

PERTH COMMON GOOD FUND COMMITTEE

1 July 2015

2015/16 FINANCIAL STATEMENT**Joint Report by Head of Finance & Executive Director (Environment)****PURPOSE OF REPORT**

This report provides an update on 2014/15 Income and Expenditure, and details of the Income and Expenditure to 31 May 2015 and the projected outturn to 31 March 2016 for the Perth Common Good Fund.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Committee approved the Perth Common Good Fund budget at the meeting of 13 May 2015. This report provides an update on the final outturn for 2014/15, and the monitoring position and projected outturn for the Financial Year 2015/16.

2. PROPOSALS**2.1 Financial Statement 2014/15**

Report 15/187 considered by Committee on 13 May 2015 included year-end projections for Income and Expenditure to 31 March 2015. Following closure of the 2014/15 accounts, which are subject to audit by Audit Scotland, the outturn has moved favourably by £5,802 and has resulted in a deficit for the year of £24,127 and a Revenue Account Balance of £1,367,831 at 31 March 2015. The movement is mainly due to less than expected expenditure on works at Moncreiffe Island causeway and reduced depreciation charges, and an increase in income from Interest on Investments.

2.2 Financial Statement 2015/16

On the basis of Appendix 1, which includes the revised Revenue Account Balance noted in Section 2.1, it is anticipated that there will be deficit of £104,400 in 2015/16 and that the Fund's estimated Revenue Account Balance will be £1,263,431 at 31 March 2016.

2.2.1 Repairs and Maintenance

The demolition of the Harbour End Store was considered and approved by Committee on 13 May 2015. The estimated cost of demolition at that time was included within the budget for 2015/16, however a further report will be considered by Committee at this meeting. The revision to the previous estimate results in a £9,000 increase in the cost of works and this has been included within the expenditure projections to 31 March 2016.

2.3 Perth City Hall

- 2.3.1 A report providing an update on the marketing of Perth City Hall, including analysis of offers received, will be considered by the Council on 1 July 2015. The report includes confirmation that Perth City Hall forms part of the common good of the former Burgh of Perth. Report 12/433 presented to Committee on 3 October 2012 provided an overview of the accounting treatment for common good properties. In summary when a property forming part of the common good is no longer used by the Council for the provision of services and is therefore surplus, the risks and rewards of ownership accrue to the common good and the associated income and expenditure will accrue to the Common Good Fund.
- 2.3.2 The accounting policy for common good properties includes provision that there will be no retrospective adjustments for income and expenditure incurred during the period prior to confirmation that a property should be regarded as forming part of the common good. Following confirmation that Perth City Hall forms part of the common good, the income and expenditure arising from maintaining the hall, or from disposal of the hall, or from alternative non Council use of the hall, will accrue to Perth Common Good fund with effect from 1 April 2015.
- 2.3.3 Following the review of the property costs incurred during the five years 2010/11 to 2014/15, it is anticipated that repairs and maintenance costs for Perth City Hall can be contained within the core Repairs and Maintenance budget for Perth Common Good Fund.

3. CONCLUSION AND RECOMMENDATION

- 3.1 The Committee is requested to note the unaudited Perth Common Good Fund Income and Expenditure outturn for the year ended 31 March 2015, the Income and Expenditure to 31 May 2015 and the projected outturn to 31 March 2016.
- 3.2 The Committee is requested to note the potential financial implications arising from confirmation that Perth City Hall forms part of the common good.

Author(s)

| Name | Designation | Contact Details |
|--------------|-------------------|--|
| Donald Coyne | Senior Accountant | DCoyne@pkc.gov.uk 01738 475573 |

Approved

| Name | Designation | Date |
|------------|-----------------|--------------|
| John Symon | Head of Finance | 22 June 2015 |

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Council Text Phone Number 01738 442573

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

| Strategic Implications | Yes / None |
|---|-------------------|
| Community Plan / Single Outcome Agreement | None |
| Corporate Plan | Yes |
| Resource Implications | |
| Financial | Yes |
| Workforce | None |
| Asset Management (land, property, IST) | None |
| Assessments | |
| Equality Impact Assessment | Yes |
| Strategic Environmental Assessment | Yes |
| Sustainability (community, economic, environmental) | Yes |
| Legal and Governance | None |
| Risk | None |
| Consultation | |
| Internal | Yes |
| External | None |
| Communication | |
| Communications Plan | None |

1. Strategic Implications

1.1 Corporate Plan

1.1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.1.2 This report relates to all objectives.

