

**Arbory Parish Commissioners
Financial Statements**

For the year ended 31 March 2019

Arbory Parish Commissioners

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Arbory Parish Commissioners

Members, Officers and Advisers

for the year ended 31 March 2019

Arbory is a predominantly rural Parish which adjoins Rushen to its west and Malew to its east.

There are five members of the authority, Mr Gawne (Chairman), Mrs Glover (Vice Chair), Mr Cringle, Ms Greenhalgh and Mr Cowin.

The chair is normally elected for one year by rotation in May. In the May 2019 election Mr Gawne was elected as Chairman and Mrs Glover was elected Vice Chair.

The Commissioners meet each month usually on the fourth Wednesday of the month at Halley MacLiag, Ballabeg, and meetings are open to the public.

The Parish Clerk is Mr Phil Gawne and the Parish Office is at Lamode, Ballakillowey Road, Rushen. The Commissioners can be contacted through the Clerk on 824049 or the clerk@arbory.gov.im email address.

In addition, a member of the authority also represents the Commissioners on the following joint boards and committees:

Municipal Association: Mr Cowin
Southern Civic Amenity Site: Mr Cringle
Southern Health Care Committee: Mrs Glover
Southern Swimming Pool Board: Mr Cowin
Marashen Crescent Housing Committee: Mrs Glover

SMP Accounting & Tax Ltd prepared the accounts for the authority and Grant Thornton Limited provide the authority's independent review.

SMP Accounting & Tax Limited Clinch's House
Lord Street
Douglas
Isle of Man IM99 1RZ

Grant Thornton Limited Exchange House
54/62 Athol Street Douglas
Isle of Man IM1 1JD

The authority does not employ an internal auditor.

Arbory Parish Commissioners

Explanatory Foreword

for the year ended 31 March 2019

Authority's objectives

The objectives of the Authority are to provide statutory services to the Parishioners of Arbory and to do all the Commissioners are empowered to do to make the Parish an attractive place to live, to work and to visit.

Overall financial performance and results for the year

The comprehensive income and expenditure statement for the year shows a deficit of £4,787 (2018: surplus of £825). Once other movements have been taken into account, as detailed on page 9, the results show an overall decrease in the General Fund Balance of £8,836 (2018: decrease £1,054).

Finances

During the 2018/2019 financial year, budgeting and expenditure remained fairly stable with no significant additional outgoings.

Significant events

During this financial year The Commissioners undertook to eradicate Japanese Knotweed from the Colby River, and helped fund a playground refurbishment at Arbory Primary School.

Chairman's Introduction to Annual Accounts

The last 12 months have been a mix of maintaining successful 'business as usual operations' whilst working with relevant parties to bring about improvements to services delivered in Arbory Parish.

The Commissioners continue to organise an effective waste disposal service, hedge trimming and weed spraying program with their contractors. The authority continues to provide assistance to DoI with footpaths maintenance in the parish.

Regular meetings continue to take place with Government Departments regarding highways matters and have resulted in various schemes being completed or scheduled. The Commissioners' joint investment in a 'Smiley Sid' traffic monitoring device with Rushen Commissioners has provided the Commissioners with extensive data on traffic speeds and movements within the parish.

The Commissioners continue to work with existing and new 'community' groups to provide activities for all ages. Examples include Beach Cleaning with Beach Buddies, Community Building with Quing and the Southern Community partnership, and GRIN gardening at Arbory School.

Increased use of social media channels and Open Events is helping the Board communicate with parishioners more frequently. A new style newsletter was published this year to assist with raising the profile of the Commissioners and the work they do.

This year may see an exciting merger with Rushen Parish Commissioners which would be a significant step for both authorities to take.

Arbory Parish Commissioners

Statement of Responsibilities for the Statement of Accounts

for the year ended 31 March 2019

The Board's responsibilities

The Board is required to:

- make arrangements for the proper administration of its financial affairs and to secure 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 secure economic, efficient and effective use of resources and safeguard its assets;
- 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.

Arbory Parish Commissioners

INDEPENDENT CHARTERED ACCOUNTANT'S REVIEW REPORT TO THE COMMISSIONERS OF ARBORY PARISH COMMISSIONERS

Report on the Financial Statements

We have reviewed the accompanying financial statements of Arbory Parish Commissioners for the year ended 31 March 2019 that 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).

