

Agenda Item	4b
Report No	BIER-03-26

# The Highland Council

Committee: **Black Isle and Easter Ross**

Date: **26 January 2026**

Report Title: **Fortrose and Rosemarkie Common Good Fund – 2024/25 Annual Accounts, 2025/26 Q3 Monitoring and 2026/27 Proposed Budget**

Report By: **Assistant Chief Executive - Place**

## **1 Purpose/Executive Summary**

1.1 This report presents the 2024/25 Annual Accounts, 2025/26 Q3 Monitoring Report and 2026/27 Proposed Budget for Fortrose and Rosemarkie Common Good Fund (FRCGF).

## **2 Recommendations**

2.1 Members are asked to:

- i. **Consider and agree** the FRCGF Statement of Accounts within Appendix 1 for 2024/25, subject to the approval of the 2024/25 Highland Council accounts;
- ii. **Scrutinise and note** the position of the FRCGF as shown in the 2025/26 Q3 monitoring statement at Appendix 2; and
- iii. **Approve** the proposed budget for 2026/27 as set out in Appendix 3; and
- iv. **Agree** to delegate to the Community Support and Engagement Team power to approve expenditure up to £10,000 in relation to FRCGF within the annually set budget and following consultation with relevant Ward Members. This delegated power will be reviewed annually as part of the budget setting process.

## **3 Implications**

3.1 **Resource** - The 2024/25 statement of accounts and final monitoring report note a surplus for the year of £34,214 providing a positive increase in the Revenue reserves. As at the end of December 2025, the estimated outturn for 2025/26 shows a positive income variance of £24,900 reflecting increased rental income following routine rent review and increased income from investment and interest. Usual expenditure for FRCGF arises predominantly from property costs and grants, noting in 2025/26 two Statutory Consultations (Rosemarkie Campsite and Fortrose Golf Club Car Park) are anticipated to result in an increase in costs, consequently a year end expenditure total of £13,834 is estimated. The proposed budget for 2026/27 predominantly maintains current budget levels, with a small increase to central costs, and, presuming no additional gabion work being required, a surplus of £39,800 to the Fund is anticipated.

3.2 **Legal** - The application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. Additionally, through the governance being applied by the Finance Service, funds will remain compliant with all financial regulations.

3.3 **Risk** - There are no specific implications associated with this report.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are no specific implications associated with this report.

3.5 **Gaelic** - There are no specific implications associated with this report.

#### **4 Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

#### **4.3 Integrated Impact Assessment - Summary**

4.3.1 An Integrated Impact Assessment screening has been undertaken on FRCGF proposed budget for 2026/27. The conclusions have been subject to the relevant Manager Review and Approval.

4.3.2 The screening process has concluded that there are no direct impacts identified by the Common Good budget itself and it is recognised that any potential projects funded by Common Good grants may have a positive impact in relation to equalities, poverty and human rights, children's rights and wellbeing, mainland rural communities and climate change.

<b>Impact Assessment Area</b>	<b>Conclusion of Screening/Full Assessment</b>
Equality	<i>no impact</i>
Socio-economic	<i>no impact</i>
Human Rights	<i>no impact</i>
Children's Rights and Well-being	<i>no impact</i>
Island and Mainland Rural	<i>no impact</i>
Climate Change	<i>no impact</i>
Data Rights	<i>no impact</i>

#### **5 2024/25 Statement of Accounts**

5.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the FRCGF for Financial Year 2024/25.

5.2 A combination of lower expenditure and higher interest and investment income than budgeted, resulted in a surplus of £34,214 to be built up. One community grant was made to Fortrose and Rosemarkie Community Council for £720 to replace the handrail on St. Andrews Path. One special grant of £1000 was made to Fortrose Golf Club regarding coastal erosion. Overall, the Revenue reserves increased over the year from £212,926 to £247,141.

5.3 Revaluation gains/(losses)

The Income and Expenditure Account in **Appendix 1** reports that there was revaluation gain of £262,570.

5.4 Changes to Leases in 2024/25

There were no changes to leases in 2024/25.

5.5 Disposal and Acquisitions 2024/25

There were no disposals or acquisitions in 2024/25.

## 6 2025/26 Quarter Three Monitoring Report

6.1 The Q3 monitoring report to 31 December 2025, attached within **Appendix 2**, shows income to date is £34,008 and shows an estimated positive income variance of £24,900 at year end reflecting increased rental income following routine rent review and an increase in interest and investment income.

6.2 Expenditure for FRCGF usually arises predominantly from property costs and grants, however it is anticipated to be higher in 2025/26 noting two Statutory Consultations will result in increased costs. Consequently, a year end expenditure total of £13,834 is estimated.

## 7 Proposed Budget for 2026/27

7.1 The proposed budget for 2026/27 is set out in **Appendix 3** of the report for Committee to consider.

7.2 Anticipated Income – Income from rents, interest and investment is anticipated to be higher than previous years in light of rent review which has been processed during 2025/26. There may be additional increased income which is dependent on the outcome of the consultations relating to Rosemarkie Campsite and Fortrose Golf Club Car Park.

