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| <b>Agenda Item</b> | <b>8a</b>        |
| <b>Report No</b>   | <b>BI/004/22</b> |

**THE HIGHLAND COUNCIL**

**Committee:** Black Isle Committee

**Date:** 15 February 2022

**Report Title:** Cromarty Common Good Fund – Annual Audited Accounts, Quarter Three Monitoring Report and Proposed Budget for 2022/23

**Report By:** Interim Executive Chief Officer - Communities and Place  
Executive Chief Officer – Resources and Finance

**1. Purpose/Executive Summary**

1.1 This report presents the Cromarty Common Good Fund audited accounts for 2020/21, the Quarter Three monitoring statement for 2021/22 and a proposed budget for 2022/23.

**2. Recommendations**

2.1 Members are asked to:

- i. Note the Cromarty Common Good Fund Annual Report for 2020/21;
- ii. Note and scrutinise the position of Cromarty Common Good Fund as shown in the 2021/22 Quarter Three monitoring statement;
- iii. Approve the proposed budget for 2022/23.

**3. Implications**

3.1 Legal, Risk, Gaelic – None.

3.2 Resource Implications: The Quarter Three monitoring statement highlights predicted income and expenditure against the budget. Income and expenditure are forecast to be on budget.

3.3 Community (Equality, Poverty and Rural) Implications – Any current and future major projects for the protection or refurbishment of Common Good assets would seek to improve equality of access.

3.4 Climate Change/Carbon Clever implications: Any current and future projects for protection of Common Good assets would seek to increase energy efficiency where possible.

#### 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 2020/21. Usable reserves as at 31 March 2021 were £44,311.

#### 5. Quarter Three Monitoring Statement

- 5.1 A monitoring statement showing transactions to the end of December 2021 against budget and estimated year end position is as **Appendix 2**.
- 5.2 **Income** – The income for Cromarty Common Good arises from Cromarty Victoria Hall and East Hall. Anticipated income of £100 interest for the year will show in Quarter four Monitoring. Income is predicted to be on budget.
- 5.3 **Expenditure** - There has been minimal expenditure in Cromarty Common Good Fund Quarter Three statement. Expenditure relating to Common Good assets property costs will show in Quarter Four. It is anticipated that property repair works following the recent storm will be completed by end of March 2022. However, if this is not achievable then the funds will be carried forward to 2022/23 and the budget amended. Total staff and small grant costs will show in Quarter Four. Expenditure is expected to be on budget.

#### 6. Proposed Budget for 2022/23

- 6.1 The proposed budget for 2022/23 is set out in **Appendix 3** of the report for Committee to consider.

##### 6.2 Anticipated Income

- 6.2.1 **Rental Income** – Rental income to Cromarty Common Good Fund is derived from Cromarty Victoria Hall and East Church Hall. Income for 2022/23 is anticipated to be £6,020.
- 6.2.2 **Interest and Revenue Balances** – Assuming that current low interest rates continue, it is anticipated that interest receivable or projected surplus balances will be approximately £100 in 2022/23.

##### 6.3 Anticipated Expenditure

- 6.3.1 **Property Costs** – These costs relate to insurance and property costs. It is suggested that a revenue budget of £3,000 be set for 2022/23 towards urgent repairs/works on Common Good assets. This includes £519 rental costs of Townlands Park Play Area, Cromarty. As noted at 5.3, should property works remain incomplete at end March 2022, the budget will be carried forward into 2022/23.
- 6.3.2 **Central Support and Common Good Fund Officer**– Expenditure in this regard relates to support from Corporate Resources and a proportion of the costs of the Common Good Fund Officer. It is proposed that a sum of £300 is budgeted to cover these costs.

6.3.3 **Grants and Contributions** – In order to protect the reserves and the likely future requirement for protection or developments of Common Good assets, it is proposed that a budget of £1,000 is made available for small grants to community groups.

