
**MONITORING REPORT FOR 12 MONTHS TO 31 MARCH 2022
AND PROPOSED BUDGET FOR FINANCIAL YEAR 2022/23**

Report by Director – Finance & Corporate Governance

COLDSTREAM COMMON GOOD FUND SUB-COMMITTEE

22 June 2022

1 PURPOSE AND SUMMARY

- 1.1 **This report provides the details of the assets held by the Coldstream Common Good Fund as at 31 March 2022, a full year revenue out-turn for 2021/22 and projected balance sheet values as at 31 March 2023**
- 1.2 Appendix 1 provides an Income and Expenditure account for the year to 31 March 2022.
- 1.3 Appendix 2 provides an actual balance sheet value as at 31 March 2022. It shows a decrease in the reserves of £10,117, which is due to the annual release from Revaluation Reserve.

2 RECOMMENDATIONS

- 2.1 **It is recommended that the Common Good Fund Sub-Committee:**
- (a) Notes the actual income and expenditure for 2021/22 in Appendix 1;**
 - (b) Agrees the proposed budget for 2022/23 as shown in Appendix 1;**
 - (c) Notes the final balance sheet value as at 31 March 2022, and projected balance sheet value as at 31 March 2023 in Appendix 2; and**
 - (d) Notes the summary of the property portfolio in Appendix 3.**

3 BACKGROUND

- 3.1 Coldstream Museum was recognised as a Common Good asset on 1 April 2018. Until that time the Museum was deemed to belong to Scottish Borders Council (SBC). This transfer relates to the *ownership* of the museum and has no impact on the transfer of the operation and maintenance of the museum, which is undertaken jointly between SBC and Live Borders.
- 3.2 Live Borders are liable for operating costs such as staffing, energy and communications in return for their retention of all income earned. Scottish Borders Council have retained budget and liability for rates, insurance and maintenance costs.
- 3.3 This report provides the Committee with financial information for the period to 31 March 2022 and proposed budgets to 31 March 2023. The report also contains a projected balance sheet for the Common Good Fund as at 31 March 2023.

4 FINANCIAL POSITION 2021/22

- 4.1 Appendix 1 provides detail on income and expenditure for the 2021/22 financial year, as well as the proposed budget for 2022/23.

4.2 Income & Expenditure – Property Costs and Income

As the liability for the upkeep of the Museum falls to Scottish Borders Council, there is no anticipated income or expenditure relating to the Museum.

4.3 Income & Expenditure – Grants & Other Donations

It is anticipated that no grants will be paid from the Coldstream Common Good Fund.

4.4 Income & Expenditure – Depreciation Charge

The depreciation charge for the year is £10,117. This is not a cash transaction and is off-set by a corresponding contribution from the Revaluation Reserve at the end of the financial year. As such, the net income/expenditure impact is nil.

- 4.5 Appendix 2 provides the balance sheet value as at 31 March 2022, and a projected balance sheet as at 31 March 2023.

4.6 Balance Sheet – Fixed Assets

All fixed assets of the Common Good Fund are revalued every 5 years as part of the Council's rolling programme. The fixed assets were revalued at 1 April 2019. Appendix 3 shows the actual values of the individual properties at 31 March 2022, actual depreciation charges for 2021/22 and projected values at 31 March 2023.

The list of both Land & Buildings and Moveable Assets in Appendix 3 have been updated to reflect the current position regarding the consultation exercise on Common Good Assets being led by Legal dept. This has

resulted in 2 Moveable Assets being included in the report, however there is no change to the value of assets held in the Balance Sheet.

A report will be submitted to Council in September setting out the results of the consultation on Common Good assets.

5 IMPLICATIONS

5.1 Financial

There are no further financial implications other than those explained above in Section 4.

5.2 Risk and Mitigations

There is a risk with any property that works will be required during its life, which the Common Good does not hold funds for. This risk is mitigated by agreements in place between Scottish Borders Council and Live Borders. Operational costs are met by Live Borders and major repairs are met by Scottish Borders Council.

