

# **Garff Parish District Commissioners**

## **Statement of accounts**

**For the year ended 31 March 2023**

# Garff Parish District Commissioners

## Year ended 31 March 2023

<i>Contents</i>	<i>Page</i>
Members, Officers and Advisors	3 - 5
Explanatory Foreword	6
Statement of Responsibilities for the Statement of Accounts	7
Certificate of the Tynwald Auditor General	8
Report of the Independent Auditor	9 -12
Statement on Internal Control	13 - 15
Comprehensive Income and Expenditure Statement	16
Statement of Movement on Reserves	17 - 18
Balance Sheet	19
Cash Flow Statement	20
Statement of Accounting Policies	21 -27
Significant Judgements and Estimates	28
Notes to the financial statements	29-38
<i>The following pages do not form part of the audited financial statements</i>	
Detailed Income and Expenditure Account	39-40

# Garff Parish District Commissioners

Year ended 31 March 2023

## Members, Officers and Advisors

### Members Officers and Advisors

#### Introduction

The Commissioners primary objective is to support the Community and ensure the sheading of Garff is a special place to live, work and visit.

The Local Authority's main duties include provision of public services such as domestic refuse collection, street lighting, sheltered housing, gully emptying, weed removal and road sweeping on minor roads, maintenance of public areas, provision of public conveniences and setting and enforcement of bylaws. Garff Commissioners also operate the Laxey Campsite.

#### Members

The Commissioners elected on 22 July 2021 for the 2021/22 year and to date are:

- Mr S Ryzak – Chairman from May 2022
- Mrs M Fargher – Chairman to May 2022, Vice Chair from May 2022
- Ms M Christian
- Mr S Clague
- Ms A Creer
- Mr P Kinnish
- Mrs J Pinson
- Mr J Smith – Vice Chairman to May 2022
- Mr T Kenyon

#### Officers

The Clerk is Mr P M Burgess. The Deputy Clerk/Responsible Finance Officer is Mr M Royle. Cooil Roi Housing Manager is Julie Mattin.

#### Roles and Responsibilities

The responsibilities of the Commissioners include, but are not limited to:

- Public information and advice;
- Tourist information;
- Refuse collection;
- Street-lighting;
- Environmental health;
- Public conveniences;
- Parks, playgrounds and other leisure facilities;
- Control of dogs & associated bylaws;
- Car-parking;
- Street-cleaning;
- Public entertainments;
- Abandoned vehicles;
- Transferred services;
- Setting & enforcement of bylaws

# Garff Parish District Commissioners

Year ended 31 March 2023

## Members, Officers and Advisors - continued

### Roles and Responsibilities - continued

The responsibilities and statutory functions of the Commissioners are administered from the Commissioners' office, based at 35 New Road, Laxey, Isle of Man, IM4 7BG.

The work of the Commissioners is administered by the Clerk and Deputy Clerk within the Commissioners' office, assisted by an administration assistant, two Amenities Maintenance Operatives and a Campsite Warden.

The specific operations relating to the Sheltered Housing are administered by the Manager of the Cooil Roi Sheltered Housing Complex and four other staff.

The Commissioners appoint a Chairman and Vice Chairman for each municipal year which runs from 1<sup>st</sup> May to 30<sup>th</sup> April. The work of the Commissioners is carried out within four areas:

#### **Works**

Refuse collection, street lighting, control of public conveniences, maintenance relating to public amenities and administer relevant legislation relating to properties in disrepair or in a dangerous condition.

#### **Recreation and Entertainment**

Recreational facilities, amenity areas, children's play areas, advertising, promotional matters and specific events. The Commissioners also own and operate a camp site in Laxey.

#### **Finance**

Preparation of the budget, rent, rates, salaries and wages, income and expenditure and the acquisition, disposal and leasing of property and assets. The Commissioners generate the majority of their income to carry out the various functions through a rates charge. Additional income is generated through the letting of commercial properties owned by the Commissioners and income from the Campsite.

#### **Cooil Roi Sheltered Housing Complex**

Provision of sheltered accommodation for elderly residents, financed by rents received from the tenants and deficiency payments from Treasury.

### Advisors

#### **Accountants**

Suntera Accounting & Tax  
Limited  
Peveril Buildings  
Peveril Square, Douglas  
Isle of Man,  
IM99 1RZ

#### **Auditor**

Crowe Isle of Man  
Audit LLC  
Victory House  
Prospect Hill  
Douglas  
IM1 1EQ

#### **Internal Auditor**

Moore Stephens  
PO Box 25,  
26-28 Athol Street  
Douglas,  
Isle of Man  
IM99 1BD

# Garff Parish District Commissioners

Year ended 31 March 2023

## Explanatory Foreword

### Board's objectives

The Commissioners primary objective is to support the Community and ensure the sheading of Garff is a special place to live, work and visit.

The Local Authority aims to deliver a range of services including those set out in the 'Roles and Responsibilities' section above. Garff Commissioners own and operate Laxey Campsite and lease several buildings from which private businesses are operated.

The Commissioners work with neighbouring Authorities in the East and North of the island to provide the Eastern and Northern Civic Amenity Sites, Northern Swimming Pool, and Northern Sheltered Housing.

### Overall financial performance and results for the year

The financial performance was in line with budget expectations, overall general revenue reserve reporting a deficit of £38,177 (2022 surplus: £1,118). In both years, the Commissioners spent a significant sum on fixed asset additions from Revenue, £46,743 in the current year and £30,970 in the year ended 31 March 2022.

### Finances

As at 31 March 2023, the Authority has General Revenue reserves of £328,436 (2022: £366,613). For the year ended 31 March 2023, the Authority required deficiency funding of £136,388 (2022: £ 111,877) in respect of the provision of sheltered housing at the Cooil Roi Complex, in accordance with Isle of Man Government deficiency estimates.

### Significant achievements

During the year the Commissioners participated in preparations for the opening of the new Eastern Civic Amenity Site facility at Middle Park in Braddan.

The Commissioners put on a range of public entertainment on during the year including a Brass Band Festival, and provided to support to other community events, including Laxey Fair, the Great Laxey Duck Day Race Festival, and Maughold Parish Day.

The new Laxey Skate Park achieved planning permission and a tender process took place allowing the skatepark to be constructed in the summer of 2023.

Officers continued to spend a considerable amount of time liaising with the Department of Infrastructure regarding ongoing flood works in and around the village of Laxey.

The Commissioners are currently in preliminary negotiations with a developer and government in regard to the provision of a new sheltered housing complex incorporating new offices for the Local Authority.

Scheduled maintenance works at Cooil Roi resumed following delays due to the pandemic. The authority continued to integrate the Health and Safety policy across its various functions.