2. Resource Implications

2.1 Financial

2.1.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

3. Assessments

3.1 Equality Impact Assessment

3.1.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

3.1.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

3.2 Strategic Environmental Assessment

3.2.1 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

3.2.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

3.3 Sustainability

3.3.1 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

3.3.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

4.1 Internal

4.1.1 The Chief Executive has been consulted in the preparation of this report.

5. BACKGROUND PAPERS

5.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

6. APPENDICES

Appendix 1 – Perth Common Good Fund Financial Statement for period to 31 May 2015.

**PERTH COMMON GOOD FUND
FINANCIAL STATEMENT FOR PERIOD TO 31 MAY 2015 FOR FINANCIAL YEAR 2015/16**

| <u>Expenditure</u> | <u>Approved 2015/16 Budget</u> | <u>Actual to date</u> | <u>Expenditure Under Consideration and Committed</u> | <u>Total</u> | <u>Projected Outturn</u> | <u>Projection Over/(Under) Spend</u> |
|---|--------------------------------|-----------------------|--|----------------------|--------------------------|--------------------------------------|
| | £ | £ | £ | £ | £ | £ |
| <u>Property Costs</u> | | | | | | |
| Rent, Rates & Feu Duties | £ 1,000.00 | £ 738.15 | - | £ 738.15 | £ 1,000.00 | £ - |
| Repairs and Maintenance | £ 132,500.00 | - | - | £ - | £ 141,500.00 | £ 9,000.00 |
| Depreciation & Impairment | £ 7,600.00 | - | - | £ - | £ 7,600.00 | £ - |
| | £ 141,100.00 | £ 738.15 | - | £ 738.15 | £ 150,100.00 | £ 9,000.00 |
| <u>Supplies and Services</u> | | | | | | |
| Financial Assistance | £ 110,000.00 | £ - | £ 101,747.50 | £ 101,747.50 | £ 110,000.00 | £ - |
| Administration Charges | £ 6,500.00 | - | - | £ - | £ 6,500.00 | £ - |
| Printing, Stationery, Advertising and Postages | £ 500.00 | - | - | £ - | £ 500.00 | £ - |
| | £ 117,000.00 | £ - | £ 101,747.50 | £ 101,747.50 | £ 117,000.00 | £ - |
| <u>Christmas Events</u> | | | | | | |
| Rent, Rates & Feu Duties (storage for Christmas lights) | £ 14,000.00 | £ - | - | £ - | £ 14,000.00 | £ - |
| Electricity | £ 300.00 | £ 60.92 | - | £ 60.92 | £ 300.00 | £ - |
| Erect, Dismantle and Maintain Christmas Lights | £ 28,000.00 | - | - | £ - | £ 28,000.00 | £ - |
| Switch on Ceremony | £ 39,000.00 | - | - | £ - | £ 39,000.00 | £ - |
| | £ 81,300.00 | £ 60.92 | - | £ 60.92 | £ 81,300.00 | £ - |
| Total Expenditure | £ 339,400.00 | £ 799.07 | £ 101,747.50 | £ 102,546.57 | £ 348,400.00 | £ 9,000.00 |
| <u>Income</u> | | | | | | |
| Rents, Fees & Charges | £ 235,000.00 | £ 64,355.00 | - | £ 64,355.00 | £ 235,000.00 | £ - |
| Interest on Investments | £ 7,000.00 | £ 69.18 | - | £ 69.18 | £ 7,000.00 | £ - |
| Fishing Permits | £ 2,000.00 | £ 242.50 | - | £ 242.50 | £ 2,000.00 | £ - |
| Total Income | £ 244,000.00 | £ 64,666.68 | £ - | £ 64,666.68 | £ 244,000.00 | £ - |
| Surplus/(Deficit) | (£ 95,400.00) | £ 63,867.61 | (£ 101,747.50) | (£ 37,879.89) | (£ 104,400.00) | (£ 9,000.00) |
| Opening Balance 01/04/15 | £ 1,367,831.37 | | | | £ 1,367,831.37 | |
| Surplus / (Deficit) | (£ 95,400.00) | | | | (£ 104,400.00) | |
| Projected Closing Balance | £ 1,272,431.37 | | | | £ 1,263,431.37 | |

