

Port St. Mary Village Commissioners

Statement of Accounts

For the year ended 31 March 2012

Port St. Mary Village Commissioners

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Port St. Mary Village Commissioners

Explanatory Foreword

Introduction

This Statement provides a summary of the Authority's financial performance for the year ended 31 March 2012. It has been prepared in accordance with the Isle of Man Statement of Recommended Practice 2007 on accounting for entities subject to the Audit Act 2006.

The individual accounts within the Statement are as follows:

The **Income and Expenditure Account** reports the net cost for the year of all functions for which the Authority is responsible and how those costs are financed from general government grants and income from local ratepayers together with commercial rents and other income.

The **Statement of the Movement on the General Fund Balance** shows the surplus or deficit on the Income and Expenditure Account adjusted for the additional amounts which are required by statute and non-statutory proper practices to be charged or credited to the General Fund in determining the movement on the General Fund Balance for the year. This is the basis on which the Authority sets its rate for the year.

The **Housing Revenue Income and Expenditure Account** is an account which independently records the costs of maintaining and managing the Authority's own housing stock and how these costs are met by rent payers, Central Government subsidy and other income.

The **Statement of Movement on the Housing Revenue Account Balance** shows the surplus or deficit on the Housing Income and Expenditure Account adjusted for the additional amounts which are required by statute and non-statutory proper practices to be charged or credited to the Housing Account in determining the movement on the Housing Account for the year.

The **Statement of Total Recognised Gains and Losses** shows all gains and losses recognised by the Authority during the year which are not reflected in operating performance within the Income and Expenditure Account. This will include any gains or losses arising on the revaluation of fixed assets for the year together with the surplus or deficit relating to the annual measurement of the net liability to cover the cost of retirement benefits.

The **Balance Sheet** sets out the financial position of the Authority at the end of the year.

The **Cash Flow Statement** summarises the inflows and outflows of cash arising from the Authority's transactions with third parties during the year.

The **General Rate Fund** shows the transactions of the Authority as a charging authority in respect of rates income.

Port St. Mary Village Commissioners

Explanatory Foreword (continued)

This section provides a summary review of performance during the year and of key areas which impact the Authority's financial position.

Income and Expenditure Account

The Income and Expenditure Account covers the day to day running costs of the Authority's services, with the exception of Authority housing which is contained within the Housing Revenue Income and Expenditure Account.

Expenditure is met from the income from the General Rate Fund and other miscellaneous income.

For the year ended 31 March 2012 the deficit for the year amounted to £181,423 (2011 deficit: £22,117). Further adjustments to these figures are made in the Statement of the Movement on the General Fund Balance as explained in the note below, in order to arrive at the General Fund Balance for the year.

Statement of the Movement on the General Fund Balance

As described on page 1, this statement is the basis on which the Authority's rate is set. For the year ended 31 March 2012, the surplus amounted to £13,425, (2011 surplus: £6,108) meaning the authority now has general fund reserves of £127,208 (2011: £113,783).

Housing Revenue Account

The Housing Revenue Account shows the income and expenditure on Authority housing. The financial year 2011/12 resulted in a deficit of £196,730, (2011 deficit: £153,827). Further adjustments to these figures are made in the Statement of the Movement on the Housing Revenue Account.

Statement on the Movement on the Housing Revenue Account Balance

This statement shows the deficit on the Housing Revenue Income and Expenditure Account adjusted for the additional amounts as required by Statute and non-statutory proper practices. Deficiency payments are received from Department of Social Care covering any deficit and hence there is no annual movement on the reserve.

The deficiency requirement for the year is £15,608 (2011: £35,323).

Capital Expenditure and Borrowing

Total capital expenditure in the year was £31,880 (2011 £:729,938) and was financed by Isle of Man Bank loans and overdraft facilities except for £30,751 (2011:£3,357) which was funded from Revenue account. In addition, £10,000 was spent on computer software which is included within intangible fixed assets, funded through the repairs reserve of the housing revenue account.

Accruals at the year end in respect of capital expenditure totalled £165,424 (2011: £21,791).

