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| Agenda Item | 4c         |
| Report No   | BIER-04-26 |

# The Highland Council

Committee: **Black Isle and Easter Ross**

Date: **26 January 2026**

Report Title: **Invergordon Common Good Fund – 2024/25 Annual Accounts and Final Monitoring, 2025/26 Q3 Monitoring Report and 2026/27 Proposed Budget**

Report By: **Assistant Chief Executive - Place**

## **1 Purpose/Executive Summary**

- 1.1 This report presents the Invergordon Common Good Fund Statement of Accounts and final monitoring for 2024/25.
- 1.2 This report also presents the income and expenditure monitoring position for the Common Good Fund as at 31 December 2025 for Q3 and the projected year end position for 2025/26.
- 1.3 The report further sets out the proposed revenue budget for the Fund for the financial year 2026/27.

## **2 Recommendations**

- 2.1 Members are asked to:-

- i. **Consider and agree** the Invergordon Common Good Fund Statement of Accounts as set out in Appendix 1 and Q4 monitoring report for 2024/25 as set out in Appendix 2;
- ii. **Scrutinise and note** the position of the Invergordon Common Good Fund as shown in the 2025/26 Q3 monitoring statement as set out in Appendix 3; and
- iii. **Approve** the proposed budget for 2026/27 as set out in Appendix 4

## **3 Implications**

- 3.1 **Resource** - The 2024/25 statement of accounts and final monitoring report note a small surplus of £2,138 for the year. The Q3 monitoring statement for 2025/26 highlights predicted income and expenditure against the budget. Income is in excess of costs therefore a surplus is expected which will increase the usable reserves

3.2 **Legal** - the application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. The application of funds will comply with all financial regulations.

3.3 **Risk** – No implications.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - No implications.

3.5 **Gaelic** - No implications.

## **4 Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

### **4.3 Integrated Impact Assessment - Summary**

4.3.1 An Integrated Impact Assessment screening has been undertaken on 7 January 2026. The conclusions have been subject to the relevant Manager Review and Approval.

4.3.2 The Screening process has concluded that there are no impacts identified in relation to the proposed budget.

| <b>Impact Assessment Area</b>    | <b>Conclusion of Screening/Full Assessment</b> |
|----------------------------------|--|
| Equality                         | No impact                                      |
| Socio-economic                   | No impact                                      |
| Human Rights                     | No impact                                      |
| Children's Rights and Well-being | No impact                                      |
| Island and Mainland Rural        | No impact                                      |
| Climate Change                   | No impact                                      |
| Data Rights                      | No impact                                      |

## **5 2024/25 Statement of Accounts and Final Monitoring**

5.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Invergordon Common Good Fund for the financial year 2024/25. **Appendix 2** sets out the 2024/25 final monitoring, which shows the Revenue results for the year against Budget, whereas **Appendix 1** shows prior year comparatives.

5.2 Income  
• Rental income for the year was as per budget at £3,500.  
• The income from interest was higher than the budget reflecting the high interest rates which applied during the period.

5.3 Expenditure  
• Staff costs of £5,098 against a budget of £1,700. The overspend was largely due to the additional time spent by the Common Good Officer dealing with the sale of the Bouchardon Bust.  
• In addition to the staff costs a small administration charge for central support of £476 and other costs of £271 relating to legal and advertising costs of disposing of the Bouchardon Bust.

5.4 Changes to Leases in 2024/25  
There were no changes in 2024/25.

5.5 Disposal and Acquisitions in 2024/25  
There were none, however work continued on the proposed disposal of the Bouchardon Bust - please see section 8.1

5.6 Revaluation Gains  
A revaluation of the Bouchardon Bust has resulted in a gain of £305k.

5.7 Balances  
The total reserves are made up of £2,975,280 made up of revenue funds £85,279 and heritage assets of £2,890,001 including the Bouchardon Bust.

## **6 2025/26 Quarter Three Monitoring Report**

6.1 The Q3 monitoring report to 31 December 2025 is set out in **Appendix 3**.

6.2 Income  
Rent for the Town Hall has been received.

6.3 Expenditure  
There has been no property expenditure in the year to date. Staff costs to date total £1,559 and relate to work associated with the Bouchardon Bust. Administration charges have yet to be applied.

