This provided a large retail display window and greater passing trade. It also meant that the previous Visitor Centre could be available for hire. In March 2022, a film company used the unit for 3 weeks as a production office.

The businesses based within the Park were able to operate, within guidelines, during most of the year. The Garden Centre is now back to full capacity, as are the Tearoom and Coffee Bar in the Courtyard. The Makker Art & Craft Gallery was partially closed during much of lockdown but is now open every day. Additional footfall has led to increased pressure on the Park's infrastructure with some emergency work carried out on paths, toilets and play areas.

Mugdock Country Park Joint Management Committee

B Fair Review of Business


The Annual Accounts present the financial position of Mugdock Country Park as at 31 March 2022.

The principal financial statements comprise Movement in Reserves Statement ([page 16](#)), Comprehensive Income & Expenditure Statement ([page 16](#)), Balance Sheet ([page 17](#)) and Cash Flow Statement ([page 17](#)). Explanatory notes are also provided.


Mugdock Country Park Joint Management Committee

a) Management Committee

Mugdock Country Park
Joint Management Committee




Chair
Councillor Gibbons
East Dunbartonshire Council




Vice Chair
Councillor Hutchison
Stirling Council


Elected Members




Councillor
Moody
East Dunbartonshire Council




Councillor
Thornton
East Dunbartonshire Council




Councillor
O'Neil
East Dunbartonshire Council



Councillor
Ferretti
East Dunbartonshire Council



Councillor
Fischer
East Dunbartonshire Council



Councillor
Berrill
Stirling Council

Telephone: 0300 123 4510

Mugdock Country Park Joint Management Committee

b) Administrative and Funding Arrangements

Administrative and funding arrangements for the Park are conducted in accordance with the Minute of Agreement between East Dunbartonshire Council and Stirling Council. The Minute of Agreement for the period 2019-2024 has been signed by both Councils. Capital expenditure is split 50/50 between the respective authorities with each Council committing to £75,000 per year. Stirling Council pays a fixed revenue contribution of £50,000 per annum. Mugdock Country Park is managed jointly by East Dunbartonshire Council and Stirling Council through the Mugdock Joint Management Committee. The Committee meets quarterly however where meetings were not able to go ahead Technical Notes were circulated.

Mugdock Country Park is managed jointly by East Dunbartonshire Council and Stirling Council through the Mugdock Joint Management Committee. The Committee meets quarterly however where meetings were not able to go ahead Technical Notes were circulated.

There is funding support from Mugdock Trust and the Clan Graham Society of North America (www.clangrahamsociety.org). Over the years, Mugdock Trust has been involved in projects, which improve and develop the Park. This has mainly centred on Mugdock Castle and the Trust has been working with students from City of Glasgow College on a Virtual Reality project, which looks at the Castle at different time periods. The Clan Graham Society had to postpone their intended visit in 2020 and again in 2021. However, the trip is managing to go ahead in July 2022 and a cheque for the protection and preservation of Mugdock Castle, their ancestral home, will be handed to the Trust.

Much of the Park's income comes through room and land hire as well as rental of units to Caulders Garden Centre, Charlie's Coffee Bar, Stables Tearoom and Mugdock Makers Gallery and Giftshop. There is a land lease from animal grazing on Khyber Field and a land lease will shortly be in place for the Astronomical Society of Glasgow's new Observatory to the north of the Park. The Mugdock Visitor Centre is run by Park staff and sells gifts, maps, toys and outdoor wear as well as taking payment for event tickets and activities. Donation posts and honestly boxes are located at a number of locations. A range of fixed and seasonal trails around the Park brings in regular income along with events and educational visits. Volunteering was able to recommence during the year for conservation volunteers however castle stewards, cinema volunteers and garden volunteers are not yet back to normal.

