

<b>Agenda Item</b>	<b>10c</b>
<b>Report No</b>	<b>RC/043/18</b>

## **THE HIGHLAND COUNCIL**

**Committee:** **Ross and Cromarty**

**Date:** **1 November 2018**

**Report Title:** **Fortrose & Rosemarkie Common Good Fund – Annual Report and Quarter 2 Monitoring Report**

**Report By:** **Depute Chief Executive and Director of Corporate Resources and Acting Head of Policy**

### **1. Purpose/Executive Summary**

- 1.1 The purpose of this report is to present the audited accounts for 2017/18 and the second Quarter monitoring for 2018/19 of the Fortrose and Rosemarkie Common Good Fund. The report highlights main issues regarding the accounts and the impact and strategy in relation to the overall Fund value.

### **2. Recommendations**

2.1 Members are asked to:

- Consider the Fortrose and Rosemarkie Common Good Fund Annual Report for 2017/18;
- Consider the position of the Fortrose and Rosemarkie Common Good Fund, as shown in the 2018/19 Quarter 2 monitoring statement against budget.

### 3. Annual Report

- 3.1 Appendix 1 of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Fortrose and Rosemarkie Common Good Fund for Financial Year 2017/18.
- 3.2 Income from rents of £11,511 was slightly lower than that budgeted for of £12,932 due to the timing of rental payments received. Overall income of £12,657 was received. Expenditure was kept to a minimum and within the overall budget set returning a surplus for the year was £6,001. This has increased the usable reserves at 31 March 2018 to £198,156 from £192,155.
- 3.3 Following the year-end valuation process a revaluation loss of £6,400 has been recognised in terms of the investment properties held by the fund. This does not have an impact on the Usable Reserves of the fund but can be seen by the movement in the Capital Adjustment Account which is the reserve that holds the balance of the Investment Properties.

### 4. Monitoring Statement to 30 September 2018

- 4.1 A monitoring statement showing transactions to the end of September 2018 against budget is attached as Appendix 2.
- 4.2 **Income** - The income comes from rental of Fortrose Town Hall, King George V Playing Field, Fortrose Bay Caravan Site, Rosemarkie Caravan Site and the car park of the Golf Club. Income has been received to date for Fortrose Bay Caravan Site, Rosemarkie Caravan Site and the Golf Club Car Park. Income for Fortrose Town Hall and King George V Playing Field will be received in Quarter 3.
- 4.3 **Expenditure** - There is a charge in relation to staff costs for the Common Good Fund Officer which is within the budget set. Other spend has been minimal and members will note the anticipated underspend on grants/contributions reflects the decision of committee in August to limit the award of grants this year to further limit the impact on reserves following the decision to undertake the coastal protection project.
- 4.4 With regards to the coastal protection project tenders have been received. Works are due to commence in December. Updates will be provided to Black Isle Ward Members and committee as the project progresses.

### 5. Implications

- 5.1 **Useable Reserves** - Stood at £198,156 as at 31 March 2018 having risen from £192,155 as at 31 March 2017.
- 5.2 **Resource** – Resource implications are as detailed in this report, as the major coastal protection project progresses members will be further updated as to the impact this will have on the fund.
- 5.3 **Legal** – None
- 5.4 **Community (Equality, Poverty and Rural)** – None. Any future major project for the protection or refurbishment of Common Good assets would seek to improve equality of access.

5.5 **Climate Change / Carbon Clever** – None. The planned coastal erosion project seeks to protect the Common Good asset from the risks associated with climate change and any future projects for protection or refurbishment of Common Good assets would seek to increase energy efficiency and access for all.

5.6 **Risk** – Coastal Protection Project – further erosion occurs each year resulting in loss of paths and amenity land available for caravan stances.

5.7 **Gaelic** - None

Designations: Derek Yule, Depute Chief Executive & Director of Corporate Resources  
Alison Clark, Acting Head of Policy

Date: 23 October 2018

Authors: Diane Agnew, Ward Manager  
Steven Wright, Trainee Accountant

## Appendix 1

**STATEMENT OF ACCOUNTS 2017-18**  
**Fortrose and Rosemarkie Common Good**  
**Fund**

**Income and Expenditure Account**

	2017/18 £	2016/17 £
<b>Expenditure</b>		
Property repairs and maintenance	396	666
Contributions and donations	5,068	3278
Administration charges	145	150
Staff Costs	1,047	-
Total expenditure	<u>6,656</u>	<u>4,094</u>
<b>Income</b>		
Rents	11,511	12,217
Interest and investment income	796	745
Donations	350	-
Total income	<u>12,657</u>	<u>12,962</u>
<b>Surplus/(deficit) for the year</b>	<b><u>6,001</u></b>	<b><u>8,868</u></b>
Revaluation gains/(losses)	(6,400)	-
Total comprehensive income and expenditure	<u><u>-399</u></u>	<u><u>8,868</u></u>

**Balance Sheet**

	31/03/18 £	31/03/17 £
<b>Non current assets</b>		
Investment properties	106,000	112,400
Heritage assets	<u>253,500</u>	<u>253,500</u>
	359,500	365,900
<b>Current assets</b>		
Loans fund deposits	<u>198,156</u>	<u>192,155</u>
	198,156	192,155
<b>Total Net Assets</b>	<b><u><u>557,656</u></u></b>	<b><u><u>558,055</u></u></b>
<b>Usable reserves</b>		
Revenue funds	198,156	192,155
<b>Unusable reserves</b>		
Revaluation Reserve	253,500	253,500
Capital Adjustment Account	<u>106,000</u>	<u>112,400</u>
	359,500	365,900
<b>Total reserves</b>	<b><u><u>557,656</u></u></b>	<b><u><u>558,055</u></u></b>

**Fortrose and Rosemarkie Common Good - Quarterly  
Monitoring  
Period to 27 September 2018**

	<b>Actual to date £</b>	<b>Budget £</b>	<b>Year End Estimate</b>	<b>Variance £</b>
<b>INCOME</b>				
Rents	6,136	13,022	13,022	0
Interest and investment income	0	750	750	0
<b>TOTAL INCOME</b>	<u>6,136</u>	<u>13,772</u>	<u>13,772</u>	<u>0</u>
<b>EXPENDITURE</b>				
Staff Costs - CGF Officer	463	1,000	1,000	0
Grants and Donations	368	5,000	1,000	(4,000)
Property costs	152	1,500	1,500	0
Central support	0	500	500	0
Rosemarkie Coastal Protection Works	0	137,000	137,000	0
<b>TOTAL EXPENDITURE</b>	<u>983</u>	<u>145,000</u>	<u>141,000</u>	<u>(4,000)</u>
<b>Income less Expenditure</b>	<u><u>5,153</u></u>	<u><u>(131,228)</u></u>	<u><u>(127,228)</u></u>	<u><u>4,000</u></u>