
MONITORING REPORT FOR 9 MONTHS TO 31 DECEMBER 2024

Report by Director of Finance

SELKIRK COMMON GOOD FUND SUB-COMMITTEE

13 February 2025

1 PURPOSE AND SUMMARY

- 1.1 This report provides the details of the income and expenditure for the Selkirk Common Good Fund for the nine months to 31 December 2024, a full year projected out-turn for 2024/25 and high level forecast information for the following 2 years.**
- 1.2 Future year forecasts have been provided to support the decision making of the Common Good Committee, allowing anticipated future income and expenditure to be considered, alongside the in-year financial position.
- 1.3 Appendix 1 shows a summary of the total income and expenditure for the Common Good fund, the balance of which creates the cash balance held with SBC. This shows a deficit of £38,539 at 31 December 2024 increasing to a forecast deficit of £75,428 by 31 March 2025.
- 1.4 Appendix 2 provides details of the forecast rental income by property, by year. It shows rent received to 31 December 2024 of £60,087 with a further £2,350 due by 31 March 2025.
- 1.5 Appendix 3 provides forecast property costs by year. It shows actual expenditure of £191,305 to 31 December 2024 with a further £34,600 forecast to be spent by 31 March 2025.
- 1.6 Appendix 4 relates to Property Income and Expenditure and provides a breakdown of the net income /expenditure position by property, both at 31 December 2024 and 31 March 2025. A projected deficit on properties of £163,468 to 31 March 2025 is forecast. Forecasts for future years are also provided.
- 1.7 Appendix 5 provides information on the approved grant budget for 2024/25 with £4,550 still available this financial year.
- 1.8 Appendix 6 shows the value of the Aegon Asset Management Investment Fund at 31 December 2024 and investment income of £9,818 received to 31 December 2024 with a further £2,132 estimated to be received before 31 March 2025.

2 RECOMMENDATIONS

2.1 I recommend that the Common Good Fund Sub-Committee:

- (a) Notes the actual income and expenditure forecast for 2024/25, 2025/26 and 2026/27 within Appendix 1;**
- (b) Notes the summary of the property income, expenditure and net income and expenditure by property in Appendices 2,3 and 4;**
- (c) Notes the grant budget available in year and future years within Appendix 5; and**
- (d) Notes the current position of the Aegon Asset Management Investment Fund in Appendix 6.**

3 BACKGROUND

- 3.1 This report provides the Committee with financial information for the period to 31 December 2024 and projections for financial years 2024/25, 2025/26 and 2026/27.
- 3.2 This report is based on the cash position of the Common Good Fund and therefore does not reflect any year end accounting adjustments which will be made.

4 FINANCIAL POSITION 2024/25

- 4.1 Appendix 1 provides details on all income and expenditure for the 2024/25 financial year. The cash position at 31 December 2024 is a deficit of £38,539 and the projected net position at the year end is an increased deficit of £75,428. This is due to the remainder of payments due relating to the relinquishment on Linglie Farm.

The projected cash balance at 31 March 2026, based on current assumptions, shows a deficit of £34,377, improving to a surplus of £5,389 during 2026/27. The Committee should consider these balances when making decisions relating to future years.

Further detail on the forecast income and expenditure relating to property is included in Appendices 2, 3 and 4.

4.2 Property Income

Rental income for 2024/25 is shown in Appendix 2 which details the annual rental income by individual property. Appendix 2 shows the rent received in the period to 31 December 2024 is £60,087 with £2,350 due to be received in the remainder of the period.

There is a balance of approximately £1,146 of debtors that are over 1 year outstanding and are being managed within SBC debt management processes.

Forecast income for the next 2 financial years is also included based on current rentals. No inflation increase has been assumed at this time.

4.3 Property Expenditure

- (a) The property expenditure for 2024/25 is shown in Appendix 3 which details the actual and anticipated property expenditure by individual property. This shows expenditure of £191,305 in the quarter to 31 December 2024 with £34,600 forecast to be spent during the remainder of the year.
- (b) Forecast spend of £15k has been assumed for both 2025/26 and 2026/27 based on an average of the previous three years spend.

4.4 Income and Expenditure by property

The income and expenditure by property is shown in Appendix 4 for 2024/25, 2025/26 and 2026/27. At 31 March 2025, this report projects that there will be a deficit of £163,468 on the property assets. This is due to the significant expenditure for the relinquishment cost on Linglie Farm.

4.5 Grants & Other Donations

The grants and other donations approved and distributed to 31 December 2024 are shown in Appendix 5. This results in £4,550 remaining available to be allocated in this financial year compared to the original budget of £9,400 which was agreed on 22 May 2024. If the Committee decide to provide grants in excess of the amount budgeted it will negatively impact on the forecast cash balance described in 4.1, or if fewer grants are awarded there will be a positive impact. Also detailed in Appendix 5 are the last three years grants allocations, for information.