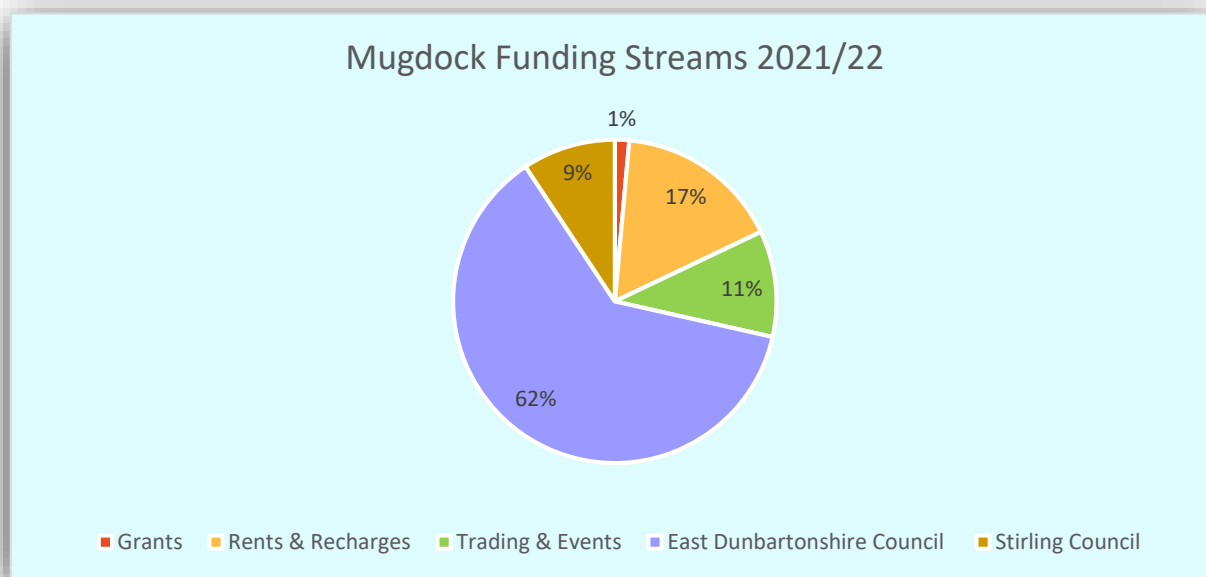
External funding was obtained from NatureScot's Better Places Fund 2 for additional patrols of the Park by Community Safety Wardens. It was helpful in having a visible presence around key visitor hotspots such as Craigend quarry and Khyber field.

East Dunbartonshire Council is responsible for overseeing the administrative arrangements of Mugdock Country Park Joint Management Committee, for all financial arrangements for the Park and, as permanent employer of the staff at the Park, is liable for any IAS19 (*International Accounting Standard 19: Employee Benefits*) commitments arising.

Mugdock Country Park Joint Management Committee

c) Financial Summary

The Comprehensive Income & Expenditure Statement on [page 15](#) shows that net revenue expenditure to be met by constituent authorities in 2021/22 was £383,469, £12,849 less than in the previous year.



Spend on employee costs were higher in 2021/22 due to the pay increase and increments received by employees. Overall, the net cost of service for 2021/22 was higher than budget by £11,082 due additional staffing costs and additional spend on corporate events and misc. supplies & services. The contribution from Stirling Council was budgeted at £50,000 to reflect their share of costs, in line with the Minute of Agreement.

	2021/22 Budget £'000	2021/22 Actual £'000	2021/22 Variation £'000
Expenditure	526	537	-11
Income	-203	-203 *	0
Net	323	334	-11

*Includes 2020/21 Stirling Contribution

The Balance Sheet Statement on [page 17](#) shows that, as at the financial year-end, there is a temporary advance to East Dunbartonshire Council of £36,391. This reflects the net position of current assets and liabilities at the year-end and represents a net cash inflow position as at 31 March 2022.

The Cash Flow statement on [page 17](#) summarises the external transactions associated with the Park on a cash basis.

Mugdock Country Park Joint Management Committee

d) Performance Information

From September 2021, new footfall counters have been recording visitor numbers to the Park. This has shown a significant increase in visitors with annual figures around 800,000 compared to over 600,000 in previous years. The popularity of the Park has continued after lockdown with increased wear and tear on the infrastructure. This has affected the Sites of Special Scientific Interest (SSSI) within the Park with more informal paths appearing and more people accessing the southern parts of Mugdock Wood and Drumclog Moor.

During the pandemic most of the capital projects were put on, hold however, some smaller projects were able to progress. This included improvements to the Walled Garden with replacement of uneven paths, straightening bandstand steps and painting the bandstand structure. Cabling has been installed in anticipation of Superfast Broadband, which is being laid by BT Openreach through their Community Broadband scheme. The theatre in the Courtyard has had a facelift and some performances and cinema showings have re-started. Improvements are being made to the maintenance yard with CCTV installed and changes to waste management. The next phase of signage improvements has been implemented with directional signs and information panels upgraded. There has been a continuation of tree planting with trees acquired through national funding streams and also donated by a local business. Tree surveys and bracken control work is underway and will be completed over coming months.

