

## Common Good Funds

The Council administers the Common Good Funds which consist of all property of a Royal Burgh not acquired under statutory powers or held under specific trusts. These funds were transferred to Moray District Council in 1975 and then to The Moray Council in 1996 as the successor Council under the reorganisation of Local Government.

These funds do not represent a charge to Council Tax payers but form part of the statutory reporting requirements of the Council. They represent funds set up for the benefit of the community or organisations within the Moray area.

The Accounts for Common Good have been prepared according to the LAASAC Guidance *Accounting for Common Good (December 2007)* which is consistent with proper accounting required by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.

## Accounting Policies

Accounting Policies adopted for the Common Good are the same as those adopted for the Moray Council with the exception of the application of IAS 16 and IAS 40. IAS 16 requires that assets be depreciated and that the charge for depreciation be set against any surplus in the Income and Expenditure Account. IAS 40 requires any movement in the fair value of investment properties to be recognised in the surplus or deficit in the Income and Expenditure Account.

## Common Good Funds Income and Expenditure Account

31 March 2018		31 March 2019
£000		£000
	<b>Income</b>	
(2)	Property	(2)
(90)	Investment Income	(96)
(23)	Other Income	-
-	Net Movement in Fair Value of Investment Property	(189)
(13)	Gain on Disposal of Asset	(30)
<b>(128)</b>	<b>Total Income</b>	<b>(317)</b>
	<b>Expenditure</b>	
4	Property Costs	3
7	Administrative Costs	5
91	Donations, Grants etc	56
-	Other Costs	2
447	Depreciation	440
526	Net Movement in Fair Value of Investment Property	-
<b>1,075</b>	<b>Total Expenditure</b>	<b>506</b>
<b>947</b>	<b>(Surplus)/Deficit for the Year</b>	<b>189</b>
(984)	(Surplus)/Deficit on revaluation of Non-current Assets	31
<b>(37)</b>	<b>Total Comprehensive Net (Income)/Expenditure</b>	<b>220</b>

## Common Good Funds Balance Sheet

31 March 2018			31 March 2019
£000			£000
12,910	Property, Plant & Equipment	<b>Note 1</b>	12,434
204	Heritage Assets	<b>Note 2</b>	204
3,917	Investment Property	<b>Note 3</b>	4,106
<b>17,031</b>	<b>Long Term Assets</b>		<b>16,744</b>
1	Inventories		1
-	Debtors		6
3,394	Loans Fund Balance		3,457
<b>3,395</b>	<b>Current Assets</b>		<b>3,464</b>
(5)	Creditors		(7)
<b>(5)</b>	<b>Current Liabilities</b>		<b>(7)</b>
<b>20,421</b>	<b>Net Assets</b>		<b>20,201</b>
13,104	Revaluation Reserve		12,628
7,317	Revenue Reserve		7,573
<b>20,421</b>	<b>Total Reserves</b>		<b>20,201</b>

### Summary of Funds

Total Funds		Invested In	Total Funds
£000		Loans Fund	£000
£000		£000	£000
3,645	Buckie	1,522	3,588
684	Cullen	30	186
15	Dufftown	14	14
9,412	Elgin	1,486	9,157
6,186	Forres	351	6,218
51	Portknockie	52	52
125	Keith	2	202
303	Lossiemouth	-	296
-	Findochty	-	488
<b>20,421</b>	<b>TOTAL</b>	<b>3,457</b>	<b>20,201</b>

## Notes to the Common Good Accounts

### Note 1 Property, Plant and Equipment

Property, plant and equipment is valued on the basis recommended by CIPFA and the valuation report is produced by the Council's Estates Manager who is a Member of the Royal Institute of Chartered Surveyors. The assets are valued on a 5 year rolling programme and have been prepared in accordance with the provisions of the Royal Institution of Chartered Surveyors Valuation - Professional Standards January 2014.

Property, plant and equipment is classified into groupings required by the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.