The Authority raised its rates for year end 2024 by 10.5%, The fixed refuse charge was increased to reflect increase in charges at the Energy from Waste Plant and Refuse Contract.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Explanatory Foreword - continued

### **Issues likely to shape future performance**

The Board remains concerned about the ongoing inflationary and interest rate pressures being put on the Authority's finances. The situation is closely monitored to ensure minimal effect on the financial position of the Authority and its delivery of services and new facilities, etc.

The skate park is being funded through the Government loan facility; the consequent loan repayments have been included in the budgets for Year End 2024.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Statement of Responsibilities for the Statement of Accounts

### **The Board's responsibilities**

The Board is required to:

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs through the appointment of a Responsible Financial Officer;
- manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

### **The Responsible Financial Officer's responsibilities**


The Responsible Financial Officer is responsible for the preparation of the Board's Statement of Accounts.

In preparing this Statement of Accounts, the Responsible Financial Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;

The Responsible Financial Officer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

(Signed)  \_\_\_\_\_

(Responsible Finance Officer)

(Dated) 16th January 2024

# Garff Parish District Commissioners

Year ended 31 March 2023

## Certificate of the Tynwald Auditor General

In accordance with section 3(1) of the Audit Act 2006 I have appointed Crowe Isle of Man Audit LLC to audit the accounts of Garff Parish District Commissioners for the year ended 31 March 2023.

In accordance with section 3(1A) of the Audit Act 2006 I have undertaken the following procedures to satisfy myself as to the adequacy of the work undertaken by the appointed auditor:

- reviewed the draft and any revised statement of accounts;
- reviewed the draft audit strategy document prepared by the appointed auditor;
- reviewed the draft report to those charged with governance prepared by the appointed auditor;
- reviewed the proposed independent auditor's report prepared by the appointed auditor;
- provided feedback to the appointed auditor as appropriate; and
- considered the responses of the appointed auditor to feedback provided.



Stephen Warren  
Tynwald Auditor General/ Ard Scruteyder Tinvaal  
6 Finch Road  
Douglas  
Isle of Man  
IM1 3PW

Date 18/01/24



# Garff Parish District Commissioners

Year ended 31 March 2023

## Independent Auditor's Report to the Members of Garff Parish District Commissioners

### Opinion

We have audited the statement of accounts of Garff Parish District Commissioners ("authority") for the year ended 31 March 2023 which comprise the comprehensive income and expenditure statement, the statement of movement on reserves, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### In our opinion, the statement of accounts:

- give a true and fair view of the state of the Authority's affairs as at 31 March 2023 and of its total comprehensive income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Accounts and Audit Regulations 2018 with key consideration of Regulation 10(2) and the relevant provisions of the Audit Act 2006; and
- comply with the requirements of any other statutory provision applicable to them.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the statement of accounts section of our report. We are independent of the authority in accordance with the ethical requirements that are relevant to our audit of the statement of accounts in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Authority with respect to going concern are described in the relevant sections of this report.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Independent Auditor's Report to the Members of Garff Parish District Commissioners - Continued

### **Other information**

The Commissioners are responsible for the other information. The other information comprises the information included in this report, other than the statement of accounts and our auditor's report thereon. Our opinion on the statement of accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the statement of accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the statement of accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the statement of accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where Section 4 of the Audit Act 2006 requires us to report to you if, in our opinion:

- any transaction effected by or on accounts of the authority is or will be contrary to law; or
- the internal organisation of the authority and the controls maintained by it are not sufficient as to secure proper management of the finances of the local authority and economy and efficiency in the use of its resources.

### **Responsibilities of Responsible Financial Officer**

As explained more fully in the Responsible Financial Officer's responsibilities statement set out on page 7, the Responsible Financial Officer is responsible for the preparation of the statement of account and for being satisfied that they give a true and fair view, and for such internal control as the Responsible Financial Officer determines is necessary to enable the preparation of statement of accounts that are free from material misstatement, whether due to fraud or error.

In preparing statement of accounts, the Responsible Financial Officer is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the authority intends to cease operations or have no realistic alternative but to do so.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Independent Auditor's Report to the Members of Garff Parish District Commissioners - Continued

### **Auditor's responsibilities for the audit of the statement of accounts**

Our objectives are to obtain reasonable assurance about whether the statement of accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these statement of accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We considered the opportunities for non-compliance with the key laws and regulations affecting the Authority. We identified the Audit Act 2006 and the Accounts and Audit Regulations 2018 as the primary pieces of legislation and regulation affecting the entity. We reviewed the legislation to conclude whether there has been any activity in the Scheme which is required to be disclosed under this legislation.
- We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, management override in the manipulation of financial information and bias in the use of estimates. We discussed these risks with the Authority's administrators and designed audit procedures to mitigate the risks identified. These included tests on the recognition of revenue, testing a sample of journals to confirm they were appropriate for the transactions noted in the year and reviewing the design and implementation of the controls in significant financial systems.

A further description of our responsibilities for the audit of the statement of accounts is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

When auditing the financial statements, we have followed the requirements of the Audit Act 2006 with key consideration of Sections 4(2) and 4(3). These responsibilities include consideration of whether:

- the payment or application of money or other property held or received by or on account of the Authority; or
- a transaction effected by or on account of the Authority is or will be contrary to law.

In auditing the accounts, we are also required to consider whether the internal organisation of the Authority and the internal controls maintained by it, are such as to secure the proper management of the finances of the Authority and economy and efficiency in the use of its resources.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Independent Auditor's Report to the Members of Garff Parish District Commissioners - Continued

### Use of our report

This report is made solely to the authority's members, as a body, in accordance with Section 6 of the Audit Act 2006. Our audit work has been undertaken so that we might state to the authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the authority and the authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe Isle of Man Audit LLC

### **Crowe Isle of Man Audit LLC**

#### **Chartered Accountants**

6<sup>th</sup> Floor, Victory House

Prospect Hill,

Douglas

Isle of Man,

IM1 1EQ

**Date** 18<sup>th</sup> January 2024

# Garff Parish District Commissioners

Year ended 31 March 2023

## Statement of Internal Control

### Introduction

Regulation 6 of the Accounts and Audit Regulations 2018 requires the Board to conduct a review at least once a year of the effectiveness of its systems of internal control and include a statement on internal control within the Board's statement of accounts.

This statement is made by the Garff Parish District Commissioners to the Isle of Man Government Treasury in accordance with the requirements of the Isle of Man Government's Corporate Governance Principles and Code of Conduct ("the Code").