Educational work has started back with Countryside Rangers providing sessions for schools, nurseries and community groups. An events programme has re-started with events for children such as pond dipping, sensational safaris, wildlife weans and forest schools. Adult events have also started with history walks, dawn chorus bird identification, star gazing and wellbeing events and activities. The bandstand was used for Bearsden Young Fiddlers and a programme of bandstand music is planned for over the summer months.

In recent months, the return of international visitors has seen an upturn in the sales of Clan Graham merchandise and requests for visits to Mugdock Castle. So far, these have been dealt with on a case by case basis however, it is expected this will continue and more structured arrangements will be put in place.

C Future Developments

A new strategy for Mugdock is currently being developed covering the period 2022-27. Feedback to the visitor survey and stakeholder consultation provided over 1800 responses and showed that the majority of visitors travel under 5 miles, primarily from East Dunbartonshire and Stirling.

It showed that the key strengths of Mugdock are:

Mugdock Country Park Joint Management Committee



Natural Environment Assets



Woodland including SSSI/Wildlife Interest



Historic Environment



Scenic Value

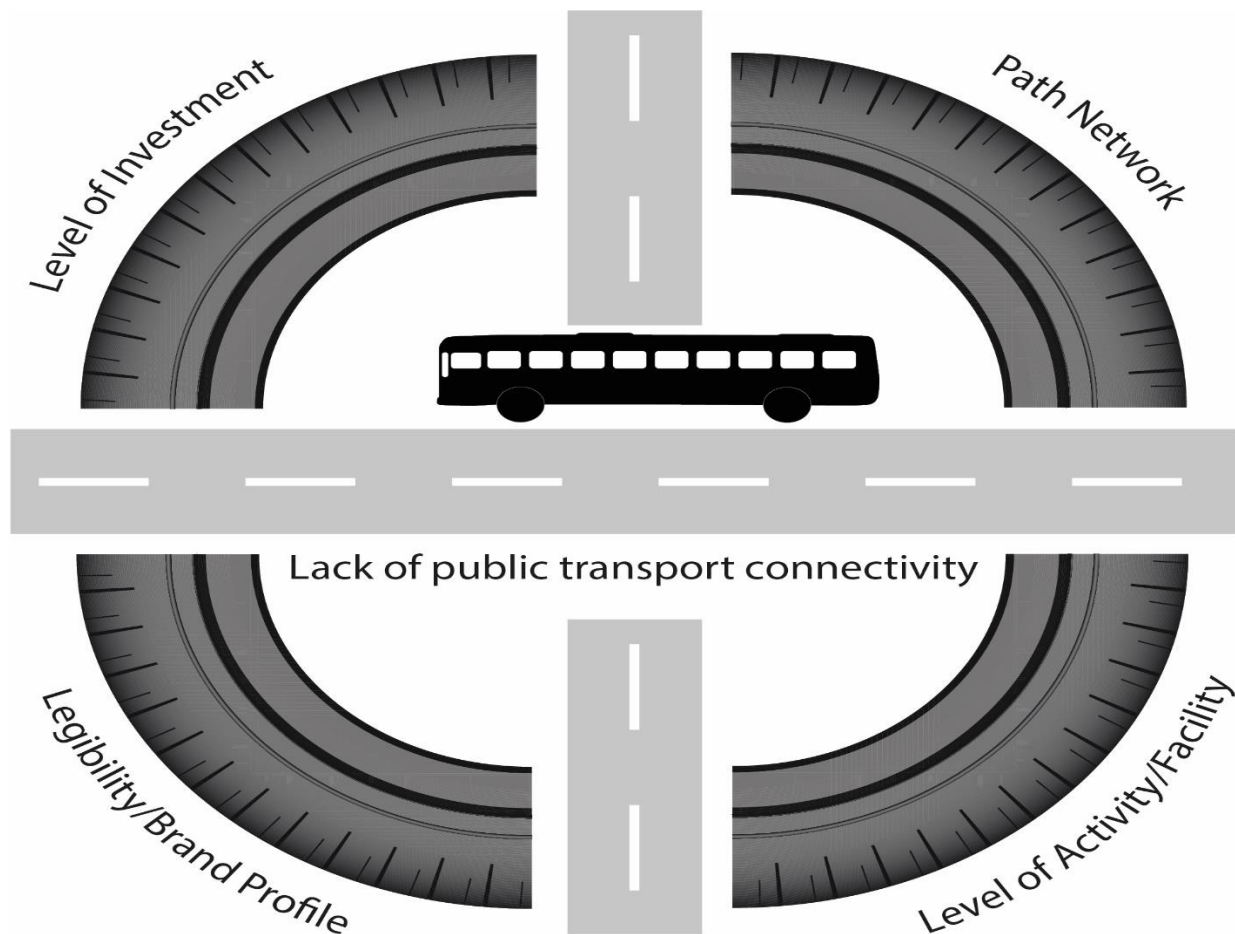


Activities (Play/Walking Environment/Ranger led Activities)



