

Agenda Item	8b
Report No	BI/005/22

THE HIGHLAND COUNCIL

Committee: Black Isle Committee

Date: 15 February 2022

Report Title: Fortrose and Rosemarkie Common Good Fund – Annual Audited Accounts, Quarter Three Monitoring Report and Proposed Budget for 2022/23

Report By: Interim Executive Chief Officer - Communities and Place
Executive Chief Officer – Resources and Finance

1. Purpose/Executive Summary

1.1 This report presents the Fortrose and Rosemarkie Common Good Fund audited accounts for 2020/21, the Quarter Three monitoring statement for 2021/22 and a proposed budget for 2022/23.

2. Recommendations

2.1 Members are asked to:

- i. Note the Fortrose and Rosemarkie Common Good Fund Annual Report for 2020/21;
- ii. Note and scrutinise the position of Fortrose and Rosemarkie Common Good Fund as shown in the 2021/22 Quarter Three monitoring statement;
- iii. Approve the proposed budget for 2022/23.

3. Implications

3.1 Legal, Risk, Gaelic – None.

3.2 Resource Implications: The Quarter Three monitoring statement highlights predicted income and expenditure against the budget. Income is forecast to be higher than budgeted as a result of premium payable following renegotiation of lease. Expenditure is forecast to be on budget.

3.3 Community (Equality, Poverty and Rural) Implications – Any current and future major projects for the protection or refurbishment of Common Good assets would seek to improve equality of access.

3.4

Climate Change/Carbon Clever implications: Any current and future projects for protection of Common Good assets would seek to increase energy efficiency where possible.

4. Annual Report

4.1 **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 2020/21. Usable reserves as at 31 March 2021 were £142,351.

5. Quarter Three Monitoring Statement

5.1 A monitoring statement showing transactions to the end of December 2021 against budget and estimated year end position is as **Appendix 2**.

5.2 **Income** – The income for Fortrose and Rosemarkie Common Good Fund arises from High Life Highland for rental of Fortrose Town Hall, Fortrose Bay Caravan Park, Rosemarkie Caravan Park and Fortrose Golf Club Car Park. The total income received for Quarter Three 2021/22 for these properties is £19,978. The increased outturn figure includes an additional premium payable following the renegotiation of a lease. The remainder of income will show in Quarter four monitoring statement along with income of £500 interest for the year.

5.3 **Expenditure** - There has been minimal expenditure in Fortrose and Rosemarkie Common Good Fund Quarter Three statement. There is expenditure on property costs planned relating to emergency fence repairs following damage on Common Good land. It is anticipated that the works will be completed by end of March 2022. However, if this is not achievable then the funds will be carried forward to 2022/23 and the budget amended. Total staff and small grant costs will show in Quarter four. Expenditure is expected to be on budget.

6. Proposed Budget for 2022/23

6.1 The proposed budget for 2022/23 is set out in **Appendix 3** of the report for Committee to consider.

6.2 Anticipated Income

6.2.1 **Rental Income** – Rental income for Fortrose and Rosemarkie Common Good Fund arises from rental of Fortrose Town Hall, Fortrose Bay Caravan Park, Rosemarkie Caravan Park and Fortrose Golf Club Car Park. The total anticipated income from these assets for 2022/23 is £24,669.

6.2.2 **Interest and Revenue Balances** – Assuming that current low interest rates continue, it is anticipated that interest receivable or projected surplus balances will be approximately £500 in 2022/23.

7.3 Anticipated Expenditure

- 7.3.1 **Property Costs** – These costs relate to Fortrose Town Hall which is leased on a full repairing and insuring basis to The Highland Council and managed by Highlife Highland and other Common Good assets. It is suggested that a revenue property budget of £4,000 is made for 2022/23 towards urgent repairs/works or other maintenance as required relating to Common Good Assets. Insurance costs are also included in this heading.
- 7.3.2 **Central Support and Common Good Fund Officer**– Expenditure in this regard relates to support from Corporate Resources and a proportion of the costs of the Common Good Fund Officer. It is proposed that a sum of £1,000 is budgeted to cover these costs.
- 7.3.3 **Grants and Contributions** – In order to protect the reserves and the likely future requirement for protection or developments of Common Good assets, it is proposed that a budget of £1,000 is made available for small grants to community groups and a budget of £2,000 for special project grants or donations towards Common Good assets.

Designation: Interim Executive Chief Officer, Community and Place
Executive Chief Officer, Resources and Finance

Date: 7 February 2022

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Appendix 1

STATEMENT OF ACCOUNTS 2020-21 Fortrose Common Good Fund Income and Expenditure Account

	2020/21 £	2019/20 £
<u>Expenditure</u>		
Property repairs and maintenance	8,120	3,741
Contributions and donations	1,500	30
Administration charges	120	118
Staff Costs	1,360	2,825
Total expenditure	11,101	6,714
 <u>Income</u>		
Rents	14,028	13,693
Interest and investment income	937	1,256
Other Income	775	-
Total income	15,739	14,949
Surplus/(deficit) for the year	4,639	8,235
Revaluation gains/(losses)	8,400	36,500
Total comprehensive income and expenditure	13,039	44,735
 Balance Sheet		
	31/03/2021	31/03/2020
	£	£
<u>Non current assets</u>		
Investment properties	168,000	159,600
Heritage assets	253,500	253,500
	421,500	413,100
<u>Current assets</u>		
Loans fund deposits	139,379	137,712
Sundry Debtors	2,972	-
	142,351	137,712
Total Net Assets	563,851	550,812
 Usable reserves		
Revenue funds	142,351	137,712
 Unusable reserves		
Revaluation Reserve	253,500	253,500
Capital Adjustment Account	168,000	159,600
	421,500	413,100
Total reserves	563,851	550,812

Appendix 2

Fortrose and Rosemarkie Common Good - Quarterly Monitoring Period to Dec 2021

	Actual to date £	Budget £	Year End Estimate £
INCOME			
Rents	19,978	14,997	22,797
Interest and investment income	0	500	500
TOTAL INCOME	<u>19,978</u>	<u>15,497</u>	<u>23,297</u>
EXPENDITURE			
Staff Costs - CGF Officer	310	1,000	1,000
Grants and Donations	0	3,000	3,000
Property costs	2,760	4,000	4,000
TOTAL EXPENDITURE	<u>3,070</u>	<u>8,000</u>	<u>8,000</u>
Income less Expenditure	<u><u>16,907</u></u>	<u><u>7,497</u></u>	<u><u>15,297</u></u>
Audited Usable Reserves 2020/21		£142,351	
Estimated year end reserves 2021/22		£157,648	

Appendix 3

FORTROSE & ROSEMARKIE COMMON GOOD FUND DRAFT BUDGET 2022/23

	Draft Budget 2022/23 £
<u>Income</u>	
Rents	24,669
Interest and investment income	500
Total Income	<hr/> 25,169
 <u>Expenditure</u>	
Property costs	4,000
Central support and CGFO	1,000
Community Grants	1,000
Special Grants	2,000
Total Expenditure	<hr/> 8,000
 Income less Expenditure	 <hr/> 17,169 <hr/>
 Anticipated reserves year end 21/22	 £157,648
Forecast year end reserves 22/23	£174,817