

**2020-21 UNAUDITED ANNUAL ACCOUNTS**

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**1. EXECUTIVE SUMMARY**

- 1.1 This covering report gives an overview of the unaudited annual accounts for 2020-2021 and a summary of the significant movements from 2019-20 and asks members to approve the unaudited annual accounts for 2020-21 for issue.
- 1.2 The Comprehensive Income and Expenditure statement shows a surplus on the provision of services of £16.646m, a surplus on the revaluation of Long Term Assets of £9.030m and an actuarial loss on the pension fund assets/liability of £3.388m giving an accounting surplus of £22.288m.
- 1.3 The Balance Sheet shows that the net worth of the Council has increased by £22.288m from £325.471m as at 31 March 2020 to £347.759m as at 31 March 2021. The main reason for this increase relates to an increase in cash and cash equivalents due to significant COVID funding provided prior to 31 March 2020 to be used in both 2020-21 and 2021-22 and an increase on the pensions liability.
- 1.4 The balance of unusable reserves has decreased by £8.994m from £269.579m as at 31 March 2020 to £260.585m as at 31 March 2021. The main reasons for the decrease relates to a decrease in the pension fund reserve which matches the increase in the pensions liability referenced above and an increase in the revaluation reserve.
- 1.5 The balance of usable reserves has increased by £31.282m from £55.892m as at 31 March 2020 to £87.14.55.224 reW\*nBT/6(d)-3( b)6(.2)-5(8)6(2)-3(/6(d)-3( b)6



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**ARGYLL AND BUTE COUNCIL**

**COUNCIL**

**FINANCIAL SERVICES**

**24 JUNE 2021**

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**2. INTRODUCTION**



4.13 **Balance Sheet:** The Balance Sheet shows that the net worth of the Council has increased by £22.288 from £325.471m as at 31 March 2020 to £347.759m as at 31 March 2021 The major changes are set out in the table below.

	<b>31/03/2020 £000</b>	<b>31/03/2021 £000</b>	<b>Change £000</b>	<b>Main Reason</b>
Long Term Assets	648,377	653,832	5,455	Asset revaluations





number over 400 with all individual balances being under £1,000. The newest loans date from 2009-10. The last repayment transactions recorded in this scheme were in 2014-15 and the total balance of these outstanding debts is £122,844. In recognition of the low probability of recovery of these debts a Bad Debt provision was created in 2012-13 covering the full amount of the outstanding debt.

- 4.27 It is recommended that Council agrees to write-off the outstanding Rent Deposit debt balances totalling £122,844. As these debts have already been provided by way of a bad debt provision and therefore there will be no impact on the General Fund.

## 5. CONCLUSION

- 5.1 The Unaudited Annual Accounts have been prepared in accordance with professional and statutory requirements. The General Fund Balance has increased by £30.964m, after taking into consideration the movement during the year, the end of year outturn position and the new earmarkings. The net worth per the balance sheet has increased by £22.288m to £347.759m. Overall the financial position of the Council remains stable.

## 6. IMPLICATIONS

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|-------|----------------------|---|
| 6.1   | Policy               | None.   |
| 6.2   | Financial            | None, summarises the financial position for 2020-21 |
| 6.3   | Legal                | None.   |
| 6.4   | HR                   | None.   |
| 6.5   | Fairer Scotland Duty | None.   |
| 6.5.1 | Equalities           | None  |
| 6.5.2 | Socio-Economic       | None  |
| 6.5.3 | Islands Duty         | None  |
| 6.6   | Risk                 | None.   |
| 6.7   | Customer Service     | None.   |

**Kirsty Flanagan**  
**Executive Director/Section 95 Officer**  
**16 June 2021**

**Gary Mulvaney - Policy Lead for Financial Services and Major Projects**

Appendix 1 . Unaudited Annual Accounts 2020-21