MCP Staff

Key weaknesses include:



Mugdock Country Park Joint Management Committee

To build on strengths and address weaknesses a masterplan will be developed which focuses on:

- Visitor Welcome and Orientation
- Heritage Focus
- Protect the SSSI
- Biodiversity
- Trails, Routes and Signage
- Connectivity

The Strategy will propose a revised capital programme for the Park, which will consider the projects best placed to deliver the aims of the masterplan. This is likely to include improvements to connectivity from Milngavie to the Park and the subsequent impact on the SSSI area, upgrading of peripheral car parks, fencing at Craighend Quarry and continued improvements to the Walled Garden. During the year the Astronomical Society of Glasgow has started work on the Eric Tomney Memorial Observatory (ETMO) and when this is completed, it will enable the society to work closely with the Park to promote the opportunity of star gazing from the Park.

Future developments include:



ETMO Observatory



Walled Garden as a Venue



Improved Parking



Superfast Broadband



Quarry Fence

Mugdock Country Park Joint Management Committee

D Principal Risks & Uncertainties

Risks to the Park are identified through the on-going risk management assessment processes. Risks include those in relation to income realisation and on-going financial pressures. The most recent and prevailing risk facing the Park is in relation to the ongoing COVID-19 pandemic. This has affected footfall, income and increased on-going financial pressures. In responding to this risk the Council's Civil Contingency Planning Group met on an ongoing basis to ensure that the park remained prepared and due consideration was given to emerging information, advice and guidance.

Other risks included within the Park's risk register, include failure to upkeep car parks sufficiently, unauthorised access to Craigend Quarry and ICT connectivity, which could impact on income and security. These risks will be mitigated through progress on car park resurfacing, reviewing fencing and signage at the Quarry and rollout of BT Openreach superfast broadband, which is currently underway. This will assist with connectivity issues and make the Park more digitally accessible. A set of Park Management Rules will be progressed with the involvement of legal services to ensure the uses permitted within the Park are clear and consistent and reduce risk from unwanted activities.

The lease for Mugdock between East Dunbartonshire Council and Stirling Council extends from 1999 to 2049 and the Minute of Agreement details the operational and financial arrangements between the two Councils. On-line payments are under development in order to be more customer focused. Future developments, which are currently being progressed aim to maximise income, whenever possible, to improve the long-term financial viability of the Park.

Councillor Jim Gibbons

Chairperson, Mugdock Country Park Joint Management Committee

Date:

Ann Davie

Depute Chief Executive, Education, People & Business, Mugdock Country Park Joint Management Committee

Date:

Jamie Robertson

Treasurer, Mugdock Country Park Joint Management Committee

Date:

Mugdock Country Park Joint Management Committee

Annual Governance Statement 2021/22

What we are Responsible For

The Mugdock Joint Management Committee (the Joint Committee) comprises six East Dunbartonshire Councillors and two Stirling Councillors and is responsible for overseeing the spend and the activity of Mugdock Country Park. To meet its responsibilities, the Joint Committee has put in place proper arrangements for overseeing the Park's operation. These arrangements form the basis of its governance framework, which is intended to make sure that it does the right things, in the right way, for the right people, in good time, and in a fair, open, honest and accountable way.

The Aim of the Governance Framework

The Joint Committee is responsible for ensuring that the business of Mugdock Country Park is conducted in accordance with legislation and appropriate standards, that public money is safeguarded, properly accounted for and used in an economic, efficient and effective way. The governance arrangements in place allow us to monitor how we are achieving our long-term aims, and ensure we deliver appropriate services that are value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. The system of internal control is based on an ongoing process designed to identify and prioritise those risks that may affect the ability of the Joint Committee to deliver its aims and objectives. In doing so, it evaluates the likelihood and impact of those risks and seeks to manage them efficiently, effectively and economically. Key parts of the systems of internal control are provided by and supported by East Dunbartonshire Council, including Finance, IT and Payroll functions.