Responsible Financial Officer's Responsibility for the Financial Statements

As explained more fully in the Statement of Responsibilities, the Responsible Financial Officer is responsible for the preparation of for the Statement of Accounts, including the financial statements which give a true and fair view.

Accountant's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the reviewer becomes aware of matters that cause the reviewer to believe the financial statements as a whole may be materially misstated.

We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Arbory Parish Commissioners

INDEPENDENT CHARTERED ACCOUNTANT'S REVIEW REPORT TO THE COMMISSIONERS OF ARBORY PARISH COMMISSIONERS - CONTINUED

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements have not been prepared:

- So as to give a true and fair view of the financial affairs of the authority for the year ended 31 March 2019, and comply with the requirements of any other statutory provision applicable to them, and;
- In compliance with any regulations under section 12 of the Act, and any directions under section 13, which are applicable to them.

Grant Thornton Limited

Douglas, Isle of Man

Date:

Arbory Parish Commissioners

Statement of Internal Control

for the year ended 31 March 2019

Introduction

This statement is made by the Arbory Parish 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 Board's systems of internal control and corporate governance have been developed through an ongoing 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 four 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.

Arbory Parish Commissioners

Statement of Internal Control (continued)

for the year ended 31 March 2019

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.

The Authority is not required to obtain an internal audit.

Signed _____

Signed _____

Chairman

Responsible Finance Officer

Dated _____

Arbory Parish Commissioners

Comprehensive Income and Expenditure Statement for the year ended 31 March 2019

| | <i>Notes</i> | Gross expenditure | Income | 2018/19 Net (Expenditure)/ Income | 2017/18 Net (Expenditure)/ Income |
|--|--------------|------------------------------|---------------|--|---|
| | | £ | £ | £ | £ |
| Finance and general purposes | | (36,303) | 2,078 | (34,225) | (25,402) |
| Works and development | | (46,501) | 1,000 | (45,501) | (40,027) |
| Refuse | | (123,352) | 3,665 | (119,687) | (115,845) |
| Provision for bad and doubtful debt /(written back) | | (3,687) | - | (3,687) | 2,441 |
| Net cost of General Fund Services | | <u>(209,843)</u> | <u>6,743</u> | <u>(203,100)</u> | <u>(178,833)</u> |
| Income from the General Rate Fund | 5 | | | 200,669 | 182,082 |
| Interest receivable and other income | | | | 5 | 1 |
| Interest payable and similar charges | | | | (2,361) | (2,425) |
| Surplus on provision of services | | | | <u>(4,787)</u> | <u>825</u> |
| Total comprehensive income and expenditure | | | | <u>(4,787)</u> | <u>825</u> |

Arbory Parish Commissioners

Statement of Movement on Reserves

for the year ended 31 March 2019

| | <i>Notes</i> | General Fund | Capital adjustment account | Sinking fund |
|---|--------------|----------------------|---|---------------------|
| | | £ | £ | £ |
| Total comprehensive income and expenditure | | (4,787) | - | - |
| Depreciation and impairment of fixed assets | <i>1</i> | 5,177 | (5,177) | - |
| Purchase of fixed assets | | (1,898) | 1,898 | - |
| Loan fund principal repayments | | (7,097) | 7,097 | - |
| Transfer to Sinking Fund Reserve | | (231) | - | 231 |
| | | <u>(8,836)</u> | <u>3,818</u> | <u>231</u> |
| Balance brought forward | | 49,463 | 25,980 | 4,625 |
| Balance carried forward | | <u><u>40,627</u></u> | <u><u>29,798</u></u> | <u><u>4,856</u></u> |

Arbory Parish Commissioners

Statement of Movement on Reserves

for the year ended 31 March 2018

| | General Fund | Capital Adjustment Account | Sinking Fund |
|---|---------------------|---|---------------------|
| | £ | £ | £ |
| Total comprehensive income and expenditure | 825 | - | - |
| Depreciation and impairment of fixed assets | 5,276 | (5,276) | - |
| Loan fund principal repayments | (6,935) | 6,935 | - |
| Transfer to Sinking Fund Reserve | (220) | - | 220 |
| | <u>(1,054)</u> | <u>1,659</u> | <u>220</u> |
| Balance brought forward | 50,517 | 24,321 | 4,405 |
| Balance carried forward | <u>49,463</u> | <u>25,980</u> | <u>4,625</u> |

