

Agenda Item	7b
Report No	BI/05/23

THE HIGHLAND COUNCIL

Committee: **Black Isle Committee**

Date: **31 January 2023**

Report Title: **Fortrose and Rosemarkie Common Good Fund – 2021/22 Annual Audited Accounts and Final Monitoring, 2022/23 Quarter Three Monitoring Report and Proposed Budget for 2023/24**

Report By: **Executive Chief Officer - Communities and Place
Head of Corporate Finance and Commercialism**

1. Purpose/Executive Summary

1.1 This report presents the Fortrose and Rosemarkie Common Good Fund audited accounts and Final monitoring statement for 2021/22, the Quarter Three monitoring statement for 2022/23 and a proposed budget for 2023/24.

2. Recommendations

2.1 Members are asked to:

- i. Note the Fortrose and Rosemarkie Common Good Fund Annual Report for 2021/22:
- ii. Note and scrutinise the position of Fortrose and Rosemarkie Common Good Fund as shown in the 2022/23 Quarter Three monitoring statement:
- iii. Approve the proposed budget for 2023/24.

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 which is on target.

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 and Final Monitoring for 2021/22

- 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 2021/22. Usable reserves as at 31 March 2022 were £161,864.
- 4.2 **Appendix 2** shows the revenue results for the same period compared to budget. Rental income for Fortrose and Rosemarkie Common Good Fund arises for rental of Fortrose Town Hall, Fortrose Bay Caravan Park, Rosemarkie Caravan Park and Fortrose Golf Club Car Park. The increased outturn figure, which includes an additional premium payable following the negotiation of a lease and an underspend of £4,400 in property expenditure, resulted in overall surplus of £12,000 which is now included in useable reserves.

5. 2022/23 Quarter Three Monitoring Statement

- 5.1 A monitoring statement showing transactions to the end of December 2022 against budget and estimated year end position is at **Appendix 3**.
- 5.2 **Income** – The income for Fortrose and Rosemarkie Common Good arises from Highlife Highland for rental of Fortrose Town Hall, Fortrose Bay Caravan Park and from the Camping and Caravanning Club for Rosemarkie Caravan Park and Fortrose Golf Club Car Park. The total income received to Quarter Three 2022/23 for these properties is £18,774. The remainder of income will show in Quarter Four monitoring statement along with income of £500 interest for the year. Income is predicted to be on budget.
- 5.3 **Expenditure** – There has been minimal expenditure in Fortrose and Rosemarkie Common Good Quarter Three statement. The spend relates to property costs. Funds were budgeted for fence repairs following damage on Common Good land however Fortrose and Rosemarkie Community Council supported by 80 volunteers took forward a successful community hedge planting project with support from the Queen's Platinum Jubilee Fund therefore funding for fence works is not required. Expenditure is expected in Quarter Four in response to coastal damage on shoreline at Rosemarkie Caravan Park which is Common Good Asset. Total staff and any grant costs will show in Quarter Four.

7. Proposed Budget for 2023/24

- 7.1 The proposed budget for 2023/24 is set out in **Appendix 4** of the report for Committee to consider.
- 7.2 **Anticipated Income**
- 7.2.1 **Rental Income** – Rental income for Fortrose and Rosemarkie Common Good Fund arises from Highlife Highland for rental of Fortrose Town Hall, Fortrose Bay Caravan Park, the Camping and Caravanning Club for Rosemarkie Caravan Park and Fortrose Golf Club Car Park. The total estimated income from these assets for 2023/24 is £23,340.
- 7.2.2 **Interest and Revenue Balances** – Assuming that current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £500 in 2023/24.

7.3 **Anticipated Expenditure –**

- 7.3.1 **Property Costs –** These costs relate to Fortrose Town Hall which is leased on 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 2023/24 towards urgent repair works or other maintenance as required relating to Common Good Assets. Insurance costs for Common Good assets 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 contributions towards Common Good assets.
- 7.3.4 Overall, the anticipated income and expenditure as set out below will result in an operating surplus for the year of £15,840 which will be added to usable reserves.