### Responsibilities of the Board and the Responsible Financial Officer

The Board controls strategy, policy and key financial and operational matters within the organisation. In addition, it is the Board's responsibility to ensure that the work of the Responsible Financial Officer and other senior officers supports the strategy and policy approved by the Board.

The Board is responsible for implementing and maintaining systems of internal control and corporate governance which:

- ensure compliance with legislation and other regulations;
- safeguard public money, ensure that it is properly accounted for and that it is used economically, efficiently and effectively; and
- support the achievement of the strategy, policies, aims and objectives approved by the Board.

In discharging this responsibility, the Board works with senior officers to put in place arrangements for the governance of the Board's affairs and the stewardship of resources, in accordance with the Code.

### Internal control and corporate governance environment

The Authority's systems of internal control and corporate governance have been developed through an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The following are considered to be key aspects of the internal control and corporate governance environment:

- ***Board's corporate governance framework***  
A corporate governance framework has been developed which documents the Board's policies and procedures in relation to community focus, performance management, internal control, risk management, delegated Board, human resources management, standards of conduct and management of Health & Safety and the environment. The framework provides a structure for documenting the legislation, regulations, policies, procedures and other internal controls which, when taken together, form the Board's internal control and corporate governance environment.
- ***Board meetings***  
The Board meets monthly and consists of a Chairman and 8 other Board members. The Board receive reports from the Board's Officers on operational matters and ensure that the work of the Responsible Financial Officer and other senior officers supports the strategy and policy approved by the Board.

# Garff Parish District Commissioners

## Year ended 31 March 2023

### Statement of Internal Control (continued)

#### **Review of internal control and corporate governance environment**

The effectiveness of the Board's internal control and corporate governance arrangements is continuously assessed by the work of management and the Board.

Further evidence as to the effectiveness of internal controls and corporate governance arrangements is provided by reports issued during the year by the external and internal auditors.

#### **Report on internal control and corporate governance environment**

Attention is drawn to the fact that systems of internal control and corporate governance are designed to manage rather than eliminate the risk of failure to achieve objectives. They can therefore only provide reasonable and not absolute assurance. Accordingly, reasonable assurance is given that the Board's internal control and corporate governance arrangements are adequate and operate effectively during the period ended 31 March 2023.

The system on internal financial control is based on a framework of regular management information, financial regulations. Administrative procedures/ (including segregation of duties), management supervision and a system of delegation and accountability. Development and maintenance of the system is undertaken by managers within the Authority in particular, the system includes:

- Budgeting systems;
- Regular reviews of periodic and annual financial reports which indicate financial performance against budget forecasts;
- The preparation of monthly financial reports which indicate actual expenditure against forecasts;
- Clearly defined capital expenditure; and
- As appropriate, formal project management disciplines.

In addition to the above we have in place a system of internal audit. The internal audit services provided in this accounting period are:

- An advisory review was undertaken by Moore Stephens.
- The scope of the work was determined through an initial assessment of the objectives of the area under review, the risk to the achievement of those objectives and the control that would be expected to mitigate the risks. The review considered the following areas:
  - Operational controls regarding bookkeeping;
  - Payroll procedures;
  - VAT return procedures; and
  - A review of prior year recommendations.
- A formal report was received and considered by the Board.
- The internal Audit report provided the Board with an independent opinion on the adequacy and effectiveness of the systems.

# Garff Parish District Commissioners

Year ended 31 March 2023

## Statement of Internal Control (continued)

### Report on internal control and corporate governance environment

Our review of the effectiveness of the system of internal financial control is informed by:

- The work of managers within the Authority
- The work of the internal auditors as described above; and
- The external auditor in their annual audit letter and other reports.

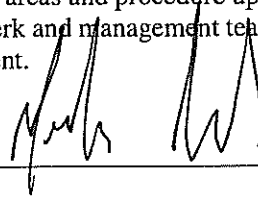
Nine significant findings were identified by this process with recommendations for improvement. These related to lack of defined process or criteria in some areas and procedure updates to introduce supplementary checks and changes to procedures. The Clerk and management team will take action in due course to correct the areas identified for improvement.

(Signed) \_\_\_\_\_



(Chairman)

(Signed) \_\_\_\_\_



(Responsible Finance Officer)

(Dated) \_\_\_\_\_

16th January 2024

Garff Parish District Commissioners  
Year ended 31 March 2023

Comprehensive Income and Expenditure Statement

Statement of net expenditure	Notes	Gross Expenditure £	Income £	2022/23 Net Expenditure £	2021/22 Net Expenditure £
<b>Continuing operations:</b>					
Finance and general purposes		230,649	17,045	213,604	198,000
Property		13,431	21,373	(7,942)	(19,296)
Works and development		29,705	-	29,705	24,035
Parks and leisure		213,514	44,630	168,884	142,356
Refuse disposal		383,658	-	383,658	372,383
Swimming Pool contributions		2,596	-	2,596	1,700
Depreciation charge for the period		41,706	-	41,706	39,307
Net current service cost of pension scheme		22,000	-	22,000	20,000
<b>Net cost of General Fund services</b>		<b>937,259</b>	<b>83,048</b>	<b>854,211</b>	<b>778,485</b>
Housing services		302,149	192,167	109,982	78,475
Deficiency receivable		-	136,388	(136,388)	(111,877)
<b>Net cost of services</b>		<b>1,239,408</b>	<b>411,603</b>	<b>(827,805)</b>	<b>(745,083)</b>
Rates income	6			803,320	755,196
Interest payable and finance charges				(37,846)	(23,464)
Net pension interest cost	15			(3,000)	(3,000)
<b>Deficit on provision of services</b>				<b>(65,331)</b>	<b>(16,351)</b>
<b>Other Comprehensive Income and Expenditure</b>					
Remeasurement of net pension liability	15			162,000	40,000
Revaluation adjustment				914,451	-
<b>Total comprehensive income and expenditure</b>				<b>1,011,120</b>	<b>23,649</b>