Arbory Parish Commissioners

Balance Sheet

as at 31 March 2019

| | Notes | £ | 2019 £ | £ | 2018 £ |
|--------------------------------------|-------|---------------|----------------|---------------|----------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 1 | | 99,161 | | 102,440 |
| Current assets | | | | | |
| Debtors | 2 | 13,329 | | 17,298 | |
| Cash at bank | | 61,172 | | 64,206 | |
| | | | <u>74,501</u> | <u>81,504</u> | |
| Current liabilities | | | | | |
| Short-term borrowing | 4 | 17,097 | | 17,097 | |
| Creditors | 3 | 21,723 | | 20,121 | |
| | | | <u>38,820</u> | <u>37,218</u> | |
| | | | 35,681 | | 44,286 |
| | | | <u>134,842</u> | | <u>146,726</u> |
| Long-term liabilities | | | | | |
| Long-term borrowing | 4 | 59,561 | | 66,658 | |
| | | | <u>59,561</u> | <u>66,658</u> | |
| Total assets less liabilities | | | | | |
| | | | <u>75,281</u> | | <u>80,068</u> |
| Reserves: | | | | | |
| Capital adjustment account | | | 29,798 | | 25,980 |
| Sinking Fund | | | 4,856 | | 4,625 |
| General fund | | | 40,627 | | 49,463 |
| | | | <u>75,281</u> | | <u>80,068</u> |

The financial statements were approved by the Board on behalf by:

and were signed on their

Chairman

RFO

Arbory Parish Commissioners

Cash Flow Statement

for the year ended 31 March 2019

| | <i>Notes</i> | 2019 | 2018 |
|--|--------------|-----------------|---------|
| | | £ | £ |
| Net (deficit)/surplus on provision of services | | (4,787) | 825 |
| Adjustments to net surplus on provision of services for non-cash movements | 9 | 10,748 | 14,204 |
| Adjustments for items included in net surplus on provision of services that are investing and financing activities | | 2,206 | 2,274 |
| Net cash flows from Operating Activities | | 8,167 | 17,303 |
| Net cash flows from Investing Activities | 10 | (1,898) | - |
| Net cash flows from Financing Activities | 11 | (9,303) | (9,209) |
| | | (11,201) | (9,209) |
| Net (decrease) or increase in cash and cash equivalents | | (3,034) | 8,094 |
| Cash & cash equivalents at the beginning of the reporting period | | 64,206 | 56,112 |
| Cash & cash equivalents at the end of the reporting period | | 61,172 | 64,206 |

Arbory Parish Commissioners

Statement of Accounting Policies

for the year ended 31 March 2019

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' Section 1A ('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 Board, the board have a reasonable expectation that the Board has adequate resources including the continuation of support from Central Government, to continue in operational existence for the foreseeable future.

3. Income

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.

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.

Arbory Parish Commissioners

Statement of Accounting Policies (continued)

for the year ended 31 March 2019

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:

- Infrastructure and Community assets – depreciated historic cost (or a nominal value where the historic cost is not known).

(c) Revaluation

A class of assets included in the Balance Sheet at current value 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. All valuations are undertaken by a qualified valuer, using a professional valuer contracted to the Board.

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.

Arbory Parish Commissioners

Statement of Accounting Policies (continued)

for the year ended 31 March 2019

6. Tangible fixed assets - continued

(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.

(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:

| | |
|---------------------------------|----------|
| Streetlights and play equipment | 5 years |
| Allotments | 10 years |
| Buildings improvements | 50 years |
| Plant and equipment | 3 years |
| Other operational equipment | 20 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.

Arbory Parish Commissioners

Statement of Accounting Policies (continued)

for the year ended 31 March 2019

6. Tangible fixed assets - continued

(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.

8. 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.

9. 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.

10. 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.

11. 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 fund: set up to act as a buffer against the potential risks of increased expenditure to be charges to future years' accounts and to assist in organisational development.

Arbory Parish Commissioners

Statement of Accounting Policies (continued)

for the year ended 31 March 2019

11. Reserves – continued

Sinking fund: provision for repayment of bond liabilities is on the basis of sinking fund calculations with an annual accumulation currently set at 5%. Repayments are accounted for through the General Rate Account, whilst interest on the balance of principal outstanding is charged to the Income and Expenditure Account.