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Explanatory Foreword (continued)

General Rate Fund and Refuse Rate Fund

The general rate income due and collected by the Authority is shown in the General Rate Fund. Rates were levied at 300p (2011:297p) in the £. The rateable value at 1 April 2012 is £140,143 (2011:£136,632).

Total rates debtors were £66,232 (2011: £22,974) although this amount includes £44,659 (2011: £Nil) which was received from Treasury post year end. Prior year rates were recovered totalling £4,460 (2011: £7,680).

Pensions Liability

The Statement of Recommended Practice requires the Authority to disclose certain information within its Statement of Accounts and this appears in note 28 to the Core Financial Statements. Included within that information is the net liability on the Isle of Man Local Government Pension Scheme that is attributable to Port St Mary Village Commissioners.

This is the difference between future liabilities and assets, as valued at 31 March 2012, and amounts to £349,000 (2011:£268,000). No current provision exists to meet this deficit, which will be addressed by future contributions to the Pension Fund.

The significant increase is due in part to negative asset returns and a change in the discount factor.

Port St. Mary Village Commissioners

Statement of Accounting Policies

Basis of preparation

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings in 2008.

The accounts have been drawn up in accordance with the Isle of Man Statement of Recommended Practice 2007 on accounting for entities subject to the Audit Act 2006 ("the SORP") issued by Treasury except as disclosed under valuations below. This SORP is recognised under the Audit Act 2006 and the Accounts and Audit Regulations 2007 as representing proper accounting practices. Key principles are set out below.

Tangible fixed assets

Recognition

Expenditure on the acquisition, creation or enhancement of fixed assets has been capitalised on an accruals basis. Where such expenditure on furniture and equipment is less than a de minimis level of £1,000 it is not capitalised but is charged to revenue in the year in which it is incurred.

Capital expenditure incurred on fixed assets that does not materially add to the value of those assets is written off.

Valuations

Asset valuations have been carried out in accordance with guidelines established by CIPFA and RICS and in accordance with the Statement of Recommended Practice except as noted below.

Operational assets have been valued at the lower of net current replacement cost or net realisable value in existing use. In the case of vehicles and plant and equipment, historical costs have been used as a proxy for these values; as inflation is low, prices will not vary significantly over the estimated life of the assets while the Authority depreciates them on a prudent basis using conservative estimates of working lives. As a consequence, the use of historical costs rather than values for these items will not result in a material difference in the Accounts.

In the current and preceding year, included within 'Land and Property' are certain operational properties which are reported at depreciated cost, not at the lower of net current replacement cost or net realisable value in existing use as required by section 3.97 of the SORP.

Non-operational assets have been valued at the lower of net current replacement cost or net realisable value.

Infrastructure assets and community assets are included in the Balance Sheet at historical cost (net of depreciation where appropriate); if this could not be ascertained, a nominal value has been used. There is no material effect on the Accounts.

Depreciation

Depreciation is provided on all assets with a finite useful life, other than freehold land and non operational assets. Where depreciation is provided for, assets are being depreciated over periods reflecting their estimated useful lives.

Port St. Mary Village Commissioners

Statement of Accounting Policies (continued)

Intangible Fixed Assets

Intangible fixed assets are fixed assets that do not have physical substance but which are identifiable and where future economic benefits will be received by the Authority through custody or legal rights (e.g software licences). Purchased intangibles are capitalised at cost on an accruals basis and amortised to the Income and Expenditure Account over a 5 year period.

Impairment

The value at which each category of assets is included in the Balance Sheet is reviewed at the end of each year: where values have changed materially in the period, the valuations are adjusted to reflect the change. Where a major change in asset values is due to a consumption of economic benefits (such as physical damage), the impairment loss is recognised in the Income and Expenditure Account. Other impairments are recognised in the Revaluation Reserve. Impairment reviews are carried out on all assets, other than non-depreciable land, where no depreciation charge is made or the estimated remaining useful life of the asset exceeds 50 years.

Disposals

Income from the disposal of fixed assets is accounted for on an accruals basis.