Designation: Executive Chief Officer – Communities and Place
Head of Corporate Finance and Commercialism

Date: 20 January 2023

Authors: Diane Agnew, Ward Manager
Lara Harrison, Accountant

APPENDIX 1

STATEMENT OF ACCOUNTS 2021-22
Fortrose Common Good Fund
Income and Expenditure Account

	2021/22	2020/21
	£	£
<u>Expenditure</u>		
Property repairs and maintenance	2,840	8,120
Contributions and donations	-	1,500
Administration charges	123	120
Staff Costs	660	1,360
Total expenditure	<u>3,623</u>	<u>11,100</u>
<u>Income</u>		
Rents	22,824	14,028
Interest and investment income	312	937
Other Income	-	775
Total income	<u>23,136</u>	<u>15,739</u>
Surplus/(deficit) for the year	19,513	4,639
Revaluation gains/(losses)	3,000	8,400
Total comprehensive income and expenditure	<u>22,513</u>	<u>13,039</u>
Balance Sheet	31/03/2022	31/03/2021
	£	£
<u>Non current assets</u>		
Investment properties	171,000	168,000
Heritage assets	253,500	253,500
	<u>424,500</u>	<u>421,500</u>
<u>Current assets</u>		
Loans fund deposits	161,864	139,379
Sundry Debtors	-	2,972
	<u>161,864</u>	<u>142,351</u>
Total Net Assets	<u>586,364</u>	<u>563,851</u>
Usable reserves		
Revenue funds	161,864	142,351
Unusable reserves		
Revaluation Reserve	253,500	253,500
Capital Adjustment Account	171,000	168,000
	<u>424,500</u>	<u>421,500</u>
Total reserves	<u>586,364</u>	<u>563,851</u>

APPENDIX 2

**Fortrose and Rosemarkie Common Good - Quarterly Monitoring
Period to March 22**

	Actual to date £	Budget £	Variance £
INCOME			
Rents	22,824	14,997	7,827
Interest and investment income	312	500	(188)
TOTAL INCOME	<u>23,136</u>	<u>15,497</u>	<u>7,639</u>
EXPENDITURE			
Staff Costs - CGF Officer	660	500	160
Admin Charges	123	500	(377)
Grants and Donations	-	3,000	(3,000)
Property costs	2,840	4,000	(1,160)
TOTAL EXPENDITURE	<u>3,623</u>	<u>8,000</u>	<u>(4,377)</u>
Surplus/(deficit) for the year	19,513	7,497	12,016
Revaluation gains/(losses)	3,000	-	3,000
Total comprehensive income and expenditure	<u><u>22,513</u></u>	<u><u>7,497</u></u>	<u><u>15,016</u></u>
Audited Usable reserves 2021/22	<u><u>161,864</u></u>		

Fortrose and Rosemarkie Common Good - Quarterly Monitoring
 Period to December 22

Appendix 3

	Actual to date £	Budget £	Year End Estimate	Variance £
INCOME				
Rents	18,774	24,669	24,669	-
Interest and investment income	-	500	500	-
TOTAL INCOME	<u>18,774</u>	<u>25,169</u>	<u>25,169</u>	<u>-</u>
EXPENDITURE				
Property costs	83	4,000	4,000	-
Central support and CGFO	265	1,000	1,000	-
Community Grants	-	1,000	1,000	-
Special Grants	-	2,000	2,000	-
TOTAL EXPENDITURE	<u>348</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Income less Expenditure	<u>18,426</u>	<u>17,169</u>	<u>17,169</u>	<u>-</u>
Audited Usable Reserves 2021/22 (Appendix 2)		£161,864		
Estimated outturn for 22/23		<u>£17,169</u>		
Estimated Usable Reserves 2022/23		<u>£179,033</u>		

FORTROSE & ROSEMARKIE COMMON GOOD FUND Appendix 4
DRAFT BUDGET 2023/24

**Draft
Budget
2023/24
£**

Income

Rents	23,340
Interest and investment income	500
Total Income	<u>23,840</u>

Expenditure

Property costs	4,000
Central support and CGFO	1,000
Community Grants	1,000
Special Grants	2,000
Total Expenditure	<u>8,000</u>

Surplus/(deficit) for year 15,840

Estimated Usable Reserves 2022/23 (Appendix 3)	£179,033
Budget surplus/(deficit) for 23/24	15,840
Forecast year end reserves 23/24	<u><u>£194,873</u></u>