The following reserves are not fully backed by cash, or generally available to finance expenditure:

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.

Arbory Parish Commissioners

Significant Judgements and Estimates

for the year ended 31 March 2019

(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 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.

- There are no estimates or assumptions made in the preparation of the accounts for which there is the potential for a material adjustment within the next financial year.

Arbory Parish Commissioners

Notes to the financial statements for the year ended 31 March 2019

1. Tangible fixed assets

| | Infrastructure assets | Community assets | Operational - buildings improvements | Operational - playground equipment | Operational - other equipment | Total |
|-----------------------------|--------------------------|---------------------|--|--|-------------------------------------|----------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 31 March 2018 | 50,998 | 21,958 | 109,947 | 16,011 | 1,962 | 200,876 |
| Additions | - | - | - | - | 1,898 | 1,898 |
| At 31 March 2019 | 50,998 | 21,958 | 109,947 | 16,011 | 3,860 | 202,774 |
| Depreciation | | | | | | |
| At 31 March 2018 | 48,656 | 17,921 | 13,886 | 16,011 | 1,962 | 98,436 |
| Charge for the year | 781 | 2,196 | 2,200 | - | - | 5,177 |
| At 31 March 2019 | 49,437 | 20,117 | 16,086 | 16,011 | 1,962 | 103,613 |
| Net book value | | | | | | |
| At 31 March 2019 | 1,561 | 1,841 | 93,861 | - | 1,898 | 99,161 |
| At 31 March 2018 | 2,342 | 4,037 | 96,061 | - | - | 102,440 |

The Arbory Parish Hall, Hall Cottages and Halley MacLaig are owned by the “Commissioners of the Parish District of Arbory” in their capacity as Trustee of the “Clague Cooil and Briscoe Trust”. They are not assets of Arbory Parish Commissioners and are therefore not included in these financial statements. Arbory Parish Commissioners are permitted to use rate monies for the upkeep of the halls and cottages. During 2009 Arbory Parish Commissioners obtained approval to take out a loan in respect of the replacement of the roof on the Parish Hall and Hall Cottages. During 2013 Arbory Parish Commissioners obtained approval to take out a loan in respect of the provision of a new toilet block. These improvements are included in the balance sheet of Arbory Parish Commissioners and the loan interest is charged to the income and expenditure account.

Arbory Parish Commissioners

Notes to the financial statements (continued) for the year ended 31 March 2019

1. Tangible fixed assets (continued)

Assets held

| | Number at 31 March 2018 | Changes In year | Number at 31 March 2019 |
|---|----------------------------|--------------------|----------------------------|
| Operational assets: | | | |
| - Building improvements Parish Hall roof and toilet block | 1 | - | 1 |
| - Play area | 1 | - | 1 |
| - Other equipment | 3 | - | 3 |
| Community assets: | | | |
| - Allotments | 1 | - | 1 |
| - Notice boards | 2 | - | 2 |
| Infrastructure assets: | | | |
| - Streetlights | 183 | - | 183 |

2. Debtors and prepayments

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Amounts falling due in one year (net of bad debt provisions): | | |
| Trade debtors | - | 2,793 |
| Government departments | 1,424 | 3,252 |
| VAT | 7,437 | 5,747 |
| Ratepayers | 2,373 | 4,387 |
| Prepayments | 715 | 931 |
| Accrued income | 1,000 | - |
| Other | 380 | 188 |
| | <u>13,329</u> | <u>17,298</u> |

Debtor balances are shown net of provisions for bad or doubtful debts for doubtful rates of £3,401 (2018: £Nil)

3. Creditors: Amounts falling due in one year

| | 2019 £ | 2018 £ |
|------------------------|---------------|---------------|
| Government departments | 4,734 | 4,384 |
| Accruals | 5,510 | 4,103 |
| Trade creditors | 8,795 | 9,820 |
| Sundry creditors | 1,184 | 1,814 |
| Deferred income | 1,500 | - |
| | <u>21,723</u> | <u>20,121</u> |

Arbory Parish Commissioners

Notes to the financial statements (continued)

for the year ended 31 March 2019

4. Long term borrowing

Loans outstanding may be analysed as follows:

| | 2019 | 2018 |
|---|---------------|----------|
| | £ | £ |
| <i>Falling due within one year:</i> | | |
| Commercial loans | 7,097 | 7,097 |
| Bonds | 10,000 | 10,000 |
| | 17,097 | 17,097 |
| <i>Falling due after more than one year:</i> | | |
| Commercial loans | 59,561 | 66,658 |
| Total loan term borrowing | 76,658 | 83,755 |

The commercial loans are from the Isle of Man Bank and HSBC. They are secured by a Letter of Comfort from Isle of Man Government Treasury and bear interest at 5.13% for the Isle of Man Bank Facility and at LIBOR plus 1.20bps for the HSBC facility.