## Garff Parish District Commissioners

### Statement of Movement on Reserves for the year ended 31 March 2023

	General revenue reserve £	Capital receipts reserve £	Capital adjustment account £	Revaluation reserve £	Pensions reserve £	Heating reserve £	Community Areas reserve £	Housing maintenance reserve £
<b>Total comprehensive income and expenditure</b>	(65,331)	-	-	914,451	162,000	-	-	-
Depreciation and impairment of fixed assets	41,706	-	(64,397)	(18,582)	-	-	-	41,273
Net charges made for retirement benefits	25,000	-	-	-	(25,000)	-	-	-
Loan fund principal repayments	(2,559)	-	52,529	-	-	-	-	(49,970)
Fixed assets financed from General Fund	(46,743)	-	46,743	-	-	-	-	-
Transfer to/from Heating Reserve Account	-	-	-	-	-	(16,759)	-	16,759
Transfer to/from Community Reserve Account	-	-	-	-	-	-	4,667	(4,667)
Transfer to/from Housing Maintenance Reserve Account	9,750	-	-	-	-	-	-	(9,750)
Transfer between reserves	-	-	157,159	(157,159)	-	-	-	-
	<u>(38,177)</u>	<u>-</u>	<u>192,034</u>	<u>738,710</u>	<u>137,000</u>	<u>(16,759)</u>	<u>4,667</u>	<u>(6,355)</u>
Balance brought forward	366,613	22,504	1,227,747	1,466,027	(151,000)	14,613	14,241	(6,235)
<b>Balance carried forward</b>	<u>328,436</u>	<u>22,504</u>	<u>1,419,781</u>	<u>2,204,737</u>	<u>(14,000)</u>	<u>(2,146)</u>	<u>18,908</u>	<u>(12,590)</u>

## Garff Parish District Commissioners

### Statement of Movement on Reserves

for the year ended 31 March 2022

	General revenue reserve £	Capital receipts reserve £	Capital adjustment account £	Revaluation reserve £	Pensions reserve £	Heating reserve £	Community areas reserve £	Housing maintenance reserve £
<b>Total comprehensive income and expenditure</b>	(16,351)	-	-	-	40,000	-	-	-
Depreciation and impairment of fixed assets	39,307	-	(61,256)	(18,582)	-	-	-	40,531
Net charges made for retirement benefits	23,000	-	-	-	(23,000)	-	-	-
Loan fund principal repayments	(3,413)	-	56,759	-	-	-	-	(53,346)
Fixed assets financed from General Fund	(30,970)	-	51,323	-	-	-	-	(20,353)
Transfer to/from Heating Reserve Account	-	-	-	-	-	(9,594)	-	9,594
Transfer to/from Community Reserve Account	-	-	-	-	-	-	5,464	(5,464)
Transfer to/from Housing Maintenance Reserve Account	(10,455)	-	-	-	-	-	-	10,455
	<u>1,118</u>	<u>-</u>	<u>46,826</u>	<u>(18,582)</u>	<u>17,000</u>	<u>(9,594)</u>	<u>5,464</u>	<u>(18,583)</u>
<b>Balance brought forward</b>	<b>365,495</b>	<b>22,504</b>	<b>1,180,921</b>	<b>1,484,609</b>	<b>(168,000)</b>	<b>24,207</b>	<b>8,777</b>	<b>12,348</b>
<b>Balance carried forward</b>	<b>366,613</b>	<b>22,504</b>	<b>1,227,747</b>	<b>1,466,027</b>	<b>(151,000)</b>	<b>14,613</b>	<b>14,241</b>	<b>(6,235)</b>

# Garff Parish District Commissioners

## Balance Sheet

as at 31 March 2023

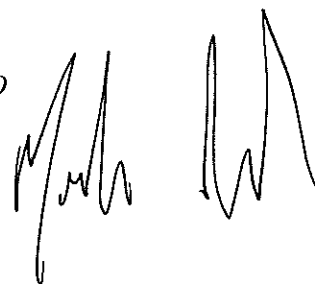
	Notes	31 March 2023 £	31 March 2022 £
Fixed Assets			
Tangible fixed assets	1	4,662,616	3,675,124
Current assets			
Debtors	3	107,772	97,571
Cash at bank		247,951	294,586
		<u>355,723</u>	<u>392,157</u>
Current liabilities			
Creditors	4	(114,546)	(94,355)
Bank Loans	5	(42,451)	(47,183)
Isle of Man Government loan	5	(9,128)	(9,128)
		<u>(166,125)</u>	<u>(150,666)</u>
Net current assets		189,598	241,491
Long term liabilities			
Pension liabilities	15	(14,000)	(151,000)
Bank Loans	5	(735,174)	(664,567)
Isle of Man Government loan	5	(137,410)	(146,538)
		<u>(986,584)</u>	<u>(962,105)</u>
		<u><u>3,965,630</u></u>	<u><u>2,954,510</u></u>
Financed by:			
Capital adjustment account		1,419,781	1,227,747
Capital receipts reserve		22,504	22,504
Revaluation reserve		2,204,737	1,466,027
Pension reserve		(14,000)	(151,000)
General revenue reserve		328,436	366,613
Community areas reserve		18,908	14,241
Heating reserve		(2,146)	14,613
Housing maintenance reserve		(12,590)	(6,235)
		<u>3,965,630</u>	<u>2,954,510</u>

The financial statements were approved by the Board on 16/11/24 and were signed on their behalf by:

Chairman



RFO



# Garff Parish District Commissioners

## Cash Flow Statement

for the year ended 31 March 2023

	<i>Notes</i>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Net surplus on provision of services		<b>1,011,120</b>	23,649
Adjustments to net surplus on provision of services for non-cash movements	10	<b>(982,399)</b>	18,266
Adjustments for items included in net surplus on provision of services that are investing and financing activities		<b>19,332</b>	5,173
Net cash flows from Operating Activities		<b>48,053</b>	47,088
Net cash flows from Investing Activities	11	<b>(132,103)</b>	(51,322)
Net cash flows from Financing Activities	12	<b>37,415</b>	(61,932)
Net decrease in cash and cash equivalents		<b>(46,635)</b>	(66,166)
Cash & cash equivalents at the beginning of the reporting period		<b>294,586</b>	360,752
Cash & cash equivalents at the end of the reporting period		<b>247,951</b>	294,586

# Garff Parish District Commissioners

## Statement of Accounting Policies

*for the year ended 31 March 2023*

### **1. Basis of preparation**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Audit Act 2006 and the Accounts and Audit Regulations 2018. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain land and buildings as specified in the accounting policies below.

The financial statements are presented in Sterling (£) to the nearest £.

### **2. Going concern**

After reviewing the budget of the Authority, the board have a reasonable expectation that the Authority has adequate resources including the continuation of support from Central Government, to continue in operational existence for the foreseeable future.

### **3. Income**

#### **(a) Rates receivable**

Rates income for the year credited to the Comprehensive Income and Expenditure Statement is the accrued income for the year, adjusted for discounts, exempt and uninhabitable properties.

#### **(b) Rentals and other income**

Rent revenue and other income is measured at fair value of the consideration received or receivable and represents the amount receivable for the services rendered.

#### **(c) Housing deficiency**

Housing deficiency is accounted for on an accruals basis and represents amounts due for the period in respect of the shortfall in housing income over housing expenditure in the year.

### **4. Accruals of income and expenditure**

The accounts of the board are maintained on an accruals basis: activity is accounted for in the year that it takes place not simply when cash payments are made or received.