Impact of the COVID-19 Pandemic

Governance arrangements were in place throughout the year and to the date of the approval of the statement of accounts. Necessary changes were implemented from 23 March 2020, including the suspension of the Joint Committee's usual cycle of quarterly meetings, in response to the COVID-19 pandemic and to support East Dunbartonshire Council in meeting its obligations as a Category 1 civil contingencies responder. These temporary arrangements were required to be extended given the ongoing COVID-19 impacts, and the Joint Committee met virtually in October 2021 and February 2022 as the only meetings in 2021/22. However, technical notes were published on East Dunbartonshire Council's website, providing regular updates as a compensating measure.

The COVID-19 pandemic continued to affect Mugdock Country Park throughout 2021/22, impacting on service priorities and how services were delivered. Restrictions in place at points in the year continued to have a negative impact on Mugdock's Trading & Events income generating streams in the short term, although visitor numbers were higher than in previous years. Longer term impacts are uncertain at this stage, including whether the higher visitor numbers will persist as restrictions are removed.

Mugdock Country Park Joint Management Committee

The Governance Framework

Some of the key features of the governance framework are set out in the following paragraphs.

Purpose, Outcomes & Vision

The Joint Committee's purpose and outcomes form a consistent thread cascading from the vision of working together to achieve the best with the people of East Dunbartonshire & Stirling through the Local Outcome Improvement Plan to its strategic and local outcomes and priorities. The performance of the Joint Committee is monitored by East Dunbartonshire Council Officers and developed to meet agreed targets, with this oversight being provided by the Roads & Environment portfolio and the Council's Place, Neighbourhood and Corporate Assets Committee.

A draft Mugdock Strategy 2022-27 has been prepared, which will be subject to further consideration and development, prior to approval.

Common Purpose, Clear Functions & Roles

The Minute of Agreement between Stirling Council and East Dunbartonshire Council provides a clear statement of roles and responsibilities for the management of the estate as a Country Park, with a subsequent Variation to the Minute covering the period 2019-2024.

Promoting Values

The Joint Committee promotes positive values and demonstrates good governance through upholding standards of conduct and behaviour. This is achieved using East Dunbartonshire Council's established code of conduct for its employees who work at or for Mugdock Country Park on behalf of the Joint Committee. In addition, Elected Members from both funding councils are bound by the Code of Conduct for Councillors in accordance with the Ethical Standards in Public Life etc. (Scotland) Act 2000.

Informed & Transparent Decision Making

The Joint Committee sets out its processes and controls to be vigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny. This includes having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants. The Joint Committee has developed a risk register, which is updated on an on-going basis and is monitored by the Mugdock Joint Management Committee.

Developing Capability & Capacity

The Joint Committee seeks to ensure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles. This includes developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group. The Joint Committee

Mugdock Country Park Joint Management Committee

looks to encourage new talent for membership of the Joint Management Committee so that best use can be made of the mix of individuals' skills and experience.

Engaging with Local People & Stakeholders

The Joint Committee seeks to engage with stakeholders through developing effective partnerships and ensuring positive relationships are in place. Mugdock management actively facilitates feedback from visitors and provides sufficient opportunities to allow constructive input to the park. In 2021/22, this included consultation with visitors, which informed the first draft of the proposed new strategy. In addition, the Joint Committee includes non-voting community representatives who are able to attend committee meetings and are encouraged to participate in discussions.

Review of Effectiveness

The Joint Committee has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Executive Officer - Roads & Environment within East Dunbartonshire Council who for 2021/22 had responsibility for the development and maintenance of the governance environment. The review of the effectiveness of the governance framework is also informed by the Council's Audit & Risk Manager's Annual Report as it relates to Council systems on which the Joint Committee relies, and by comments made by the external auditors and other review agencies and inspectorates. During the year, East Dunbartonshire Council continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice as it relates to Mugdock Country Park.

The reports issued by the Council's external auditors, Audit Scotland, have also been considered as part of our overall review of effectiveness. In their 2019/20 and 2020/21 Annual Audit Reports, Audit Scotland recommended that the revised Minute of Agreement, covering the period of 2019 to 2024 is formally approved by the Joint Management Committee. The final version of the Minute was presented at a meeting in December 2021. With the new minute being on the same basis as that previously agreed, this risk remains managed.

Conclusion

The system of governance (including the system of internal control) provides reasonable assurance that assets are safeguarded; that transactions are authorised and properly recorded; and that material errors or irregularities are either prevented or would be detected within a timely period. The governance system provides reasonable assurance that significant risks affecting the achievement of our strategic priorities and outcomes will be mitigated. The system of internal control can only provide reasonable and not absolute assurance that assets are safeguarded, that transactions are properly recorded and that material errors or irregularities either are prevented or would be detected within a timely period. The COVID-19 pandemic has continued to present challenges, which, as referred to above, has resulted in temporary changes to governance arrangements, including fewer committee meetings than usual, which will be reinstated when circumstances allow.