Bonds repayable by Sinking Fund over 60 years from 1975, totalling £10,000 (2018: £10,000) are outstanding. Bonds have been included within current liabilities as they are renewed annually by the bond holders.

Arbory Parish Commissioners

Notes to the financial statements (continued) for the year ended 31 March 2019

5. General Rate Account

| | £ | 2019 £ | £ | 2018 £ |
|--|----------------|-----------------|-------------|----------------|
| Total rates levied for the year | | 209,422 | | 190,290 |
| Add: | | | | |
| Due from Treasury re prior year | 1,952 | | 2,445 | |
| Arrears brought forward | 5,687 | | 3,462 | |
| | <hr/> | 7,639 | <hr/> | 5,907 |
| Less: | | | | |
| Discounts | (7,833) | | (7,035) | |
| Exempt and unoccupied properties | (920) | | (1,173) | |
| Write offs by Treasury | 5 | | 101 | |
| Collection fee | (2,593) | | (2,426) | |
| | <hr/> | (11,341) | <hr/> | (10,533) |
| Total rates collectable | | 205,720 | | 185,664 |
| | | <hr/> <hr/> | | <hr/> <hr/> |
| Rates received in the year: | | | | |
| Current year rates | 194,278 | | 174,452 | |
| Arrears collected | 992 | | 2,452 | |
| Balance from Treasury re previous year | 3,252 | | 1,121 | |
| | <hr/> | 198,522 | <hr/> | 178,025 |
| Total rates received | | 198,522 | | 178,025 |
| Balances outstanding carried forward: | | | | |
| Due from Treasury re current year | 1,424 | | 3,252 | |
| Arrears: | | | | |
| - Current year | 2,373 | | 1,952 | |
| - Previous year | 3,401 | | 2,435 | |
| | <hr/> | 7,198 | <hr/> | 7,639 |
| | | 205,720 | | 185,664 |
| | | <hr/> <hr/> | | <hr/> <hr/> |
| | | | 2019 | 2018 |
| | | | £ | £ |
| General rates levied for the year | | 209,422 | | 190,290 |
| Less: Discounts, exempt/uninhabitable properties & refunds | | (8,753) | | (8,208) |
| | | <hr/> | | <hr/> |
| Per Comprehensive Income and Expenditure Statement | | 200,669 | | 182,082 |
| | | <hr/> <hr/> | | <hr/> <hr/> |

Arbory Parish Commissioners

Notes to the financial statements (continued)

for the year ended 31 March 2019

6. Members' allowances

During the year the Board paid £290 to its Members in respect of their attendance at meetings, undertaking duties and responsibilities (2018: £330).

7. Employees' remuneration

The authority has no employees whose remuneration, excluding pension contributions, was £50,000 or more.

8. 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. The Authority reclaimed VAT from Treasury during the year, there were no other material transactions with Central Government.

The Authority has representation on the board of the Southern Civic Amenity Site. During the year the Authority provided support to the Southern Civic Amenity Site Board totalling £33,380 (2018: £33,365).

During the year, Authority was charged £52,211 (2018: £48,664) by Government departments in respect of refuse disposal. At 31 March 2019, £4,734 was due to Government departments in this respect (2018: £4,384).

During the year, Authority was charged £11,326 (2018: £11,974) by Manx Utilities Authority in respect of street lighting charges. At 31 March 2019, £Nil (2018: £604) was due in this respect.

During the year, Authority was charged £4,360 (2018: £4,064) by Southern Local Authority Swimming Pool Board in respect of swimming pool contributions. At 31 March 2019, £Nil (2018: £Nil) was due in this respect.

During the year, Authority was charged £1,898 (2018: £Nil) by Rushen Parish Commissioners in respect of speed signs. At 31 March 2019, £Nil (2018: £Nil) was due in this respect.

