

**PERTH COMMON GOOD FUND COMMITTEE****22 June 2016****2016/17 FINANCIAL STATEMENT****Joint Report by Head of Finance & Director (Environment)****PURPOSE OF REPORT**

This report provides an update on 2015/16 Income and Expenditure, and details of the Income and Expenditure to 31 May 2016 and the projected outturn to 31 March 2017 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 18 May 2016 (Report 16/205 refers). This report provides an update on the final outturn for 2015/16, and the monitoring position and projected outturn for the Financial Year 2016/17.

**2. PROPOSALS****2.1 Financial Statement 2015/16**

Report 16/205 considered by Committee on 18 May 2016 included year-end projections for Income and Expenditure to 31 March 2016. Following closure of the 2015/16 accounts, which remain subject to audit by Audit Scotland, the projected deficit has increased by £638 resulting in a deficit for the year of £94,535 and a Revenue Account Balance of £1,273,297 at 31 March 2016. The movement is mainly due to an increase in depreciation charges following the revaluation of Common Good properties.

**2.2 Financial Statement 2016/17**

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 £34,900 in 2016/17 and that the Fund's estimated Revenue Account Balance will be £1,238,397 at 31 March 2017.

- 2.3 Following approval of the Annual Treasury Report by the Council on 25 June 2014 (report 14/300 refers), responsibility for determining the amounts of surplus Common Good funds to be invested as fixed investments in the Council's Loans Fund was delegated to the Head of Finance. The approval of the 2016/17 and draft budgets for 2017/18 and 2018/19 for the Perth Common Good Fund provides a foundation on which to predict the Fund's future cash flow requirements. There are fixed term deposits on 3, 6 and 12 month terms which mature at the end of August 2016 and it is anticipated that these will be rolled over on a 12 month term to generate additional interest for the 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 2016, the Income and Expenditure to 31 May 2016 and the projected outturn to 31 March 2017.
- 3.2 The Committee is requested to note the proposals for the rollover of the fixed term deposits maturing at the end of August 2016.

#### Author(s)

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#### Approved

Name	Designation	Date
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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

### 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 2016 for Financial Year 2016/17.