Designation: Interim Executive Chief Officer, Community and Place  
Executive Chief Officer, Resources and Finance

Date: 3 February 2022

Authors: Diane Agnew, Ward Manager  
Jackie McLaughlin Principal Accounting Technician

## Appendix 1

### STATEMENT OF ACCOUNTS 2020-21 Cromarty Common Good Fund Income and Expenditure Account

|   | 2020/21<br>£      | 2019/20<br>£      |
|---|-------------------|-------------------|
| <u>Expenditure</u>                                |                   |                   |
| Administration charges                            | 120               | 117               |
| Property Costs                                    | -                 | 601               |
| Staff Costs                                       | 64                | 163               |
| Total expenditure                                 | 184               | 881               |
| <u>Income</u>                                     |                   |                   |
| Rents   | 6,020             | 6,020             |
| Interest and investment income                    | 281               | 325               |
| Total income                                      | 6,301             | 6,345             |
| <b>Surplus/(deficit) for the year</b>             | <b>6,117</b>      | <b>5,464</b>      |
| Revaluation gains/(losses)                        | 1,000             | -                 |
| <b>Total comprehensive income and expenditure</b> | <b>7,117</b>      | <b>5,464</b>      |
| <br>  |                   |                   |
| <b>Balance Sheet</b>                              | <b>31/03/2021</b> | <b>31/03/2020</b> |
|   | £                 | £                 |
| <u>Non current assets</u>                         |                   |                   |
| Investment properties                             | 57,000            | 56,000            |
| <u>Current assets</u>                             |                   |                   |
| Loans fund deposits                               | 44,311            | 38,195            |
|   | 44,311            | 38,195            |
| <b>Total Net Assets</b>                           | <b>101,311</b>    | <b>94,195</b>     |
| <br>  |                   |                   |
| <b>Usable reserves</b>                            |                   |                   |
| Revenue funds                                     | 44,311            | 38,195            |
| <br>  |                   |                   |
| <b>Unusable reserves</b>                          |                   |                   |
| Capital adjustment account                        | 57,000            | 56,000            |
|   | 57,000            | 56,000            |
| <b>Total reserves</b>                             | <b>101,311</b>    | <b>94,195</b>     |

## Appendix 2

### Cromarty Common Good - Quarterly Monitoring Period to Dec 2021

|                                     | Actual to<br>date<br>£ | Budget<br>£         | Year End<br>Estimate |
|-------------------------------------|------------------------|---------------------|----------------------|
| <b>INCOME</b>                       |                        |                     |                      |
| Rents                               | 6,020                  | 6,020               | 6,020                |
| Interest and investment income      | -                      | 100                 | 100                  |
| <b>TOTAL INCOME</b>                 | <u>6,020</u>           | <u>6,120</u>        | <u>6,120</u>         |
| <b>EXPENDITURE</b>                  |                        |                     |                      |
| Property costs                      | -                      | 3,000               | 3,000                |
| Grants and Donations                | 700                    | 1,000               | 1,000                |
| Central support                     | 88                     | 300                 | 300                  |
| <b>TOTAL EXPENDITURE</b>            | <u>788</u>             | <u>4,300</u>        | <u>4,300</u>         |
| <b>Income less Expenditure</b>      | <u><u>5,232</u></u>    | <u><u>1,820</u></u> | <u><u>1,820</u></u>  |
| Audited Usable Reserves 2020/21     |                        | £44,311             |                      |
| Estimated year end reserves 2021/22 |                        | £46,131             |                      |

## Appendix 3

### CROMARTY COMMON GOOD FUND DRAFT BUDGET 2022/23

|                                     | <b>Draft<br/>2022/23<br/>£</b> |
|-------------------------------------|--------------------------------|
| <u>Income</u>                       |                                |
| Rents                               | 6,020                          |
| Interest and investment income      | 100                            |
| Total income                        | <u>6,120</u>                   |
| <br>                                |                                |
| <u>Expenditure</u>                  |                                |
| Property costs                      | 3,000                          |
| Grants                              | 1,000                          |
| Central Support                     | 300                            |
| Total expenditure                   | <u>4,300</u>                   |
| <br>                                |                                |
| <b>Income less Expenditure</b>      | <b><u><u>1,820</u></u></b>     |
| <br>                                |                                |
| Anticipated reserves year end 21/22 | £46,131                        |
| Forecast year end reserves 22/23    | £47,951                        |