Government grants

Government grants are accounted for on an accruals basis and income has been credited, in the case of revenue grants, to the appropriate revenue account to match the expenditure to which they relate.

Housing Deficiency

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

Accruals of income and expenditure

The capital and revenue accounts of the Authority 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. In particular:

- Fees, charges and rents due from tenants are accounted for as income at the date the Authority provides the relevant goods or services.
- Employee costs are charged as expenditure when they are due rather than paid, including any arrears of pay or pay awards.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as stocks on the balance sheet.
- Works are charged as expenditure when they are completed, before which they are carried as works in progress on the balance sheet.
- Interest payable and receivable on borrowings is accounted for in the year to which it relates, on a basis that reflects the overall effect of the loan or investment.
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Port St. Mary Village Commissioners

Statement of Accounting Policies (continued)

Accruals of income and expenditure (continued)

- Income and expenditure are credited and debited to the relevant account, unless they properly represent capital receipts or capital expenditure. These accruals are largely based on known commitments and can be assessed accurately. Where estimates are made, they are based on historical records, precedence and officers' knowledge and experience. In all cases the Authority adopts a prudent approach to avoid overstating its resources.

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.

Overheads

The costs of service management and support services have been fully charged or allocated to service and trading accounts either in relation to the time spent on each revenue service or capital scheme or in proportion to transactions processed for those accounts.

Pension costs

Pension arrangements for Authority employees are handled by the Local Government Pension Scheme, which is a funded, defined benefit scheme. The Accounting Policies of the Scheme are those recommended by the SORP and its annual reports are prepared in accordance with the Pensions SORP.

The pension cost has been assessed by the Fund's actuary based on triennial valuations, the 2011/12 contributions being based on the results of the review as at 31 March 2010. These contributions are charged to the Accounts in accordance with statutory requirements. The financial statements have been prepared on the basis that the assets and liabilities arising from an employer's retirement benefit obligations and any related funding are reflected at fair value.

The financial statements contain adequate disclosure of the cost of providing retirement benefits and the related gains, losses, assets and liabilities.

Liquid resources

The authority's liquid resources comprise of deposit accounts that cannot be accessed within 24 hours.

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Statement of Accounting Policies (continued)

Reserves

Reserves represent resources set aside for purposes such as general contingencies and cash flow management. The Authority maintains the following significant reserves:

General revenue Account: 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 Account: set up to hold surplus monies received from housing rents less expenditure incurred.

Capital receipts reserve: these are amounts of capital receipts 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.

Capital adjustment account: these are 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: this is a reserve matching the liability in respect of the Commissioners' share of the Isle of Man Local Government Pension Scheme.

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

Provisions

The Authority maintains provisions for bad and doubtful debts, which are held against its arrears of major income sources.

Events after the balance sheet date

Post balance sheet events, whether favourable or unfavourable, that affect the conditions existing at the balance sheet date are adjusted in the Accounts and disclosures. For events occurring after the balance sheet date relating to conditions that arose after that date, adjustments are not made in the Accounts but details are disclosed in a note to the balance sheet. These principles apply up to the date when the Accounts are authorised for issue.

Port St. Mary Village Commissioners

Statement of Responsibilities for the Statement of Accounts

The Authority's responsibilities

The Authority 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; and
- approve the Statement of Accounts.

The Responsible Financial Officer's responsibilities

The Responsible Financial Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the Isle of Man Statement of Recommended Practice 2007 on accounting for entities subject to the Audit Act 2006 ("the SORP").

In preparing this Statement of Accounts, the Responsible Financial Officer is required to:

- select suitable accounting policies and then applied them consistently;
- make judgments and estimates that were reasonable and prudent; and
- comply with the SORP.

The Responsible Financial Officer should also:

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

We certify that the accounts set out on pages 13 to 33 of this Statement present fairly the financial position of the Authority at 31 March 2012 and its income and expenditure for the year ending on that date.

Port St. Mary Village Commissioners

Statement of Internal Control

Introduction

Regulation 8 of the Accounts and Audit Regulations 2007 requires the Authority 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 Authority's statement of accounts.