4.6 Investment Fund

The details of the Investment Fund is detailed in Appendix 6 and shows income received of £9,818 to 31 December 2024 with an additional £2,132 anticipated before 31 March 2025.

The amount invested is £259,238 and the value of the investment at 31 December 2024 is £242,723 resulting in an unrealised loss of £16,515.

The position at 31 March 2024 was an unrealised loss of £18,427 and so the position has improved.

The Common Good Fund has been charged its portion of the professional fee incurred for the independent review of the suitability of the Investment Fund in the quarter to 31st December 2024. This is not expected to be recurring in the next 2 years.

5 IMPLICATIONS

5.1 Financial

There are no further financial implications other than those explained above in Section 4.

5.2 Risk and Mitigations

There is a risk that investments in the Aegon Asset Management Fund may reduce in value due to market or investment performance. This risk cannot be fully mitigated; however, it is being managed by the selection of a Fund Manager with a clear objective of preserving capital values while aiming to produce returns in line with the benchmark.

5.3 Integrated Impact Assessment

It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals contained in this report.

5.4 Sustainable Development Goals

Whilst there are no economic, social or environmental effects arising from the proposals contained in this report, there are, through the activities reported upon, positive impacts upon the economy through protection of employment, positive impacts upon the quality of community life and improvements in local amenities and nurturing of local talent. The income generated through the use of the investment fund will help to make the Common Good Fund more sustainable in the future.

5.5 Climate Change

There are no effects on climate change arising from the proposals contained in this report.

5.6 Rural Proofing

There are no effects on rural proofing arising from the proposals contained in this report.

5.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to the Scheme of Administration or Scheme of Delegation arising from the proposals contained in this report.

6 CONSULTATION

- 6.1 The Director of Corporate Governance, the Chief Officer Audit and Risk, Director (People Performance & Change) and Communications have been consulted and their appropriate comments have been incorporated into this report.

Approved by

Suzy Douglas
Director of Finance

Author(s)

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Background Papers:

Previous Minute Reference: Selkirk Common Good Committee 27 November 2024

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Selkirk Common Good Fund
Summary of Income and Expenditure as at 31 December 2024

APPENDIX 1

	Actuals to date	Forecast to 31st March	Projected Outturn	Forecast 2025/26	Forecast 2026/27
	£	£	£	£	£
Opening balance at 01.04.24	98,921	(38,539)	98,921	(75,428)	(34,377)
Income Received					
Rental Income	60,087	2,350	62,437	67,831	67,831
Investment Income	9,818	2,132	11,950	11,950	11,950
Interest Income	-	50	50	50	50
Other Income	121	139	260	260	260
Total Income Received	70,026	4,671	74,697	80,091	80,091
Expenses spent					
Property Costs	(21,305)	(6,940)	(27,905)	(15,000)	(15,000)
Property Costs - Linglie	(170,000)	(27,660)	(198,000)	-	-
Grants and other donations	(2,500)	(6,900)	(9,400)	(10,000)	(10,600)
Professional Fees (Isio)	(256)	-	(256)	-	-
Central Support Service Charge	(13,246)	-	(13,246)	(13,740)	(14,425)
Total expenses	(207,307)	(41,500)	(248,807)	(38,740)	(40,025)
Additional Aegon funds allocated from rebate in management fee	(179)	(60)	(239)	(300)	(300)
Projected closing surplus/(deficit)	(38,539)	(75,428)	(75,428)	(34,377)	5,389

SELKIRK COMMON GOOD FUND
PROPERTY PORTFOLIO
RENTAL INCOME as at 31 December 2024

APPENDIX 2

Property	Actuals to date	Forecast to 31st March	Projected Outturn	Forecast 2025/26	Forecast 2026/27
General	£	£	£	£	£
The Green Hut	-	(2,350)	(2,350)	(2,350)	(2,350)
Victoria Park Pavilion Site	(200)	-	(200)	(200)	(200)
Selkirk Golf Course	(10)	-	(10)	-	-
South Common Farm (Farm £9,000 and Shed £500)	(9,500)	-	(9,500)	(9,500)	(9,500)
Smedheugh Farm	(23,500)	-	(23,500)	(23,500)	(23,500)
Selkirk Hill Grazings	(410)	-	(410)	(410)	(410)
Linglie Farm	(4,806)	-	(4,806)	(11,000)	(11,000)
26 Market Place	(4,950)	-	(4,950)	(4,160)	(4,160)
28 Market Place	(6,000)	-	(6,000)	(6,000)	(6,000)
Selkirk Town Hall	-	-	-	-	-
Smedheugh Farm Shootings	(200)	-	(200)	(200)	(200)
Linglie Mast Site	(10,311)	-	(10,311)	(10,311)	(10,311)
South Common Farm Shootings	(200)	-	(200)	(200)	(200)
TOTAL	(60,087)	(2,350)	(62,437)	(67,831)	(67,831)

