

Committee	<b>Cabinet</b>
Date	<b>3 August 2004</b>
Report By	<b>Deputy Chief Executive and Director of Corporate Resources</b>
Title of Report	<b>Ashdown Forest Trust</b>
Purpose of Report	<b>To inform Cabinet of the movements on the Trust fund during 2003/04 and the closing position at 31 March 2004 and to provide an update in respect of the long-term lease to the Royal Ashdown Golf Club</b>

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## **RECOMMENDATIONS**

The Cabinet is recommended to:

- 1. note the report and the Trust's Income and Expenditure Account and Balance Sheet for 2003/04; and**
  - 2. note the agreed terms of the new long term lease with the Royal Ashdown Forest Golf Club which will be effective from 1 January 2005.**
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### **1. Financial Appraisal**

1.1 The Trust had £180,046 in its General Fund at 31 March 2004. This is available to finance expenditure, which meets the Trust's objectives.

1.2 The increase in annual rent arising from the new long term lease will amount to some £17,000 in a full year from 1 January 2005. This will increase the flexibility available to the Cabinet, as trustees, when considering the Conservators' budget and as part of the County Council's own Reconciling Policy and Resources process.

### **2. Supporting Information**

2.1 The Trust's Income and Expenditure Account and Balance Sheet are set out in the attached Appendix. The Income and Expenditure Account shows a surplus of income over expenditure of £20,480 for the year 2003/04. The main source of income was the rent from the Royal Ashdown Forest Golf Club and the majority of expenditure was the annual grant of £22,800 paid to the Conservators of the Ashdown Forest.

2.2 The accumulated General Fund totalled £180,046 at 31 March 2004. This is available to the Trust for expenditure towards the Trust's objectives.

2.3 A formal annual report and statement of accounts will be compiled in accordance with the Charity Commission's Statement of Recommended Practice (SORP). These accounts will be audited before being submitted to the Charity Commission by 31 January 2005.

2.4 The Golf Club holds a 21 year lease of two golf courses from the Ashdown Forest Trust, which will expire in December 2009. To allow financing for improvements to the facilities the Golf Club wish to enter into a new 99 year lease. In accordance with the terms of the Declaration of Trust permission has been obtained from the Charities Commission for the granting of a 99 year lease. The Conservators of the Forest have agreed that this is the

best option, and it is in accordance with the recommendations of a specialist valuer acting on the Trust's behalf.

2.5 Terms have been agreed with the Royal Ashdown Golf Club which will take effect from 1 January 2005. The rent has been set at £60,000 per annum for the first five years and will increase on 1 January 2010 to £70,000 per annum. A rent review will then take place every five years from 2015 on a market basis. The formalisation of the lease has yet to complete.

### **3. Conclusion and Reasons for Recommendation**

3.1 The Cabinet is recommended to note the final accounts for the Trust and the terms of the new long term lease. Cabinet may wish to consider further the balance of funding provided by the County Council between the Trust contribution and that included within the budget for Transport and Environment.

SEAN NOLAN  
Deputy Chief Executive and Director of Corporate Resources

C3August-AshdownForestTrust

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Local members: Councillors Bagshawe, Reid, Slack and Whetstone

## ASHDOWN FOREST TRUST

## Income and Expenditure Account for the year ended 31 March 2004

	£
<b>Income</b>	
Rent of Golf Course	(43,015)
Bank Interest (Capital Reserve Account)	(3,361)
Total Income	(46,376)
<b>Less Expenditure</b>	
Conservators of Ashdown Forest - Annual Grant	22,800
Conservators of Ashdown Forest - Specific Grants	1,430
Fees	1,666
Total Expenditure	25,896
Surplus of Income over Expenditure	(20,480)

## Balance Sheet as at 31 March 2004

	£	£
Fixed Assets:		
Land and Buildings		1,200,000
Current Assets:		
Debtor	10,750	
Cash at Bank	172,002	
	<u>182,752</u>	
Current Liabilities:		
Sundry creditors	<u>(2,606)</u>	
Net Current Assets		180,146
		<u>1,380,146</u>
Representing:		
Reserves		
Endowment Fund		1,200,100
General Fund		180,046
		<u>1,380,146</u>