Assets have been valued on the following basis:-

Other Land and Buildings	-	Existing Use Value (EUV) or Depreciated Replacement Cost (DRC)
Community Assets	-	Historic Cost where available
Surplus Assets	-	Market value

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:-

Other Land and Buildings - Buildings up to 60 years, land is not depreciated  
Surplus Assets - land is not depreciated

Movements of Property Plant and Equipment were as follows:

#### 2017/18

	Other Land & Buildings	Surplus Assets	Assets Held For Sale	Total
	£000	£000	£000	£000
Gross Book Value at 1 April 2017	12,314	1,265	-	13,579
Revaluations	1,190	(390)	-	800
<b>Gross Book Value at 31 March 2018</b>	<b>13,504</b>	<b>875</b>	<b>-</b>	<b>14,379</b>
Accumulated Depreciation at 1 April 2017	1,196	10	-	1,206
Revaluations	(174)	(10)	-	(184)
Charge for the Year	445	2	-	447
<b>Depreciation at 31 March 2018</b>	<b>1,467</b>	<b>2</b>	<b>-</b>	<b>1,469</b>
<b>Net Book Value at 31 March 2018</b>	<b>12,037</b>	<b>873</b>	<b>-</b>	<b>12,910</b>
<b>Net Book Value at 31 March 2017</b>	<b>11,118</b>	<b>1,255</b>	<b>-</b>	<b>12,373</b>

## Note 1 Property, Plant and Equipment (continued)

2018/19

	Other Land & Buildings	Surplus Assets	Assets Held For Sale	Total
	£000	£000	£000	£000
Gross Book Value at 1 April 2018	13,504	875	-	14,379
Revaluations	47	(120)	-	(73)
Reclassifications	(30)	(5)	35	-
Disposals	-	-	(5)	(5)
<b>Gross Book Value at 31 March 2019</b>	<b>13,521</b>	<b>750</b>	<b>30</b>	<b>14,301</b>
Accumulated Depreciation at 1 April 2018	1,467	2	-	1,469
Revaluations	(40)	(2)	-	(42)
Charge for the Year	440	-	-	440
<b>Depreciation at 31 March 2019</b>	<b>1,867</b>	<b>-</b>	<b>-</b>	<b>1,867</b>
<b>Net Book Value at 31 March 2019</b>	<b>11,654</b>	<b>750</b>	<b>30</b>	<b>12,434</b>
<b>Net Book Value at 31 March 2018</b>	<b>12,037</b>	<b>873</b>	<b>-</b>	<b>12,910</b>

Revaluations (2017/18 and 2018/19) include assets previously held on the General Services Account now identified as Common Good.

## Note 2 Heritage Assets

This note details the movement in Heritage Assets during the years 2017/18 and 2018/19.

	Fine Art £000	Chains of Office £000	Total Heritage Assets £000
Valuation at 1 April 2017	125	79	204
Revaluations	-	-	-
<b>At 31 March 2018</b>	<b>125</b>	<b>79</b>	<b>204</b>
Valuation at 1 April 2018	125	79	204
Revaluations	-	-	-
<b>At 31 March 2019</b>	<b>125</b>	<b>79</b>	<b>204</b>

The Chains of Office were independently valued during 2012/13 and 2013/14 by William Windwick, PJDip FGA FNAG MIRV, a member of the Institute of Registered Valuers.

The following table shows assets that may be regarded as Heritage Assets, but which have not been included in the Balance Sheet as the Council considers that obtaining valuations would involve disproportionate cost and that reliable cost or valuation information cannot be obtained for these items. The Code therefore permits such assets to be excluded from the Balance Sheet.

## Note 2 Heritage Assets (continued)

Assets excluded from Heritage Assets	Estimated number of assets 31 March 2019
Monuments and Fountains	1
Nelson Tower	1

## Note 3 Investment Property

The following items of income and expense have been accounted for in Investment Income in the Income and Expenditure Account:-

	2017/18 £000	2018/19 £000
Rental income from investment property	39	43
<b>Net gain</b>	<b>39</b>	<b>43</b>

There are some restrictions from the original benefactors on the Common Good's ability to realise the value inherent in its investment property. The Common Good has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2017/18 £000	2018/19 £000
Balance at start of the year	4,443	3,917
Net gains /(loss) from fair value adjustments	(526)	189
<b>Balance at end of the year</b>	<b>3,917</b>	<b>4,106</b>