This statement is made by Port St Mary Village 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 Authority. 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 Authority'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 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:

- **Authority's corporate governance framework**

A corporate governance framework has been developed which documents the Authority's policies and procedures in relation to community focus, performance management, internal control, risk management, delegated authority, 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 Authority'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 Authority'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.

Port St. Mary Village Commissioners

INDEPENDENT AUDITOR'S REPORT TO THE COMMISSIONERS OF PORT ST MARY VILLAGE COMMISSIONERS

We have audited the financial statements of Port St Mary Village Commissioners for the year ended 31 March 2012 which comprise the statement of accounting policies, the income and expenditure account, the statement of the movement on the general fund balance, the housing revenue income and expenditure account, the statement of the movement on the housing revenue account balance, the statement of total recognised gains and losses, the balance sheet, the cash flow statement, the general rate fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Statement of Recommended Practice 2007: Accounting for entities subject to the Audit Act 2006 ("the SORP").

This report is made solely to the authority's Commissioners, 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 Commissioners, 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 Commissioners, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Responsible Financial Officer and auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Responsible Financial Officer is responsible for the preparation of the Statement of Accounts, including the financial statements, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Responsible Financial Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Statement of Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

In the current and preceding year, included within 'Land and Property' are operational properties which are reported at depreciated cost of £2,087,815 (2011: £1,986,653), not at the lower of net current replacement cost or net realisable value in existing use as required by section 3.97 of the SORP. The SORP requires that assets initially carried at cost during construction and subsequently ready for operational use may need to be valued in accordance with the basis relevant to that particular class of assets if there is evidence that historical cost is not a reliable figure for the value added by the authority. At 31 March 2011 the authority had not obtained an appropriate valuation for these assets that had become operational, and similarly at 31 March 2012 this continued to be the case. The depreciation charged on the operational properties during the current and preceding year was based on cost as opposed to the lower of net current replacement cost or net realisable value in existing use. It is not possible to quantify the effect of this departure from the accounting treatment required by the SORP.

Port St. Mary Village Commissioners

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the authority's affairs as at 31 March 2012 and of its deficit for the year then ended;
- have been prepared in accordance with the requirements of the SORP; and
- have been prepared in accordance with the Accounts and Audit Regulations 2007 made under the Audit Act 2006.

Matters on which we are required to report by exception

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

- the financial statements do not comply with any directions under section 13; or
- expenditure or income or any other transaction effected by or on account of the authority is or will be contrary to law; or
- the internal organisation of the authority and the internal controls maintained by it are not such as to secure proper management of the finances of the authority and economy and efficiency in the use of its resources.

PKF (Isle of Man) LLC

PKF (Isle of Man) LLC

Douglas, Isle of Man

Date 19 NOVEMBER 2012

Port St. Mary Village Commissioners

Income and Expenditure Account

For the year ended 31 March 2012

Statement of net expenditure	Notes	2012		2011	
		£	£	restated £	restated £
<i>Income Generated from:</i>					
Administration and general expenses		29,953		29,542	
Property		35,077		36,835	
Refuse		21,981		24,554	
Sewers		10,833		6,554	
Golf links		16,500		16,250	
Public amenities		2,625		3,250	
		<u>116,969</u>		<u>116,985</u>	
<i>Less expenditure generated by:</i>					
Administration and general purposes		153,297		162,470	
Direct labour – central costs		41,722		60,719	
Property		53,970		42,196	
Refuse Collection		105,502		107,558	
Sewers		9,271		4,840	
Public works		23,178		21,072	
Street cleaning and car parks		8,941		24,959	
Public conveniences		9,008		5,846	
Golf links		1,673		6,429	
Maintenance of public areas		42,617		31,875	
Public amenities		21,715		30,111	
Guides and general advertising		1,675		2,349	
Bad debt provision		4,979		12,160	
Bad debts written off		5,813		-	
Impairment of assets		10,300		-	
		<u>(493,661)</u>		<u>(512,584)</u>	
Current cost of Pensions adjustment	28		3,000		(11,000)
Past service gain	28		-		154,000
			<u>(373,692)</u>		<u>(252,599)</u>
Net cost of General Revenue Fund services			(373,692)		(252,599)
Housing Services – income		476,393		466,853	
Less: Gross Expenditure		(487,733)		(443,557)	
			<u>(11,340)</u>		<u>23,296</u>
Net cost of services			(385,032)		(229,303)
Interest payable and similar charges			(185,390)		(177,123)
Interest receivable			1,316		991
			<u>(185,390)</u>		<u>(177,123)</u>
Net operating expenditure			(569,106)		(405,435)
Sources of finance					
General rates		392,161		387,741	
Less: Collection charges		(4,478)		(4,423)	
Income from General rates		<u>387,683</u>		<u>383,318</u>	
Net deficit for the year			(181,423)		(22,117)

