

**The Highland Council**

**Skye, Ross and Cromarty Area Committee –  
19 November 2014**

Agenda Item	11a
Report No	SRC/041/14

**Cromarty Common Good - Quarter 2 Monitoring Report**

**Report by the Head of Policy and Reform and Director of Finance**

**Summary**

This report invites Members to note:  
Cromarty Common Good Fund – Annual Report  
Cromarty Common Good Fund – Second Quarter Monitoring Statement

**1. Annual Report**

- 1.1 Appendix I of this report shows the Income and Expenditure Account and Balance Sheet in respect of Cromarty Common Good Fund for Financial Year 2013/14.
- 1.2 In the accounts the classification of all non-current assets is subject to de minimis level of £6,000 for vehicles, plant and machinery and £20,000 for all other assets. Consequently some assets belonging to the Common Good, with smaller value, may not be included in the figure reported in the accounts.
- 1.3 Members are requested to note changes to the reserves reported in the audited accounts. This is as a result of adjustments provided by Audit Scotland to the Common Good accounts.
- 1.4 The underlying concept is that each category of asset in the top half of the balance sheet has an equivalent reserve in the bottom half of the balance sheet.
- 1.5 Unusable Reserves comprise the Revaluation Reserve and the Capital Adjustment Account, and these are matched with the non-current assets. Usable reserves comprise Revenue Funds and represent the actual funds available (£16,737). They are represented by short term deposits at the year end.
- 1.6 The usable reserves of the Common Good Funds have increased due to the reallocation of items which in previous years had been identified as unusable reserves.

1.7 The effect of the amendments on each reserve was as follows:

	<b>Audited £</b>	<b>Unaudited £</b>	<b>Movement £</b>
<b>Usable Reserves</b>			
Revenue Fund	16,737	8,384	8,353
	<u>16,737</u>	<u>8,384</u>	<u>8,353</u>
<b>Unusable Reserves</b>			
Revaluation Reserve	0	43,500	-43,500
Capital Fund	0	8,353	-8,353
Capital Adjustment Account	43,500		43,500
	<u>43,500</u>	<u>51,853</u>	<u>-8,353</u>
<b>Total Reserves</b>	<u><b>60,237</b></u>	<u><b>60,237</b></u>	<u><b>0</b></u>

## 2 Monitoring Statement to 30 September 2014

2.1 A monitoring statement showing transactions to the end of September 2014 against budget is attached as Appendix II.

## 3. Expenditure

3.1 The expenditure of £332 relates to annual rental (property) costs for Townlands Park Play Area, Cromarty.

## 4. Income

4.1 The rental income for 2014/15 of £4,400 has been received and comprises £2,200 for Victoria Hall, Cromarty and £2,200 for East Hall, Cromarty. Both are rented by Highlife Highland.

## 5. Equalities, Climate, Legal, Financial and Rural Implications

5.1 The expenditure to date is within budget. There are no Equalities, Climate, Legal, Financial, Risk, Gaelic or Rural Implications.

**Recommendation**

The Committee is invited to note:

- i. Cromarty Common Good Fund – Annual Report 2013/14
- ii. The position of the Cromarty Common Good Fund as shown in the Quarter 2 Monitoring Statement against budget.

Designation: Carron McDiarmid, Head of Policy and Reform  
Derek Yule, Director of Finance

Date: 10 November 2014

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**Appendix I**

**STATEMENT OF AUDITED ACCOUNTS 2013-14**

**Cromarty Common Good Fund**

**Income and Expenditure Account**

	2013/14	2012/13
	£	£
<u>Expenditure</u>		
Property repairs and maintenance	332	2,190
Equipment	-	216
Special grants	2,147	2,860
Rent - Townlands Playground	0	332
Administration charges	49	46
<b>Total expenditure</b>	<b>2,528</b>	<b>5,644</b>
 <u>Income</u>		
Rents	4,400	4,400
Interest and investment income	72	92
<b>Total income</b>	<b>4,472</b>	<b>4,492</b>
 <b>Surplus/(deficit) for the year</b>	 <b>1,944</b>	 <b>(1,153)</b>
Unrealised gains on investments	-	(5,000)
 <b>Total comprehensive income and expenditure</b>	 <b>1,944</b>	 <b>(6,153)</b>

**Balance Sheet**

	31/03/14	31/03/13
	£	£
		(restated)
<u>Non current assets</u>		
Investment properties	43,500	43,500
 <u>Current assets</u>		
Loans fund deposits	16,737	14,793
 <b>Total assets</b>	 <b>60,237</b>	 <b>58,293</b>
 <b>Usable reserves</b>		
Revenue funds	16,737	14,793
 <b>Unusable reserves</b>		
Capital adjustment account	43,500	43,500
	43,500	43,500
<b>Total reserves</b>	<b>60,237</b>	<b>58,293</b>

Appendix II

Cromarty Common Good Fund – Quarter 2 Monitoring Statement 2014/15

	<b>2014-15 Budget £</b>	<b>Actual year to date £</b>
<u>Expenditure</u>		
Property Costs	1,000	332
Administration/insurance charges	500	-
Grants (Common Good Assets)	2,000	-
<b>Total expenditure</b>	<b>3,500</b>	<b>332</b>
<u>Income</u>		
Rents	4,400	4,400
Interest and investment income	100	-
<b>Total income</b>	<b>4,500</b>	<b>4,400</b>