Mugdock Country Park Joint Management Committee

We consider the governance and internal control environment operating in 2021/22 for the Mugdock Country Park Joint Management Committee to provide reasonable and objective assurance that significant risks affecting the achievement of our principal strategic priorities and outcomes will be identified and actions taken to avoid or mitigate their impact.

Councillor Jim Gibbons

Chairperson, Mugdock Country Park Joint Management Committee

Date:

Ann Davie

Depute Chief Executive of East Dunbartonshire Council, Mugdock Country Park Joint Management Committee

Date:

Mugdock Country Park Joint Management Committee

Statement of Responsibilities for the Accounts

The Joint Management Committee is responsible for:

- arranging for the proper administration of its financial affairs and to ensure that an appropriate Officer has the responsibility for the administration of those affairs. The Joint Management Committee has appointed the Treasurer to that role.
managing its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- ensure the Annual Accounts are prepared in accordance with legislation (the Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003) and the Coronavirus (Scotland) Act 2020.
- approve the Annual Accounts for signature.
- I confirm that these Annual Accounts were approved for signature by the Joint Management Committee at its meeting on 4 October 2022.

Councillor Jim Gibbons

Chairperson, Mugdock Country Park Joint Management Committee

Date:

The Treasurer is Responsible for:

- the preparation of the Joint Management Committee's Annual Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, is required to present fairly the financial position of the Joint Management Committee at the accounting date and its income and expenditure for the year ended 31 March 2022.
- selecting suitable accounting policies and applying them consistently.
- making judgements and estimates that were reasonable and prudent.
- complying with the Code of Practice.
- keeping proper accounting records which are up to date; and
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true & fair view of the financial position of the Mugdock Country Park Joint Management Committee at the reporting date and the transactions for the year ended 31 March 2022.

Jamie Robertson

Treasurer, Mugdock Country Park Joint Management Committee

Date:

Mugdock Country Park Joint Management Committee

Principal Financial Statements

Movement in Reserves Statement

31 March 2021 £		31 March 2022 £
	0 Balance at the 1st April	0
	0 Surplus / (Deficit) for the Financial Year	0
	0 Balance at the 31st March	0

Comprehensive Income and Expenditure Statement

2020/21 £		2021/22 £
	Expenditure	
405,768	Employees	420,440
14,641	Maintenance	10,445
22,779	Utilities	30,886
28,440	Trading & Events	48,031
11,385	Operating	21,954
90	Publicity	1,614
3,120	External Audit Fees	3,210
486,223	Operating Costs	536,580
	Income	
70,610	Rents & Recharges	88,552
0	Grants & Donations	7,655
18,348	Trading & Events	56,905
88,958		153,112
397,266	Net Revenue Expenditure	383,469
	Amount to be met from constituent authorities	
347,266	East Dunbartonshire Council	333,469
50,000	Stirling Council	50,000
397,266		383,469
	0 Net Surplus (Deficit) for the year	0

Mugdock Country Park Joint Management Committee

Cash Flow Statement

2020/21 £		2021/22 £
	Cash Outflows	
402,968	Employee Costs	431,254
90,512	Other Operating Costs	89,337
493,480		520,591
	Cash Inflows	
(397,266)	Requisitions from Constituent Authorities	(383,469)
(23,777)	Received for Goods and Services	(56,451)
(70,610)	Other Operating Receipts	(96,207)
(491,653)		(536,127)
1,827	Net Cash Flow from Revenue Activities	(15,536)

Balance Sheet

31 March 2021 £		31 March 2022 £
	Current Asset	
730	Receivables	1,183
8,025	Inventory	7,189
20,855	Temporary Advance to East Dunbartonshire Council	36,391
29,610		44,763
	Current Liabilities	
29,610	Payables	44,763
29,610		44,763
0	Total Assets less Total Liabilities	0

The audited accounts were authorised for issue on 4 October 2022.

I certify that the Balance Sheet presents a true and fair view of the financial position of Mugdock Country Park Joint Management Committee at 31 March 2022 and its income and expenditure for the year ended 31 March 2022.