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Statement of the Movement on the General Fund Balance for the year ended 31 March 2012

	2012 £	2011 £
Deficit for the year on the income and expenditure account	(181,423)	(22,117)
Amounts included in the Income and Expenditure account but to be excluded when determining the Movement on the General Fund Balance		
Reversal of net charges made for retirement benefits in accordance with the SORP	(3,000)	11,000
Past service gain	-	(154,000)
Depreciation charge for the year	21,930	21,132
Impairment	10,300	-
Amounts not included in the Income and Expenditure Account but required to be included by statute when determining the Movement on the General Fund Balance for the year		
Revenue contribution to capital assets	(30,701)	(3,357)
Transfers to or from the General Fund Balance that are required to be taken into account when determining the Movement on the General Fund Balance for the year		
Transfer to Housing Maintenance Account	(411)	(377)
Transfer to Housing Revenue Account	196,730	153,827
	<hr/>	<hr/>
	13,425	6,108
General Fund Balance brought forward	113,783	107,675
	<hr/>	<hr/>
General Fund Balance carried forward	127,208	113,783
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Housing Revenue Income and Expenditure Account for the year ended 31 March 2012

	Notes	2012		2011	
		£	£	£	£
Income					
Dwelling rents	24	460,785		431,530	
Contributions towards expenditure including Housing Deficiency Payments	25	<u>15,608</u>		<u>35,323</u>	
Total income			476,393		466,853
Expenditure					
Repairs and maintenance		27,707		43,757	
Housing repairs – wages		37,611		13,558	
Administration allowance		29,053		27,592	
Depreciation charge for the year		304,272		274,488	
Rent, rates, taxes and other charges		71,922		70,247	
Insurance costs		14,499		13,915	
Bad debts		669		-	
Amortisation		<u>2,000</u>			
			(487,733)		(443,557)
Net (expenditure)/income from HRA services			(11,340)		23,296
Interest payable and similar charges			(185,390)		(177,123)
Deficit for the year on the Housing revenue income and expenditure account			<u>(196,730)</u>		<u>(153,827)</u>

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Statement of the Movement on the Housing Revenue Account Balance for the year ended 31 March 2012

	2012	2011
	£	£
Deficit for the year on the HR income and expenditure account	(196,730)	(153,827)
Amounts included in the Housing Revenue Income and Expenditure account but to be excluded when determining the Movement on the Housing Revenue Account Balance		
Depreciation charge for the year	304,272	274,488
Amortisation	2,000	-
Amounts not included in the Housing Revenue Income and Expenditure Account but to be included when determining the Movement on the Housing Revenue Account Balance for the year		
Loan principal repayments	(73,149)	(69,271)
Revenue contribution to capital assets	(10,000)	(8,668)
Transfers to or from the Housing Revenue Account Balance that are required to be taken into account when determining the Movement on the Housing Revenue Account Balance for the year		
Transfers to Housing Maintenance Account	(26,393)	(42,722)
	-----	-----
	-	-
	=====	=====
Housing Revenue Account Balance brought forward	-	-
Housing Revenue Account Balance carried forward	-	-
	=====	=====

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Statement of Total Recognised Gains and Losses *for the year ended 31 March 2012*

	2012	2011
	£	£
Deficit on the income and expenditure account for the year	(181,423)	(22,117)
Actuarial losses on Pension Fund Assets and Liabilities	28 (84,000)	109,000
Capital costs from Housing Maintenance Reserve	-	(8,668)
Revaluation of fixed assets	64,000	-
Total recognised gains and losses for the year	(201,423)	78,215