6.4 Variances  
A surplus of £2,000 is anticipated on the fund at year end.

## **7 Proposed Budget for 2026/27**

7.1 The proposed budget for 2026/27 is set out in **Appendix 4** of the report for Committee to consider.

7.2 Income  
It is proposed to retain the income budget for rents at £3,500. Investment income is an estimate based on interest rates expected to apply in 2026/27.

7.3 **Expenditure**  
It is proposed that the budget for staff costs is raised to £3,500 to cover Common Good Officer time spent on the disposal of the Bouchardon Bust. A modest property budget of £1,750 is retained to cover any minor insurance and property costs incurred; with an additional budget of £550 for administration costs.

7.4 **Balance**  
The proposed budget for 2026/27 will yield a surplus of £900.

## **8 Common Good Update**

8.1 **Bouchardon Bust**  
Members will recall that on 7 November 2024, the Sheriff Court approved the application to sell the Bust of Sir John Gordon, which forms part of the Invergordon Common Good Fund, following a decision by local Committee and Council to progress this.

Following this decision, an application for a UK export licence was submitted on 12 March 2025. Subsequently, an objection was raised regarding the export of the Bouchardon Bust, resulting in the matter being considered by the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest (RCEWA) in July. The Committee assessed the bust against the three Waverley Criteria and concluded that it meets all three. The case has been referred to the Department of Culture, Media and Sport for a decision and an announcement is expected shortly. Members will be updated in due course.

8.2 **Invergordon Town Hall – Community Asset Transfer Request**  
Highland Council has received an expression of interest for a Community Asset Transfer (CAT) relating to Invergordon Town Hall. The request has been submitted by Invergordon Development Trust, who have indicated their intention to explore opportunities for community-led use and management of the building. A further report will be brought to Committee once the full application has been received and evaluated.

Designation: Assistant Chief Executive - Place

Date: 7 January 2026

Author: Fiona Richardson, Community Development Manager  
Jennifer Johnston, Accountant

Background Papers: None

Appendices: Appendix 1 – Invergordon CGF Statement of Accounts 24/25  
Appendix 2 – Q4 Monitoring Statement 24/25  
Appendix 3 – Q3 Monitoring Statement 25/26  
Appendix 4 – Draft budget 26/27

| <b>STATEMENT OF ACCOUNTS 2024-25</b>              |                   |                   |  |
|---|-------------------|-------------------|--|
| <b>Invergordon Common Good Fund</b>               |                   |                   |  |
| <b>Income and Expenditure Account</b>             | <b>2024/25</b>    | <b>2023/24</b>    |  |
|   | £                 | £                 |  |
| <b>Expenditure</b>                                |                   |                   |  |
| Staff Costs                                       | 5,098             | 5,792             |  |
| Property costs                                    | -                 | -                 |  |
| Administration charges                            | 476               | 360               |  |
| Other costs                                       | 271               | -                 |  |
| Total expenditure                                 | 5,845             | 6,152             |  |
| <b>Income</b>                                     |                   |                   |  |
| Rents   | 3,500             | 3,500             |  |
| Interest and investment income                    | 4,483             | 3,742             |  |
| Total income                                      | 7,983             | 7,242             |  |
| <b>Surplus/(deficit) for the year</b>             | <b>2,138</b>      | <b>1,090</b>      |  |
| Revaluation gains/(losses)                        | 305,000           | 1,100,000         |  |
| <b>Total comprehensive income and expenditure</b> | <b>307,138</b>    | <b>1,101,090</b>  |  |
| <b>Balance Sheet</b>                              |                   |                   |  |
|   | <b>31/03/2025</b> | <b>31/03/2024</b> |  |
|   | £                 | £                 |  |
| <b>Non-current assets</b>                         |                   |                   |  |
| Investment properties                             | 1                 | 1                 |  |
| Heritage assets                                   | 2,890,000         | 2,585,000         |  |
|   | 2,890,001         | 2,585,001         |  |
| <b>Current assets</b>                             |                   |                   |  |
| Loans fund deposits                               | 85,279            | 83,140            |  |
| <b>Total assets</b>                               | <b>2,975,280</b>  | <b>2,668,141</b>  |  |
| <b>Reserves</b>                                   |                   |                   |  |
| Revenue funds                                     | 85,279            | 83,140            |  |
| Capital funds                                     | 1                 | 1                 |  |
| Revaluation reserve                               | 2,890,000         | 2,585,000         |  |
| <b>Total reserves</b>                             | <b>2,975,280</b>  | <b>2,668,141</b>  |  |