### **5. Value Added Tax**

Value Added Tax is included in income and expenditure accounts, whether of a capital or revenue nature, only to the extent that it is irrecoverable.

# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

*for the year ended 31 March 2023*

### **6. Tangible fixed assets**

Tangible fixed assets have physical substance and are held by the board for the provision of services or for administrative purposes on a continuing basis.

#### **(a) Recognition**

Expenditure on the acquisition or creation of tangible fixed assets and subsequent expenditure that adds to, replaces part of, or services tangible fixed assets, is capitalised on an accruals basis where:

- It is probable that the future economic benefits or service potential associated with the asset will flow to the board, and
- The cost can be measured reliably.

Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (e.g. repairs and maintenance) is charged as an expense to the relevant service when it is incurred.

#### **(b) Measurement (Valuation Bases)**

All assets are initially measured at cost. The initial cost includes all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Borrowing costs are not capitalised.

Subsequent to initial recognition, assets are then carried on the Balance Sheet using the following measurement bases:

- Assets under construction – historic cost
- Social Housing and all other tangible fixed assets are measured at current value which is determined as the amount that would be paid for the asset in its existing use (“existing use value” – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate.

For non-property assets that have short useful lives or low values (or both) depreciated historical cost basis is used as a proxy for current value.

#### **(c) Revaluation**

A class of assets included in the Balance Sheet at current value (fair value for Surplus assets) may be revalued on a rolling basis provided revaluation of the class of assets is completed within five years.

The valuations are undertaken with sufficient regularity to ensure that their carrying amount is not materially different from current value (fair value for Surplus assets). All valuations are undertaken by a qualified valuer, using a professional valuer contracted to the board.

# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

*for the year ended 31 March 2023*

### **6. Tangible fixed assets - continued**

#### **(c) Revaluation - continued**

Short-life assets, such as vehicles and computer equipment are not revalued but are measured at depreciated historic cost as a proxy for fair value.

Increases in valuation are matched by credits to the Revaluation Reserve to recognise unrealised gains. When assets are subject to revaluation losses they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

#### **(d) Impairment**

Assets are subject to an annual impairment review at the end of each financial year for evidence of reductions in value. Where indications exist and the reduction is material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

for the year ended 31 March 2023

### 6. Tangible fixed assets - continued

#### (e) Depreciation

Depreciation is provided for on all Tangible Fixed Assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (e.g. freehold land and community assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on a straight-line basis by allocating the cost (or re-valued amount) of the asset over the number of years that the asset is expected to be of useful benefit as follows:

Operational assets:

Land	Not depreciated
Freehold buildings	50 years
Street lighting	15 years
Vehicles, plant and equipment	Between 4 and 15 years

The useful life of an asset is estimated on a realistic basis and is regularly reviewed as part of the revaluation process. Where the useful life of a fixed asset is revised, depreciation is charged over the revised life of the asset.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Where an item has major components whose cost is significant in relation to the total cost of the asset, the components are depreciated separately.

#### (f) Disposals

Income from the disposal of fixed assets is accounted for on an accruals basis. Capital receipts are held in the Usable Capital Receipts Reserve until such time as they are used to finance other capital expenditure, when they are credited to the Capital Adjustment Account.

### 7. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the board's cash management.



# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

*for the year ended 31 March 2023*

### **8. Government Grants and Contributions**

Government grants and other third party contributions / donations are accounted for on an accruals basis and recognised when the conditions attached to the payments have been met and there is reasonable assurance that they will be received.

#### **(a) Revenue Grants**

Amounts due to the board are credited to the Comprehensive Income and Expenditure Statement when the conditions attached to the grants or contributions are satisfied. Amounts advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line or non-specific Grant Income.

#### **(b) Capital Grants**

Amounts due as capital grants and contributions are credited to the Comprehensive Income and Expenditure Statement when the conditions attached to their receipt are satisfied. Amounts advanced for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the Comprehensive Income and Expenditure Statement.

Donations and grants toward the cost of capital assets are credited to deferred income, and released over the life of the asset to match the depreciation of the asset to which it relates.

#### **(c) Housing Deficiency**

Housing deficiency is accounted for on an accruals basis and represents an amount due in respect of the shortfall of housing income over housing expenditure in the year in accordance with the housing deficiency scheme operated by the Department of Infrastructure.

### **9. Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### **10. Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

*for the year ended 31 March 2023*

### **11. Employee benefits**

The board provides a range of benefits to employees, including paid holiday arrangements and a defined benefit pension plan.

#### **(a) Short term benefits**

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

#### **(b) Defined benefit pension plan**

The board participates in the Local Government Superannuation Scheme administered by Douglas Borough Council in accordance with the Isle of Man Local Government Superannuation Scheme Regulations. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration.

The board and its employees pay contributions into the scheme and these contributions are calculated at a level intended to balance the pensions liabilities with investment assets. The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the board's defined benefit obligation at the end of the reporting date less the fair value of the plan assets attributable to the board's members at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the administering board engages independent actuaries to calculate the obligation of the board. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Comprehensive Income and Expenditure Statement. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net pension liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- the increase in pension benefit liability arising from employee service during the period; and
- the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'Finance expense'.

# Garff Parish District Commissioners

## Statement of Accounting Policies (Continued)

*for the year ended 31 March 2023*

### 12. Provisions

Provisions are made for any liability of uncertain timing where there is a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation.

Provisions are charged to the Comprehensive Income and Expenditure Statement in the year that the obligation arises and are based on the best estimate of the amount that is likely to settle the obligation.

### 13. Reserves

Reserves include earmarked reserves set aside for specific policy purposes and balances which represent resources set aside for purposes such as general contingencies and cash flow management. The Board maintains the following significant reserves:

**General Revenue Reserve:** set up to act as a buffer against the potential risks of increased expenditure to be charged to future years' Accounts and to assist in organisational development.

**Housing Maintenance Reserve:** set up to hold surplus monies received from annual housing repairs allowance less expenditure incurred.

**Heating Reserve:** set up to hold surplus monies of income from heating charges over heating expenses.

**Community Areas Reserve:** set up to hold surplus monies from the annual administration allowance over community area expenses incurred.

**Capital Receipts Reserve:** these are amounts of capital monies received to be used to finance future capital expenditure.

The following accounts have been established in accordance with the capital accounting provisions. They are not fully backed by cash, nor generally available to finance expenditure.

**Revaluation Reserve:** representing principally the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets.

**Capital Adjustment Account:** amounts set aside from capital receipts or revenue resources to finance expenditure on fixed assets or for the repayment of external loans and certain other capital financing transactions.