SELKIRK COMMON GOOD FUND
APPENDIX 3
PROPERTY PORTFOLIO
PROPERTY COSTS as at 31 December 2024

Property	Actuals to date	Forecast to 31st March	Projected Outturn	Forecast 2025/26	Forecast 2026/27
General	£	£	£	£	£
The Green Hut	-	-	-	-	-
Victoria Park Pavilion Site	-	-	-	-	-
Selkirk Golf Course	-	-	-	-	-
South Common Farm	795	3,205	4,000	-	-
Smedheugh Farm	8,738	-	8,738	-	-
Selkirk Hill Grazings	10,650	-	10,650	10,000	10,000
Linglie Farm	170,340	27,660	198,000	-	-
26 Market Place	2,154	-	2,154	-	-
28 Market Place	(1,556)	1,556	-	-	-
Selkirk Town Hall	(80)	80	-	-	-
Smedheugh Farm Shootings	-	-	-	-	-
Linglie Mast Site	-	-	-	-	-
South Common Farm Shootings	-	-	-	-	-
General Expenditure	264	2,099	2,363	5,000	5,000
TOTAL	191,305	34,600	225,905	15,000	15,000

**SELKIRK COMMON GOOD FUND
PROPERTY PORTFOLIO
INCOME & EXPENDITURE BY PROPERTY as at 31 December 2024**

APPENDIX 4

Property	Actuals to date	Forecast to 31st March	Projected Outturn	Forecast 2025/26	Forecast 2026/27
General	£	£	£	£	£
The Green Hut	-	(2,350)	(2,350)	(2,350)	(2,350)
Victoria Park Pavilion Site	(200)	-	(200)	(200)	(200)
Selkirk Golf Course	(10)	-	(10)	-	-
South Common Farm (Farm £9,100 and Shed £500)	(8,705)	3,205	(5,500)	(9,500)	(9,500)
Smedheugh Farm	(14,762)	-	(14,762)	(23,500)	(23,500)
Selkirk Hill Grazings	10,240	-	10,240	9,590	9,590
Linglie Farm	165,534	27,660	193,194	(11,000)	(11,000)
26 Market Place	(2,796)	-	(2,796)	(4,160)	(4,160)
28 Market Place	(7,556)	1,556	(6,000)	(6,000)	(6,000)
Selkirk Town Hall	(80)	80	-	-	-
Smedheugh Farm Shootings	(200)	-	(200)	(200)	(200)
Linglie Mast Site	(10,311)	-	(10,311)	(10,311)	(10,311)
South Common Farm Shootings	(200)	-	(200)	(200)	(200)
General Expenditure	264	2,099	2,363	5,000	5,000
TOTAL (SURPLUS)/DEFICIT ON PROPERTY ASSETS	131,218	32,250	163,468	(52,831)	(52,831)

SELKIRK COMMON GOOD FUND

APPENDIX 5

GRANT BUDGET as at 31 December 2024

	Projected Outturn 2024/25 £	Outturn 2023/24 £	Outturn 2022/23 £	Outturn 2021/22 £
Paid				
Interest Link Borders	2,500	-	2,500	-
Committed?				
<i>Scott's Selkirk/ Green Hut Notional Rent</i>	2,350	2,350	2,350	2,350
Selkirk Silver Band	-	1,848	-	-
Selkirk Musical Theatre Company	-	-	1,500	-
Scott's Selkirk Association	-	-	500	-
Selkirk Means Business	-	-	9,995	-
Selkirk Regeneration Company	-	-	-	7,500
Available for allocation	4,550			
Total Grant budget	9,400	4,198	16,845	9,850

SELKIRK COMMON GOOD FUND
APPENDIX 6
INVESTMENTS EXTERNALLY MANAGED as at 31 December 2024

Investment Income	Actuals to date	Forecast to 31st March	Projected Outturn	Forecast 2025/26	Forecast 2026/27
	£	£	£	£	£
Dividends received	9,818	2,132	11,950	11,960	11,960

Received	£
2023/24	15,471
2022/23	12,359
2021/22	12,255

Investments	Units	Cost of Investments	Value of Investments	Unrealised Gain/(Loss)	Capital return
		£	£	£	%
At 31.12.24	239,088	259,238	242,723	(16,515)	(6.37)
At 31.03.24	238,911	259,058	240,631	(18,427)	(7.11)
At 31.03.23	238,730	258,885	228,274	(30,611)	(11.82)
At 31.03.22	238,425	258,588	259,907	1,319	0.51

At 31.12.24 the Net Asset Value (NAV) quoted for the fund was 1.0152 (31.3.24 1.0072).

The management fee charged for the investment is 0.55% and are implicit in the price of the fund, so calculated daily in the NAV. However, a rebate of 0.10% is received and reinvested in the fund quarterly.