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Balance Sheet

As at 31 March 2012

	<i>Notes</i>	2012	2011
		£	£
Fixed assets			
Tangible fixed assets	<i>1, 2</i>	19,107,905	19,204,893
Intangible fixed assets	<i>3</i>	8,000	-
		<u>19,115,905</u>	<u>19,204,893</u>
Current assets			
Debtors	<i>6</i>	124,515	98,632
Cash at bank	<i>7</i>	723,447	724,930
		<u>847,962</u>	<u>823,562</u>
Current liabilities			
Creditors – amounts falling due within one year	<i>8</i>	(227,959)	(100,155)
Bank loans	<i>12</i>	(76,727)	(73,147)
Bank overdrafts	<i>12</i>	(3,338,999)	(3,337,820)
		<u>(3,643,685)</u>	<u>(3,511,122)</u>
Long term liabilities			
Bank loans	<i>12</i>	(2,810,921)	(2,887,649)
Net defined benefit pension liability	<i>28</i>	(349,000)	(268,000)
		<u>(3,159,921)</u>	<u>(3,155,649)</u>
Total assets less liabilities		<u><u>13,160,261</u></u>	<u><u>13,361,684</u></u>
Financed by:			
General Revenue Account	<i>10</i>	127,208	113,783
Housing Maintenance Account	<i>10</i>	244,378	217,572
Capital receipts reserve	<i>10</i>	205,411	205,411
Capital adjustment account	<i>10</i>	649,420	784,528
Pension reserve	<i>10,28</i>	(349,000)	(268,000)
Revaluation reserve	<i>10</i>	12,282,844	12,308,390
		<u>13,160,261</u>	<u>13,361,684</u>

The financial statements were approved and authorised for issue by the Authority on 16.11.12 and were signed on their behalf by:

Chairman *AMC Cabz*

RFO *[Signature]*

The notes on pages 22 to 33 form part of these financial statements

Port St. Mary Village Commissioners

Cash Flow Statement

for the year ended 31 March 2012

Revenue activities	£	2012 £	£	2011 £
Cash outflows				
Cash paid to and on behalf of employees	(255,743)		(283,771)	
Other operating cash payments	(392,856)		(287,591)	
		(648,599)		(571,362)
Cash inflows				
Rents	66,156		66,338	
Rents (after rebates) – housing stock	457,455		431,208	
Rate receipts	335,818		382,707	
Cash received for goods and services	15,790		23,469	
Deficiency grant received	61,060	936,279	-	903,722
Net cash inflow from revenue activities		287,680		332,360
Returns on Investments and servicing of finance				
Cash outflows				
Interest paid	(176,629)		(177,532)	
Interest element of finance lease rentals	-		(553)	
		(176,629)		(178,085)
Cash inflows				
Interest received – revenue	905		615	
Interest received – housing	411		376	
		1,316		991
Capital activities				
Cash outflows				
Purchase of fixed assets	(41,880)		(729,938)	
		(41,880)		(729,938)
Cash inflows				
Sale of fixed assets	-		-	
		-		-
Net cash inflow/(outflow) before financing		70,487		(574,672)
Management of liquid resources				
(Increase) in short term deposits		(24,302)		(105,975)
Financing				
Cash outflows				
Repayments of amounts borrowed	(73,149)		(69,272)	
Capital element of finance lease rental payments	-		(7,235)	
		(73,149)		(76,507)
Cash inflows				
Bank overdraft increase	1,179		722,592	
Bank loans taken out in year	-		-	
		1,179		722,592
Net decrease in cash		(25,785)		(34,562)