**Pensions reserve:** The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding those benefits.

# Garff Parish District Commissioners

## Significant Judgements and Estimates

*for the year ended 31 March 2023*

### **(a) Judgements**

In applying the accounting policies set out above the board has had to make assumptions and form judgements about transactions which are complex in nature and where there is uncertainty about future events. The critical judgements made in the Statement of Accounts are as follows:

- The board operates a rolling 5 year revaluation programme for assets held on the Balance Sheet at revalued amount. This means that not all assets are revalued formally every year. However a desktop review is undertaken of the assets that were not formally revalued during the year, taking into account factors such as changes to building cost indices since the asset's last revaluation and the impact of revaluations in year for similar assets. As a result it is judged that the potential difference in value that would result from formal revaluation is not material in the context of the overall carrying value of the assets, and therefore the risk of material misstatement to the Balance Sheet is low.
- Property, Plant and Equipment assets are judged to be held for their service potential rather than future resale value and therefore the board does not allocate residual values to assets when calculating depreciation. This could lead to the potential overstatement of depreciation and the understatement of asset carrying values in the Balance Sheet. The calculation of depreciation, however, does not affect the amount to be collected from Government in terms of deficiency.
- The board has judged that amounts held on deposit or invested for periods of less than three months are sufficiently liquid as to be classed as cash equivalents. Judgement is also required as to whether the primary purpose of holding such investments is for meeting short term cash commitments (in which case the investment is classified as a cash equivalent) or for investment return (in which case the investment remains classified as a short term investment).

### **(b) Estimates**

The board is required to disclose those estimates and assumptions which it has made in the preparation of its accounts for which there is the potential for a material adjustment within the next financial year.

- Pension Liability - The estimation of the net pension liability depends on a number of complex and inter-related actuarial assumptions and judgements, i.e. the rate of inflation, rate of increase in salaries, age of retirement, rate of increase in pensions, mortality rates and expected returns on pension fund assets. A firm of actuaries is engaged to provide expert advice about the assumptions to be applied. As a result there is inevitably some uncertainty concerning the value of the net pension liability in the financial statements. Changes in the assumptions can give rise to major changes in the liability within the year and across years, i.e. actuarial gains and losses.

# Garff Parish District Commissioners

## Notes to the financial statements for the year ended 31 March 2023

### 1. Tangible fixed assets

	Land and Buildings £	Social housing Land and buildings £	Street lighting £	Vehicles, Plant & Equipment £	Total £
<b>Cost/valuation</b>					
At 1 April 2022	1,419,196	2,284,857	178,655	459,832	4,342,540
Additions in the period	138,999	-	6,918	10,101	156,018
Revaluation	129,240	535,143	-	-	664,383
<b>At 31 March 2023</b>	<b>1,687,435</b>	<b>2,820,000</b>	<b>185,573</b>	<b>469,933</b>	<b>5,162,941</b>
<b>Depreciation</b>					
At 1 April 2022	51,937	145,840	96,385	373,254	667,416
Charge for the period	15,089	37,203	7,415	23,271	82,978
Revaluation	(67,026)	(183,043)	-	-	(250,069)
<b>At 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>103,800</b>	<b>396,525</b>	<b>500,325</b>
<b>Net book value</b>					
At 31 March 2023	1,687,435	2,820,000	81,773	73,408	4,662,616
At 31 March 2022	1,367,259	2,139,017	82,270	86,578	3,675,124

### Valuation of fixed assets

The Authority plans to fully revalue its fixed assets every five years. The land and buildings of the combined authority were revalued at 31 March 2023 by Chrystals Estate Agents, who are authorised and regulated by the Royal Institute of Chartered Surveyors.

### Historic cost of assets

Many of the assets owned by the Authority have been owned for many decades. As no records are available to determine the historic cost of assets back to time of acquisition, no disclosure has been possible.

# Garff Parish District Commissioners

## Notes to the financial statements (Continued) for the year ended 31 March 2023

### 2. Assets Held

Operational assets	Number at 1 April 2022	Changes 2022/23	Number at 31 March 2023
<b>Other Land and Buildings</b>			
Depots	1	-	1
Public conveniences	6	-	6
Public offices	1	-	1
Recreation properties	1	-	1
<b>Vehicles, plant and equipment</b>			
Vehicles	2	-	2
Tennis courts	1	-	1
<b>Community Assets</b>			
Historic properties	1	-	1
Parks and open spaces	14	-	14
<b>Commercial properties</b>			
Retail properties	1	-	1
Miscellaneous properties	3	-	3
<b>Sheltered accommodation (restated)</b>			
Dwellings	34	-	34
	1	-	1

### 3. Debtors: amounts falling due within one year

	2023 £	2022 £
Amounts falling due in one year (net of bad debt provisions):		
Amounts due from Isle of Man Government	43,658	44,476
Trade and sundry debtors	3,798	1,041
Commercial and social housing rents	5,158	6,633
Value added tax	40,052	26,682
Prepayments	3,151	6,201
Rates debtors	11,955	12,538
	<u>107,772</u>	<u>97,571</u>

Debtor balances are shown net of provisions for bad or doubtful debts as follows:

	2023 £	2022 £
Ratepayers	46,703	44,855
Rents	4,186	4,186

# Garff Parish District Commissioners

## Notes to the financial statements (Continued) for the year ended 31 March 2023

### 4. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Central government	22,531	36,518
Trade creditors and accruals	92,015	57,837
	<u>114,546</u>	<u>94,355</u>

### 5. Long term borrowing

Loans outstanding may be analysed as follows:

	2023	2022
	£	£
Falling due within one year:		
Isle of Man Government Loan	9,128	9,128
Commercial loans	42,451	47,183
	<u>51,579</u>	<u>56,311</u>
Falling due after more than one year:		
Isle of Man Government Loan	137,410	146,538
Commercial loans	735,174	664,567
	<u>872,584</u>	<u>811,105</u>

#### Isle of Man Government Loan

The authority has taken out Isle of Man Government borrowings to fund previous long term capital projects. Each of these loans are unsecured, repayable between 10 and 60 years and are fixed term loans. The interest charged on these loans is charged at rates between 7% and 11%. The rate on one of the loans is fixed at 11%, the remainder are variable. Interest on certain of the loans is paid direct by the Isle of Man Government Department of Health and Social Care and the remaining interest is met through annual deficiency grants from the Isle of Man Government Department of Health and Social Care.

#### Bank loans

The authority has two loans from the Isle of Man Bank. The first, a loan of £86,500, was for a term of 10 years, with interest charged at a rate of 0.65% above LIBOR. The second loan of £873,500 was for a term of 27 years, with interest again charged at a rate of 0.65% above LIBOR.

