

Agenda Item	12a
Report No	RC/044/19

HIGHLAND COUNCIL

Committee: Ross and Cromarty Committee

Date: 6 November 2019

Report Title: Cromarty Common Good Fund –
Annual Report and Quarter 2 Monitoring Report

Report By: Executive Chief Officer - Resources
Executive Chief Officer – Communities and People

1. **Purpose/Executive Summary**

1.1 The purpose of this report is to present the audited accounts for 2018/19 and the second Quarter monitoring for 2019/20 of the Cromarty Common Good Fund. The report highlights main issues regarding the accounts and the impact and strategy in relation to the overall Fund value.

2. **Recommendations**

2.1 Members are asked to:

- Consider the Cromarty Common Good Fund Annual Report for 2018/19;
- Consider the position of the Cromarty Common Good Fund, as shown in the 2019/20 Quarter 2 monitoring statement against budget.

3. **Implications**

3.1 Usable Reserves stood at £32,731 as at 31 March 2019 having risen from £28,879 as at 31 March 2018.

3.2 Resource – Members will note a surplus of £2,900 is anticipated at the end of 2019/20. Expenditure is being kept to a minimum in order to build reserves for future envisaged capital projects and for protection of Common Good assets. Any future Capital Projects will be brought to Committee for consideration.

3.3 Legal - none.

3.4 Community (Equality, Poverty and Rural) – None. Any future major project for the protection or refurbishment of Common Good assets would seek to improve equality of access.

3.5 Climate Change/Carbon Clever – None. Any future project for protection or refurbishment would seek to increase energy efficiency and equality of access where possible

3.6 Risk – None.

4. Annual Report

4.1 Appendix 1 of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Cromarty Common Good Fund for Financial Year 2018/19.

4.2 Income received was slightly higher than budget. Grants and property costs are lower than anticipated. As a result, the overall surplus was higher than expected at £3,852 against a budgeted surplus of £1,081. This has increased the usable reserves at 31 March 2019 to £32,731 from £28,879, which is represented on the balance sheet by the movement in revenue funds.

4.3 Following the year-end valuation process a revaluation gain of £1,000 has been recognised in terms of the investment property held by the fund (Victoria Hall). This does not have an impact on the Usable Reserves of the fund but can be seen by the movement in the Capital Adjustment Account which is the reserve that holds the balance of the Investment Properties.

5. Monitoring Statement to 30 September 2019

5.1 A monitoring statement showing transactions to the end of September 2019 against budget is attached as Appendix 2.

5.2 Income_-

No income has yet been received. The income to Cromarty Common Good Fund is derived from Cromarty Victoria Hall and East Church Hall. These properties are leased to the Highland Council. Property rents have now been reviewed and from April 2019 the total anticipated income from these properties for 2019/20 is £6,020. The budget and the estimated year end outturn has been amended to reflect this.

5.3 **Expenditure** - There is a small charge in relation to staff costs for the Common Good Fund Officer which is within the budget set. No grants have been awarded as yet and only a small portion of the property budget has been required to date in relation to the estate fee of the Victoria Hall and East Hall Cromarty.

5.4 Overall it is anticipated income and expenditure will be on budget and that the fund will return a surplus of £2,900 for this financial year.

Designations: Executive Chief Officer – Resources and
Executive Chief Offices - Communities and People

Date: 28 October 2019

Author: Diane Agnew, Ward Manager
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Appendix 1

**STATEMENT OF ACCOUNTS 2018-19
Cromarty Common Good Fund
Income and Expenditure Account**

	2018/19 £	2017/18 £
Expenditure		
Special grants	490	200
Administration charges	118	145
Property Costs	519	917
Staff Costs	96	215
Total expenditure	<u>1,223</u>	<u>1,477</u>
Income		
Rents	4,840	4,840
Interest and investment income	235	105
Total income	<u>5,075</u>	<u>4,945</u>
Surplus/(deficit) for the year	<u>3,852</u>	<u>3,468</u>
Revaluation gains/(losses)	1,000	2,000
Total comprehensive income and expenditure	<u><u>4,852</u></u>	<u><u>5,468</u></u>
Balance Sheet	31/03/2019 £	31/03/2018 £
Non current assets		
Investment properties	56,000	55,000
Current assets		
Loans fund deposits	32,731	28,879
	<u>32,731</u>	<u>28,879</u>
Total Net Assets	<u><u>88,731</u></u>	<u><u>83,879</u></u>
Usable reserves		
Revenue funds	32,731	28,879
Unusable reserves		
Capital adjustment account	56,000	55,000
	<u>56,000</u>	<u>55,000</u>
Total reserves	<u><u>88,731</u></u>	<u><u>83,879</u></u>

**Cromarty Common Good - Quarterly Monitoring
Period to 30 September 2019**

	Actual to date £	Budget £	Year End Estimate £	Variance £
INCOME				
Rents	-	6,020	6,020	0
Interest and investment income	-	100	100	0
TOTAL INCOME	-	6,120	6,120	0
EXPENDITURE				
Staff Costs - CGF Officer	68	300	300	0
Grants and Donations	-	1,000	1,000	0
Property costs	301	1,820	1,820	0
Central support	-	100	100	0
TOTAL EXPENDITURE	369	3,220	3,220	-
Income less Expenditure	<u>(369)</u>	<u>2,900</u>	<u>2,900</u>	<u>0</u>