7.3 Anticipated Expenditure – It is proposed that a modest property budget of £4,000 be retained to cover any minor property costs incurred. It is proposed to slightly increase the budget to £1,500 for Central Support costs. It is proposed to retain the budget of £1,000 for community grants and £2,000 for special grants – it may be possible to review this budget in subsequent financial years following any potential increase to income. A surplus of £39,800 at year end is estimated, which will be added to reserves.

## 8 Approvals for Common Good Fund Expenditure

8.1 Members will note that different Common Good Funds in Highland have developed their own arrangements for the approval of grants and other expenditure. In the case of FRCGF, in recent years a small annual grants budget has been agreed, and the practice has been to follow a similar methodology to that for Ward Discretionary Budget expenditure, that is: officers approve Common Good Fund grants and expenditure up to £10,000 against the annual budget (agreed at Committee) and in consultation with Ward Members. The arrangements require to be formalised and reviewed as part of the annual budget setting process.

## 9 Issues – Coastal Erosion

9.1 Council Engineers indicated in 2024 that the Gabion baskets could be compromised in terms of their effectiveness and predicted in 2024 that within five years further repair work will likely be needed, noting the challenge of predicting what may be needed regarding coastal erosion.

Designation: Assistant Chief Executive - Place

Date: 12 January 2026

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Jennifer Johnston, Accountant

Background Papers: None

Appendices:	Appendix 1 – 2024/25 Accounts
	Appendix 2 – 2025/26 Period to December 25
	Appendix 3 – 2026/27 Proposed Budget

<b>STATEMENT OF ACCOUNTS 2024-25</b>			
<b>Fortrose Common Good Fund</b>			
<b>Income and Expenditure Account</b>			
		<b>2024/25</b>	<b>2023/24</b>
		<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Staff Costs		1,271	941
Property costs		156	4,106
Administration charges		635	480
Grants and contributions		1,720	-
<b>Total expenditure</b>		<b>3,782</b>	<b>5,527</b>
<u>Income</u>			
Rents		25,941	24,500
Interest and investment income		12,056	8,805
<b>Total income</b>		<b>37,997</b>	<b>33,305</b>
<b>Surplus/(deficit) for the year</b>		<b>34,214</b>	<b>27,779</b>
Revaluation gains/(losses)		262,570	48,000
<b>Total comprehensive income and expenditure</b>		<b>296,784</b>	<b>75,779</b>
<u>Balance Sheet</u>		<b>31/03/2025</b>	<b>31/03/2024</b>
		<b>£</b>	<b>£</b>
<u>Non-current assets</u>			
Investment properties		481,000	219,000
Heritage assets		254,070	253,500
		735,070	472,500
<u>Current assets</u>			
Loans fund deposits		246,140	212,926
Sundry Debtors		1,721	-
		247,861	212,926
<u>Current Liability</u>			
Other Creditors		(720)	-
<b>Total assets</b>		<b>982,211</b>	<b>685,426</b>
Revenue funds		247,141	212,926
Capital funds		481,000	219,000
Revaluation reserve		254,070	253,500
<b>Total reserves</b>		<b>982,211</b>	<b>685,426</b>

**Appendix 2**

**2025/26 Period to December 25**

	<b>Actual</b>	<b>Budget</b>	<b>Estimated Outturn</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Rents	34,008	23,340	39,840	16,500
Interest and investment income	0	2,800	11,200	8,400
<b>Total Income</b>	<b>34,008</b>	<b>26,140</b>	<b>51,040</b>	<b>24,900</b>
<b>Expenditure</b>				
Staff costs	2,434	0	5,434	5,434
Property costs	708	4,000	4,000	0
Central support	0	1,400	1,400	0
Community Grants	0	1,000	1,000	0
Special Grants	0	2,000	2,000	0
<b>Total Expenditure</b>	<b>3,142</b>	<b>8,400</b>	<b>13,834</b>	<b>5,434</b>
<b>Income less Expenditure Surplus (Deficit)</b>	<b>30,866</b>	<b>17,740</b>	<b>37,206</b>	<b>19,466</b>
<b>Revenue reserves 2024/25</b>		<b>247,140</b>		
Estimated outturn for 25/26		37,206		
<b>Estimated revenue reserves 2025/26</b>		<b>284,346</b>		

## Appendix 3

### Proposed Budget 2026/27

	<b>Draft Budget 2026/27</b>
	<b>£</b>
<b>Income</b>	
Rents	40,000
Interest and investment income	9,800
<b>Total Income</b>	<b>49,800</b>
<b>Expenditure</b>	
Staff costs	1,500
Property costs	4,000
Community Grants	1,000
Special Grants	2,000
Central support	1,500
<b>Total Expenditure</b>	<b>10,000</b>
<b>Surplus/(deficit) for year</b>	<b>39,800</b>
<b>Estimated Revenue Reserves 2025/26</b>	<b>284,346</b>
Budget surplus/(deficit) for 26/27	39,800
<b>Forecast year end reserves 2026/27</b>	<b>324,146</b>