In recent years, the authority has taken out loans from HSBC. The loans are in respect of social housing and are for a term of 10 years, with interest charged at a rate of 0.95% above LIBOR.

The authority took out a further loan last year from HSBC. The loan is in respect of street lighting for a term of 15 years, with interest charged at a rate of 0.95% above LIBOR. This year, a further loan was taken out to fund the costs of the authorities share of the construction of the Eastern Amenity Site over 30 years, with interest charged at a rate of 0.95% above LIBOR.

All loans are secured by way of a Letter of Comfort from the Isle of Man Government Treasury Division.

# Garff Parish District Commissioners

Notes to the financial statements (Continued)  
for the year ended 31 March 2023

## 6. General Rate and Refuse Rate Account

	£	2023 £	£	2022 £
Total rates levied for the year		<b>841,772</b>		791,747
Add:				
Due from Treasury re prior year	44,476		15,240	
Arrears brought forward	<u>57,394</u>	<b>101,870</b>	<u>56,111</u>	<u>71,351</u>
Less:		<b>943,642</b>		863,098
Discounts	(28,790)		(25,384)	
Collection charge	(9,252)		(8,097)	
Exempt and unoccupied properties	<u>(9,662)</u>	<b>(47,704)</b>	<u>(11,166)</u>	<u>(44,647)</u>
Irrecoverable amounts and re-rating adjustments		<u>3,177</u>		<u>(4,225)</u>
Total rates collectable		<b><u>899,115</u></b>		<b><u>814,226</u></b>
Rates received in the year:				
Current year rates	726,501		677,547	
Arrears collected	25,822		19,569	
Received from Treasury	<u>44,476</u>		<u>15,240</u>	
Total rates received in the year		<b>796,799</b>		712,356
Balances outstanding carried forward:				
Due from Treasury re current year	43,658		44,476	
Arrears - current year	23,910		25,077	
- previous years	<u>34,748</u>		<u>32,317</u>	
		<b><u>102,316</u></b>		<u>101,870</u>
		<b><u>899,115</u></b>		<b><u>814,226</u></b>
			<b>2023</b>	<b>2022</b>
			£	£
General rates levied for the year		<b>841,772</b>		791,747
Less: Discounts, exempt/uninhabitable properties & refunds		<b>(38,452)</b>		(36,551)
Per Comprehensive Income and Expenditure Statement		<b><u>803,320</u></b>		<b><u>755,196</u></b>



# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 7. Housing Revenue Income and Expenditure

	2023	2022
	£	£
Income		
Dwelling rents (including rates, heating)	192,167	174,696
Housing Deficiency Receivable	136,388	111,877
	<u>328,555</u>	<u>286,573</u>
Total income		
Expenditure		
Salaries and wages	109,842	100,955
Administration charge	8,345	7,462
Heating	55,496	33,128
Repairs and maintenance	42,515	32,284
Community area costs	7,017	5,932
Other costs	20,383	16,999
Rents, rates, taxes and other charges	17,278	15,880
Depreciation & impairment charges	41,273	40,531
	<u>302,149</u>	<u>253,171</u>
Net income from/ cost of Housing Services before interest and loan repayments	<u>26,406</u>	<u>33,402</u>

#### Dwelling rent income

Dwelling rent income is the total rent due for the year after voids, write-offs, refunds etc. Voids represent 0.87% of the rental debit for the year (2021: 0.94%).

	2023	2022
	£	£
Rent arrears	3,466	Nil
Rent arrears as a percentage of gross rent income	<u>2.49%</u>	<u>-</u>

#### Housing deficiency grant

Housing deficiency grant is paid from central government to meet the shortfall which might be incurred by the Authority. The amount of deficiency is calculated as follows:

	2023	2022
	£	£
Opening balance payable	(36,518)	(40,846)
Deficiency grant required	136,388	111,877
Payments received from Department of Infrastructure	(122,401)	(107,549)
	<u>(22,531)</u>	<u>(36,518)</u>
Closing balance payable		

# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 8. Employees' remuneration

There were no employees whose remuneration, excluding pension contributions, was £50,000 or more in bands during the current or prior year.

### Key management compensation

Compensation paid to key management includes all employee benefits including pension contributions and amounted to £114,838 (2022: £118,021).

### Members' allowances

During the year the Authority paid £2,005 to its Members in respect of their attendance at meetings, undertaking duties and responsibilities (2022: £3,645).

### 9. Related party transactions

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government - has a direct influence over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates.

All Commissioners and officers of the Authority are asked to complete a disclosure statement in respect of themselves and their family members/close relatives, detailing any material transactions with related parties.

*Officers of the Authority* - no related party disclosures arose in relation to officers.

*Members of the Authority* - have direct control over the Authority's financial and operating policies.

During the period, there was £9,128 (2022: £9,128) paid in respect of capital repayments and £16,814 (2022: £17,663) of loan interest was charged in respect of a loan from the Isle of Man Government. Of this amount, £16,512 (2022: £17,365) was met by DOSC as part of the deficiency amount below.

At 31 March 2023, an amount of £146,538 was owed in this respect of this loan (2022: £155,666). In addition there is a deficiency requirement of £136,388 for the period (including loan interest paid directly by Government) (2022: £111,877) and at the period end an amount of £22,531 (2022: £36,518) was owed by the Authority to the Government in respect of this and previous periods deficiency requirements.

# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 9. Related party transactions

During the period, the Authority paid £25,288 (2022: £26,764) to Northern Civic Amenity Site and £41,437 (2022: £37,513) to Eastern Civic Amenity Site. The Authority also paid £154,405 (2022: £151,393) to the Isle of Man Government in respect of energy from waste.

During the period, the Authority paid £34,338 (2022: £37,130) to Manx Utilities Authority in respect of street lighting charges and electricity charges.

During the period and preceding period, members were paid allowances as detailed in Note 8.

In addition, one Commissioner occupied a property owned by the Commissioners. Rent was received totalling £9,507 (2022: £6,936) with no arrears at the period end.