Jamie Robertson

Treasurer, Mugdock Country Park Joint Management Committee

Date:

Mugdock Country Park Joint Management Committee

Notes to Principal Financial Statements

1. Accounting Policies

a) General Principles

The Annual Accounts summarise Mugdock Country Park Joint Management Committee's transactions for the 2021/22 financial year, and its position at the year-end of 31 March 2022. The *Local Authority Accounts (Scotland) Regulations 2014* requires Annual Accounts to be prepared, and section 12 of the *Local Government in Scotland Act 2003* requires these to be prepared in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2021/22* (the Code), supported by *International Financial Reporting Standards* (IFRS). In cases where accounting practices and legislative requirements conflict, the latter will apply. This is in agreement with the accounting concept of 'primacy of legislative requirements'.

The accounts are designed to give a 'true and fair view' of the financial performance and position of Mugdock Country Park Joint Management Committee for 2021/22. Comparative figures for 2020/21 are provided. The accounting convention adopted in the Annual Accounts is principally historical cost.

The accounting concepts of 'materiality', 'accruals' and 'going concern' have been considered in the application of accounting policies. The materiality concept means that information is shown where it is of such significance as to justify its inclusion. The accruals concept means that financial activities are accounted for on an accruals basis in the year that they take place, not simply when cash payments are made or received. The going concern concept is based on the assumption that the functions of the Park will continue in operational existence for the foreseeable future.

b) Employee Benefits

Post-Employment Benefits: Employees of the Park are members of The Local Government Pension Scheme (LGPS), which is a defined benefit statutory scheme, operated by Strathclyde Pension Fund, and administered by Glasgow City Council in accordance with the *Local Government Pension Scheme (Scotland) Regulations 1998*. LGPS is accounted for as a defined benefits scheme.

Under the terms of the Minute of Agreement between East Dunbartonshire Council and Stirling Council, East Dunbartonshire Council is the permanent employer of the staff of the Park and deals with all payments related to the Local Government Superannuation Scheme and STACA (Short Term Accumulating Compensated Absences). For that reason, revenue commitments and balance sheet disclosures for the purposes of IAS19 & STACA are identified within the accounts for East Dunbartonshire Council rather than those for the Park.

c) Long Term Assets

Title to the community assets of the Park rests with Stirling Council. However, under the revised management agreement signed by the constituent authorities, East Dunbartonshire Council has beneficial use of the fixed

Mugdock Country Park Joint Management Committee

assets of Mugdock Country Park. In addition, East Dunbartonshire Council entered into a lease arrangement commencing 1 April 1999 to operate the designated assets as a Country Park as defined in the Countryside (Scotland) Act 1967. This lease arrangement is for a peppercorn rent of £1 per annum, and will continue until 31 March 2049.

Accordingly, it has been considered appropriate that the Park's fixed assets are consolidated into the accounts of the Council. At 31 March 2022, the total net book value of the Park's buildings & equipment was £692,032 and of community assets was £2,311,976.

Overall, the net cost of capital for 2021/22 was lower than budget by £277,982 due to projects being re-phased into 2021/22 (including £22,478 from Stirling's funding).

	Budget	Actual	Variation
	£'000	£'000	£'000
Expenditure	363	85	278
Income	-85	-85	0
Net Cost of Capital	<u>278</u>	<u>0</u>	<u>278</u>

d) Inventories

Inventories are included in the Balance Sheet at the invoice value.. This figure has been calculated as at the year end through an actual stock count.

2. Accounting Standards Issued, Not Adopted

IAS8 Accounting Policies, Changes in Accounting Estimates and Errors requires disclosure of information on the expected impact of new accounting standards that have been issued but are not yet effective. These have been reviewed and are not deemed significant for the financial statements.

3. Pensions Commitment

The Council is the permanent employer of the staff of the Park, and deals with all payments related to the Local Government Pension Scheme. Accordingly, revenue commitments and balance sheet disclosures for the purposes of IAS19 are identified within the accounts for the Council rather than those for the Park. Mugdock Country Park pensions contribution payments for 2021/22 were £61,821 (2020/21 £60,122).

4. Exit Packages

During 2021/22 there were no exit packages by way of voluntary redundancy (2020/21 £Nil).

Mugdock Country Park Joint Management Committee

5. Shop Trading Account

The Joint Management Committee operates a shop within the Visitors Centre at Mugdock Country Park, selling souvenirs and other sundry items. Sales income in 2020/21 is higher than the previous year within shop sales due to the return to normality. The gross profit for the year to 31 March 2022 is as above.