| Invergordon Common Good - Quarterly Monitoring<br>Period to Mar 25 |              |              |              |
|--|--------------|--------------|--------------|
|  | Actual       | Budget       | Variance     |
|  | £            | £            | £            |
| <b>Income</b>  |              |              |              |
| Rents  | 3,500        | 3,500        | -            |
| Interest and investment income                                     | 4,483        | 1,400        | 3,083        |
| <b>Total Income</b>  | <b>7,983</b> | <b>4,900</b> | <b>3,083</b> |
| <b>Expenditure</b>   |              |              |              |
| Staff Costs  | 5,098        | 1,700        | 3,398        |
| Property costs   | 271          | 2,000        | (1,729)      |
| Administration charges   | 476          | 100          | 376          |
| <b>Total Expenditure</b>   | <b>5,845</b> | <b>3,800</b> | <b>2,045</b> |
| <b>Income less Expenditure</b>                                     | <b>2,138</b> | <b>1,100</b> | <b>1,038</b> |
| <b>Usable Reserves</b>   |              |              |              |
| As at 31.3.24  | 83,140       |              |              |
| Surplus/(deficit) for year   | 2,138        |              |              |
| As at 31.3.25  | 85,279       |              |              |

**Appendix 3**

| <b>Invergordon Common Good<br/>Period to December 25</b> |               |               |                              |              |
|--|---------------|---------------|------------------------------|--------------|
|  | <b>Actual</b> | <b>Budget</b> | <b>Estimated<br/>Outturn</b> |              |
|  | <b>£</b>      | <b>£</b>      | <b>£</b>                     | <b>£</b>     |
| <b>Income</b>  |               |               |                              |              |
| Rents  | 3,500         | 3,500         | 3,500                        | 0            |
| Interest and investment income                           | 0             | 3,800         | 3,500                        | (300)        |
| <b>Total Income</b>                                      | <b>3,500</b>  | <b>7,300</b>  | <b>7,000</b>                 | <b>(300)</b> |
| <b>Expenditure</b>                                       |               |               |                              |              |
| Staff Costs  | 1,559         | 2,500         | 2,500                        | 0            |
| Property costs   | 0             | 2,000         | 2,000                        | 0            |
| Central Support  | 0             | 500           | 500                          | 0            |
| <b>Total Expenditure</b>                                 | <b>1,559</b>  | <b>5,000</b>  | <b>5,000</b>                 | <b>0</b>     |
| <b>Income less Expenditure Surplus (Deficit)</b>         | <b>1,941</b>  | <b>2,300</b>  | <b>2,000</b>                 | <b>(300)</b> |
| <b>Revenue reserves 2024/25</b>                          |               | 85,279        |                              |              |
| Estimated outturn for 25/26                              |               | 2,000         |                              |              |
| <b>Estimated revenue reserves 2025/26</b>                |               | <b>87,279</b> |                              |              |

**Appendix 4**

| <b>INVERGORDON COMMON GOOD FUND<br/>DRAFT BUDGET 2026/27</b> |                                     |
|--|-------------------------------------|
|  | <b>Draft<br/>Budget<br/>2026/27</b> |
|  | <b>£</b>                            |
| <b>Income</b>  |                                     |
| Rents  | 3,500                               |
| Interest and investment income                               | 3,200                               |
| <b>Total Income</b>  | <b>6,700</b>                        |
| <b>Expenditure</b>   |                                     |
| Staff Costs  | 3,500                               |
| Property Costs   | 1,750                               |
| Central Support  | 550                                 |
| <b>Total Expenditure</b>                                     | <b>5,800</b>                        |
| <b>Surplus/(deficit) for the year</b>                        | <b>900</b>                          |
|  |                                     |
| <b>Estimated Revenue Reserves 2025/26</b>                    | <b>87,279</b>                       |
| Budget surplus/(deficit) for 26/27                           | 900                                 |
| <b>Forecast year end reserves 2026/27</b>                    | <b>88,179</b>                       |