### 10. Cash flow statement – Operating activities

The following table provides a breakdown of the main elements within the adjustment for the non-cash movements figure shown in the cash flow statement:

	2023	2022
	£	£
Depreciation, impairment & revaluation losses for non-current assets	82,978	79,837
Revaluation	(914,451)	-
Increase in creditors	(3,725)	(5,321)
Decrease in debtors	(10,201)	(39,250)
Difference between FRS102 pension cost and contributions paid	(137,000)	(17,000)
	<u>(982,399)</u>	<u>18,266</u>

### 11. Cash flow statement – Investing activities

	2023	2022
	£	£
Purchase of assets	<u>(132,103)</u>	<u>(51,322)</u>

### 12. Cash flow statement – Financing activities

	2023	2022
	£	£
Repayments of short-term and long-term borrowing	(52,527)	(56,759)
Loan monies received	109,274	-
Loan interest paid	(19,332)	(5,173)
	<u>37,415</u>	<u>(61,932)</u>

# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 13. Total rateable value

The rateable value of the parish for 2022/23 was set at 152p (2021/22 set separately at 147p, 112p and 126p). The certified rateable value of the parish at 31 March 2023 was £324,710 (31 March 2022: £324,055). The refuse rate was set at £171 (2021/22 set separately at £157, £151 and £136 per property).

### 14. Audit fees

During the year the Board incurred external audit fees of £11,250 (2022: £7,100).

### 15. Post-employment benefits

The board operates a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefits on the basis of members' final salary. The plan is administered by Douglas Borough Council as the Administering Board. The board has committed to a funding plan with the Administering Board, whereby ordinary contributions are made into the scheme based on a percentage of active employees' salary. Additional contributions are agreed with the Administering Board to reduce the funding deficit where necessary.

A comprehensive actuarial valuation of the Local Government Superannuation Scheme, using the projected unit credit method, was carried out at 31 March 2022 by independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions:

	31 March 2023	31 March 2022
Rate of increase in salaries	3.75%	4.05%
Rate of increase in pensions	2.95%	3.25%
Rate for discounting scheme liabilities	4.8%	2.60%

The assets in the Isle of Man Local Government Superannuation Scheme are valued at fair value, principally market value for investments, and the asset categories are shown in the Isle of Man Local Government Superannuation Scheme Accounts.

The mortality assumptions used were as follows:

	31 March 2023 Years	31 March 2022 Years
Longevity at the age of 65 for current pensioners		
• Men	19.6	21.2
• Women	24.7	24.2
Longevity at the age of 65 for future pensioners		
• Men	21.0	22.6
• Women	26.2	25.7

# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 15. Post-employment benefits (continued)

Reconciliation of scheme assets and liabilities:

	Assets £	Liabilities £	Total £
At 1 April 2022	352,000	503,000	(151,000)
Benefits paid	(2,000)	(2,000)	-
Plan participants contributions	9,000	9,000	-
Employer contributions	37,000	-	37,000
Current service cost	(1,000)	58,000	(59,000)
Interest income/(expense)	10,000	13,000	(3,000)
Remeasurement gains/(losses)			
• Actuarial gains	(53,000)	(186,000)	133,000
• Return on plan assets excluding interest income	(46,000)	-	(46,000)
• Change in demographic assumptions	-	(17,000)	17,000
• Experience gain	-	(58,000)	58,000
At 31 March 2023	<u>306,000</u>	<u>320,000</u>	<u>(14,000)</u>

Total cost recognised as an expense (no amounts were included in the cost of assets in either year):

	2023 £	2022 £
Current service cost	22,000	20,000
Interest cost	3,000	3,000
	<u>25,000</u>	<u>23,000</u>

The local board's share of the fair value of plan assets was split:

	2023 %	2022 %
Equity instruments	52	50
Bonds	34	35
Property	13	15
Cash	1	-
<b>Total</b>	<u>100</u>	<u>100</u>

The local board's share of the return on plan assets was:

	2023 £	2022 £
Interest income	10,000	6,000
Return on plan assets less interest income	(46,000)	19,000
Total return on plan assets	<u>(36,000)</u>	<u>25,000</u>

# Garff Parish District Commissioners

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 16. Capital commitments

The estimated commitments for capital expenditure that had started, or legal contracts entered into are:

	<b>31 March</b>	31 March
	<b>2023</b>	2022
	<b>£</b>	£
Operational property	<b>49,998</b>	-
	<u>          </u>	<u>          </u>

The above figure represents amount contractually committed to in respect of skatepark works at the year end.

# Garff Parish District Commissioners

## Detailed Income and Expenditure Account

for the period ended 31 March 2023

		Period to 31 March 2023	Period to 31 March 2022
	£	£	£
Finance and general purpose			
Salaries	104,747	97,211	
Pensions costs	29,914	29,315	
Telephone, printing and stationery	2,268	3,711	
Advertising and public notices	175	4,846	
Rent and rates	2,402	2,024	
Board members expenses	2,005	3,645	
Heat and light	5,781	7,819	
Insurance	12,161	9,684	
Accountancy	8,793	9,461	
Internal audit review	2,790	2,700	
Audit fees	11,481	7,197	
Legal and professional fees	16,306	2,542	
Election expenses	-	4,239	
Entertaining and events	13,221	13,925	
Subscriptions	350	300	
Rate collection costs	9,252	8,097	
Provision against rate arrears	1,848	3,039	
Rate write (back)/off	(3,177)	4,225	
Bank charges	752	594	
IT costs	9,580	4,275	
		<b>230,649</b>	218,849
Less:			
Admin allowance	8,345	7,462	
Miscellaneous income	-	2,287	
Search fees	8,700	11,100	
		<b>(17,045)</b>	(20,849)
		<b>213,604</b>	<b>198,000</b>
Property			
Maintenance		13,431	9,611
Less:			
Rents received		(21,373)	(28,907)
		<b>(7,942)</b>	<b>(19,296)</b>

This page does not form part of the audited financial statements.

# Garff Parish District Commissioners

## Detailed Income and Expenditure Account (Continued)

for the period ended 31 March 2023

	£	Period to 31 March 2023 £	£	Period to 31 March 2022 £
Works and development				
Street lighting		29,705		24,035
Parks and leisure				
Wages	72,376		59,030	
Heritage costs	5,855		-	
Equipment and vehicle maintenance	9,469		4,212	
Amenities contractors	58,105		49,338	
Public conveniences contractors	12,785		11,760	
Public conveniences costs	2,499		1,462	
Parks, plants and maintenance	19,919		23,727	
Dog bylaw officer, signage, bins	1,122		781	
Campsite costs	31,384		13,357	
		<u>213,514</u>		163,667
Less:				
Rents		<u>(44,630)</u>		<u>(21,311)</u>
		<u>168,884</u>		<u>142,356</u>
Refuse disposal				
Waste disposal charges	163,800		156,000	
EFW costs	154,010		149,883	
Amenity site charges	65,224		64,660	
Refuse bins	624		1,840	
		<u>383,658</u>		372,383
Swimming pool contributions		2,596		1,700
Depreciation		41,706		39,307
Pension – net current service cost and past service cost		22,000		23,000
Total net expenditure		<u>854,211</u>		<u>781,485</u>

This page does not form part of the audited financial statements.