2020/21 £	2020/21 £		2021/22 £	2021/22 £
	3,588	Sales		19,097
9,337		Inventory at start of the year	8,025	
1,395		Purchases	9,431	
(8,025)		Less: Inventory at the end of the year	(7,189)	
	2,707	Cost of Goods Sold		10,267
	881	Gross Profit / (loss)		8,830

6. Net Cash Flow from Revenue Activities

2020/21 £	2020/21 £		2021/22 £	2021/22 £
9,337		Change in Inventory - opening balance	8,025	
8,025	(1,312)	Change in Inventory - closing balance	7,189	(836)
6,159		Change in receivables - opening balance	730	
730	(5,429)	Change in receivables - closing balance	1,183	453
38,178		Change in payables - opening balance	29,610	
(29,610)	8,568	Change in payables - closing balance	(44,763)	(15,153)
	1,827			(15,536)

7. Temporary Advance (to)/from East Dunbartonshire Council

2020/21 £	2021/22 £	Movement
(20,855)	(36,391)	(15,536)

Mugdock Country Park Joint Management Committee

8. Independent Auditor's Report

Independent auditor's report to the members of Mugdock Country Park Joint Management Committee and the Accounts Commission

4 October 2022

Mugdock Country Park Joint Management Committee Audit of 2021/22 annual accounts

Independent auditor's report

1. Our audit work on the 2021/22 annual accounts is now substantially complete. Subject to receipt of a revised set of annual accounts for final review, we anticipate being able to issue unqualified audit opinions in the independent auditor's report on 4 October 2022 (the proposed report is attached at [Appendix A](#)).

Annual audit report

2. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action. We present for your consideration our proposed annual audit report on the 2021/22 audit.

3. The annual audit report will be issued in its final form after the annual accounts have been approved for issue and the independent auditor's report has been signed.

Unadjusted misstatements

4. We also report to those charged with governance all unadjusted misstatements which we have identified during our audit, other than those of a trivial nature, and request that these misstatements be corrected.

5. We have no unadjusted misstatements to be corrected.

Fraud, subsequent events and compliance with laws and regulations

6. In presenting this report to the Mugdock Country Park Joint Management Committee we seek confirmation from those charged with governance of any instances of any actual, suspected or alleged fraud; any subsequent events that have occurred since the date of the financial statements; or material non-compliance with laws and regulations affecting the entity that should be brought to our attention.

Representations from the Treasurer

7. As part of the completion of our audit, we seek written representations from the Treasurer on aspects of the annual accounts, including the judgements and estimates made.

8. A draft letter of representation is attached at [Appendix B](#). This should be signed and returned to us by the Treasurer with the signed annual accounts prior to the independent auditor's report being certified.

9. We would like to thank the management and staff who have been involved in our work for their cooperation and assistance during the audit.

Mugdock Country Park Joint Management Committee

Appendix A: Proposed Independent Auditor's Report

Independent auditor's report to the members of Mugdock Country Park Joint Management Committee and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

10. I certify that I have audited the financial statements in the annual accounts of Mugdock Country Park Joint Management Committee for the year ended 31 March 2022 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves Statement, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the 2021/22 Code).

11. In my opinion the accompanying financial statements:

12. • give a true and fair view in accordance with applicable law and the 2021/22 Code of the state of affairs of Mugdock Country Park Joint Management Committee as at 31 March 2022 and of its income and expenditure for the year then ended;

13. • have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Code; and

14. • have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 April 2017. The period of total uninterrupted appointment is six years. I am independent of Mugdock Country Park Joint Management Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to Mugdock Country Park Joint Management Committee. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Mugdock Country Park Joint Management Committee's ability to continue to adopt the going concern

Mugdock Country Park Joint Management Committee

basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on Mugdock Country Park Joint Management Committee's current or future financial sustainability. However, I report on Mugdock Country Park Joint Management Committee's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Treasurer and Mugdock Country Park Joint Management Committee for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing Mugdock Country Park Joint Management Committee'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 there is an intention to discontinue Mugdock Country Park Joint Management Committee's operations.

Mugdock Country Park Joint Management Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how Mugdock Country Park Joint Management Committee is complying with that framework;
- identifying which laws and regulations are significant in the context of Mugdock Country Park Joint Management Committee;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

Mugdock Country Park Joint Management Committee

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Mugdock Country Park Joint Management Committee's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Other information

The Treasurer is responsible for other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement and Statement of Responsibilities.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

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

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Mugdock Country Park Joint Management Committee

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Peter Lindsay
Senior Audit Manager
Audit Scotland
4th Floor
8 Nelson Mandela Place
Glasgow, G2 1BT

4 October 2022