All Members 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. With the exception of the above disclosures:

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

Members of the Authority – no related party transactions arose in relation to members of the Authority.

Arbory Parish Commissioners

Notes to the financial statements (continued)

for the year ended 31 March 2019

9. 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:

| | 2019 | 2018 |
|--|---------------|---------|
| | £ | £ |
| Depreciation, impairment & revaluation losses for non-current assets | 5,177 | 5,276 |
| Increase in creditors | 1,602 | 13,234 |
| Decrease/(increase) in debtors | 3,969 | (4,306) |
| | 10,748 | 14,204 |

10. Cash flow statement – Investing activities

| | 2019 | 2018 |
|---|----------------|------|
| | £ | £ |
| Purchase of assets (Fixed assets, investment property, intangible assets) | (1,898) | - |
| | (1,898) | - |

11. Cash flow statement – Financing activities

| | 2019 | 2018 |
|--|--------------|-------|
| | £ | £ |
| Loan interest paid | 2,211 | 2,275 |
| Repayments of short-term and long-term borrowing | 7,097 | 6,935 |
| Interest received | (5) | (1) |
| | 9,303 | 9,209 |

12. Independent review fees

During the year the Board incurred external independent review fees of £1,490 (2018: £1,455).

13. Total rateable value

The total rateable value at the year-end was £174,618 (2018: £162,724) and rates were levied at 120p (2018: £117p) in the £.

Arbory Parish Commissioners

Detailed Income and Expenditure Account for the year ended 31 March 2019

| | £ | 2018/19 £ | £ | 2017/18 £ |
|--|--------|--------------|--------|--------------|
| Finance and general purposes | | | | |
| Clerk's salary & employers NI | 10,659 | | 8,305 | |
| Rate collection charges | 2,593 | | 2,426 | |
| Assurance review fee | 135 | | 2,910 | |
| Accountancy | 2,850 | | 2,000 | |
| Swimming pool contributions | 4,360 | | 4,065 | |
| Bank charges | 357 | | 253 | |
| General expenses | 6,909 | | 4,805 | |
| Donation to Arbory Primary School | 3,500 | | - | |
| Library contribution | 2,550 | | 1,000 | |
| Insurance | 2,100 | | 1,281 | |
| Members attendance allowances | 290 | | 330 | |
| Depreciation | - | | 99 | |
| Professional fees – risk adviser/legal | - | | 238 | |
| | ----- | (36,303) | ----- | (27,712) |
| Search fees | 1,900 | | 1,785 | |
| Other income | 178 | | 525 | |
| | ----- | 2,078 | ----- | 2,310 |
| | | ----- | | ----- |
| | | (34,225) | | (25,402) |
| | | ===== | | ===== |
| Works and development | | | | |
| Depreciation – hall improvements | 2,200 | | 2,200 | |
| Community assets | 1,312 | | 3,623 | |
| Depreciation – community assets | 2,196 | | 2,196 | |
| Streetlighting | 13,380 | | 13,402 | |
| Depreciation – streetlights | 781 | | 781 | |
| Highway works | 21,862 | | 18,337 | |
| Japanese Knotweed Eradication | 4,100 | | - | |
| Allotment costs | 670 | | 535 | |
| | ----- | (46,501) | ----- | (41,074) |
| Allotments income | 1,000 | | 1,047 | |
| | ----- | 1,000 | ----- | 1,047 |
| | | ----- | | ----- |
| | | (45,501) | | (40,027) |
| | | ===== | | ===== |

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

Arbory Parish Commissioners

Detailed Income and Expenditure Account (continued) for the year ended 31 March 2019

| | | 2018/19 | | 2017/18 |
|----------------------------------|--------|-----------|--------|-----------|
| | £ | £ | £ | £ |
| Refuse | | | | |
| Refuse disposal | 52,211 | | 48,664 | |
| Refuse collection charges | 37,442 | | 36,217 | |
| Civic amenity site contribution | 33,380 | | 33,365 | |
| Purchase of wheelie bins & other | 319 | | 1,173 | |
| | ————— | (123,352) | ————— | (119,419) |
| Commercial refuse charges | 3,402 | | 3,167 | |
| Sale of wheelie bins | 263 | | 407 | |
| | ————— | 3,665 | ————— | 3,574 |
| | | ————— | | ————— |
| | | (119,687) | | (115,845) |
| | | ===== | | ===== |

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