**PERTH COMMON GOOD FUND
FINANCIAL STATEMENT FOR PERIOD TO 31 MAY 2015 FOR FINANCIAL YEAR 2015/16**

| <u>Grants</u> | <u>Actual</u> | <u>Amount</u> | <u>Meeting</u> |
|---|---------------|--------------------------|----------------|
| <u>Committed</u> | | <u>Amount</u> | <u>Meeting</u> |
| St. Matthews Church of Scotland - Sanctuary Redevelopment Project | £ | 50,000.00 | 25/02/2015 |
| MacMillan Cancer Support - 3 day room hire | £ | 120.00 | 13/05/2015 |
| Letham White 2003's Football Team - purchase of rain jackets, training strips & tracksuits | £ | 300.00 | 13/05/2015 |
| Perth & Kinross District Scout Council - joint camp with Scouts from Aschaffenburg, Germany | £ | 600.00 | 13/05/2015 |
| Perth Academy Pupils - 4 week educational expedition to Ecuador 26 June - 25 July 2015 for 2 pupils | £ | 500.00 | 13/05/2015 |
| Sweet Street Dance Crew - 3 day World Street Dance Championships in Glasgow 28-30 August 2015 | £ | 1,000.00 | 13/05/2015 |
| Breathe Easy Perthshire - Summer Outing for 30 people to Anstruther on 21 May 2015 | £ | 210.00 | 13/05/2015 |
| Starter Packs Perth - purchase of duvets, pillows and culinary items | £ | 4,500.00 | 13/05/2015 |
| VisionPK - Summer Outings for 70 members | £ | 980.00 | 13/05/2015 |
| Wednesday Tea Dance - Summer Outing Weekend for 24 people to Dumfries 16-18 August 2015 | £ | 168.00 | 13/05/2015 |
| Perth City Club - bus trip for 35 people to Ayr 25 May 2015 | £ | 245.00 | 13/05/2015 |
| Horsecross Arts Ltd - 10th Anniversary event | £ | 10,191.00 | 13/05/2015 |
| | £ | <u>68,814.00</u> | |
| <u>Under Consideration</u> | | <u>Amount</u> | <u>Meeting</u> |
| Dalreoch Friendship Club - summer outing to Pitlochry July 2015 | £ | 105.00 | 01/07/2015 |
| Perth Youth Orchestra - triennial tour to Prague July 2016 | £ | 1,000.00 | 01/07/2015 |
| Perth High School Pupil - volunteering in Guyana with Project Trust | £ | 400.00 | 01/07/2015 |
| Our Ladies Afternoon Club - summer outing to Perth Theatre & Royal George Hotel July 2015 | £ | 105.00 | 01/07/2015 |
| Scottish Youth International Fly Fishing (student resident in Perth) - Lake of Menteith August 2015 | £ | 100.00 | 01/07/2015 |
| Perth Highland Games - 'Big Tartan Weekend' August 2015 | £ | 6,276.00 | 01/07/2015 |
| Perth Academy - trip to South Africa for 4 x S1 pupils June 2016 | £ | 1,200.00 | 01/07/2015 |
| Letham Old Peoples Club - autumn outing to Falkirk Sept 2015 | £ | 353.50 | 01/07/2015 |
| Headway Perth and Kinross - summer outing to Falkirk Wheel and Kelpies August 2015 | £ | 343.00 | 01/07/2015 |
| PKAVS - unpaid carers event (Carers Week) June 2015 | £ | 1,000.00 | 01/07/2015 |
| Moncrieffe Tea Dancers - 12 Tea Dances July 2015 to June 2016 | £ | 645.00 | 01/07/2015 |
| South Perth Community Partnership - annual Community Fun Day event September 2015 | £ | 700.00 | 01/07/2015 |
| Perth Grammar School - annual Prize Giving and Concert June 2015 | £ | 2,166.00 | 01/07/2015 |
| St. Johns RC Academy - annual Prize Giving May 2015 | £ | 1,500.00 | 01/07/2015 |
| Us and the Housing - Communication Conference | £ | 340.00 | 01/07/2015 |
| Perth & Strathern 200 Round Table - Fireworks & Bonfire Display November 2015 | £ | 15,300.00 | 01/07/2015 |
| St John's Kirk of Perth (Carillon) - 10 Carillon recitals 1 July 2015 - 31 March 2016 | £ | 1,400.00 | 01/07/2015 |
| | £ | <u>32,933.50</u> | |
| Total | £ | <u>101,747.50</u> | |