5.3 Intergrated Impact Assessment

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine good governance required to ensure robust management of the Common Good Funds. Nevertheless, a light touch assessment has been conducted and this will be published on SBC's Equality and Diversity Pages of the website as in doing so, signifies that equality, diversity and socio-economic factors have duly been considered when preparing this report.

5.4 Sustainable Development Goals

Whilst there are no economic, social or environmental effects arising from the proposals contained in this report, there are, through the activities reported upon, positive impacts upon the economy through protection of employment, positive impacts upon the quality of community life and improvements in local amenities and nurturing of local talent. The potential improvement in levels of income through the use of the new investment fund will act to make the Common Good Fund more sustainable in the future.

5.5 Climate Change

There are no effects on climate change arising from the proposals contained in this report.

5.6 Rural Proofing

There are no effects on rural proofing arising from the proposals contained in this report.

5.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to the Scheme of Administration or Scheme of Delegation arising from the proposals contained in this report.

6 CONSULTATION

- 6.1 The Chief Legal Officer (including as Monitoring Officer), the Chief Officer Audit and Risk, Director (People Performance & Change), the Clerk to the Council and Communications have been consulted and their appropriate comments have been incorporated into this report.

Approved by

David Robertson

Director, Finance & Corporate Governance

Signature

Author(s)

Kirsty Robb	Pension and Investment Manager – Tel: 01835 825249
Sara Wilson	Treasury Business Partner – Tel: 01835 824000 Extn 5854

Background Papers:

Previous Minute Reference: Coldstream Common Good Committee 8 December 2021.

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. We can also give information on other language translations as well as providing additional copies.

Contact us at Corporate Finance, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA.

Tel: 01835 824000

Fax: 01835 825166

Email: treasuryteam@scotborders.gov.uk

COLDSTREAM COMMON GOOD FUND

APPENDIX 1

ACTUAL INCOME AND EXPENDITURE 2021/22

	Actuals at 31/03/22	Full Year Approved Budget 2021/22	Over/ (Under) Spend 2021/22	Full Year Proposed Budget 2022/23	Para Ref	Commentary
	£	£	£	£		
Depreciation						
Depreciation Charge	10,117	10,117	0	10,117	4.4	
Contribution from Revaluation Reserve	(10,117)	(10,117)	0	(10,117)		
Net impact of Depreciation on Revenue Reserve	0	0	0	0		
Total Net (Surplus)/Deficit for year	0	0	0	0		

BALANCE SHEET VALUE AS AT 31 MARCH 2022

	Opening Balance at 01/04/21	Movement in Year	Closing Balance at 31/03/22	Projected Closing Balance at 31/03/23
	£	£	£	£
Fixed Assets				
Land & Buildings	265,766	(10,117)	255,649	245,532
Total Fixed Assets	265,766	(10,117)	255,649	245,532
Net Assets	265,766	(10,117)	255,649	245,532
Funded by: Reserves				
Capital Reserve	(121,763)	0	(121,763)	(121,763)
Revaluation Reserve	(144,003)	10,117	(133,886)	(123,769)
Total Reserves	(275,883)	10,117	(255,649)	(245,532)

PROPERTY PORTFOLIO VALUATION FOR 2021/22

(Actual property valuation to 31 March 2022 and projected to 31 March 2023)

Fixed Assets – Land & Buildings	Net Book Value at 01/04/21	Depn Charge 2021/22	Net Book Value at 31/03/22	Project'd Depn Charge 2022/23	Project'd Net Book Value at 31/03/23
	£	£	£	£	£
Coldstream Museum	265,766	(10,117)	255,649	(10,117)	245,532
Home Park	0	0	0	0	0
Home Park Play Area	0	0	0	0	0
Home Park Pavillion Site & Pitch	0	0	0	0	0
Lees Mill	0	0	0	0	0
Lees Mill Play Area	0	0	0	0	0
Total	265,766	(10,117)	255,649	(10,117)	245,532

Fixed Assets – Moveable Assets	Net Book Value at 31/03/22 £
Art & Artefacts – held in location below: <u>Coldstream Museum</u> Provost's Robes Provost's Chain of Office	0