Port St. Mary Village Commissioners

Notes to the Cash Flow Statement

for the year ended 31 March 2012

1. Reconciliation of net deficit to net cash inflow from revenue activities

	2012 £	2011 £
Net deficit for the year on general fund income and expenditure account	(181,423)	(22,117)
Impairment	10,300	-
Depreciation	326,202	295,621
Amortisation	2,000	-
Adjust for appropriations to reserves	-	(8,668)
Adjust for appropriations to pension reserves	(3,000)	(143,000)
Interest paid & interest element of finance lease rentals	176,629	178,085
Interest received	(1,316)	(991)
(Increase)/decrease in debtors	(25,883)	25,700
(Decrease)/increase in creditors	(15,829)	7,730
Net cash inflow from revenue activities	<u>287,680</u>	<u>332,360</u>

2. Reconciliation of the movement in net debt

	2012 £	2011 £
Net debt at 1 April	(5,573,686)	(4,999,014)
Movement in net debt:		
Short term deposit	24,302	105,975
(Decrease) in cash in the period	(25,785)	(34,562)
Outflow from increase in debt financing	71,969	(646,085)
Net debt at 31 March	<u>(5,503,200)</u>	<u>(5,573,686)</u>

3. Reconciliation of financing and management of liquid resources

	Balance at 31 March 2011 £	Cash movement £	Balance at 31 March 2012 £
Cash at bank	40,402	(25,785)	14,617
Cash overdrawn	(3,337,820)	(1,179)	(3,338,999)
	<u>(3,297,418)</u>	<u>(26,964)</u>	<u>(3,324,382)</u>
Short term investments	684,528	24,302	708,830
Net debt:			
Due within one year	(73,147)	(3,580)	(76,727)
Due after one year	(2,887,649)	76,728	(2,810,921)
Total net debt	<u>(5,573,686)</u>	<u>70,486</u>	<u>(5,503,200)</u>

Port St. Mary Village Commissioners

General Rate Fund

as at 31 March 2012

	<i>Notes</i>	2012	2011
	£	£	£
Total rates levied for the year		406,359	405,756
<i>Add:</i>			
Due (to) / from Treasury re prior year	(2,792)		2,991
Arrears brought forward	22,974		16,582
		<u>20,182</u>	<u>19,573</u>
<i>Less:</i>		426,541	425,329
Discounts	(13,857)		(15,538)
Exempt and unoccupied properties	(54)		(5,736)
Refunds	(287)		-
Adjustment in respect of prior year	-		3,258
Collection charge	(4,480)		(4,423)
		<u>(18,678)</u>	<u>(22,439)</u>
Treasury write off		<u>(5,813)</u>	-
Total rates collectable		<u><u>402,050</u></u>	<u><u>402,890</u></u>
Rates received in the year:			
Current year rates	334,150		372,037
Arrears collected	4,460		7,680
Balance (to)/from Treasury re previous year	(2,792)		2,991
		<u>335,818</u>	<u>382,708</u>
Balances outstanding carried forward:			
Due (to)/from Treasury re current year	44,659		(2,792)
Arrears - current year	8,871		10,814
- previous years	12,702		12,160
		<u>66,232</u>	<u>20,182</u>
		<u><u>402,050</u></u>	<u><u>402,890</u></u>

The notes on pages 22 to 33 form part of these financial statements.

Port St. Mary Village Commissioners

Notes

(forming part of the financial statements for the year ended 31 March 2012)

1. Tangible fixed assets

	Land and Property £	Street Lighting £	Motor Vehicles, Plant and Equipment £	Total £
Cost/Value				
At 1 April 2011	19,844,657	107,483	140,579	20,092,719
Additions in the year	149,098	26,416	-	175,514
Disposals in the year	-	-	(19,961)	(19,961)
Revaluations	64,000	-	-	64,000
Impairment	(10,300)	-	-	(10,300)
At 31 March 2012	20,047,455	133,899	120,618	20,301,972
Depreciation				
As at 1 April 2011	678,447	84,995	124,384	887,826
Charge for the year	314,106	4,112	7,984	326,202
Disposals in the year	-	-	(19,961)	(19,961)
At 31 March 2012	992,553	89,107	112,407	1,194,067
Net book value				
At 31 March 2012	19,054,902	44,792	8,211	19,107,905
At 31 March 2011	19,166,210	22,488	16,195	19,204,893

Valuation of land & property

The Authority plans to revalue its land and property every five years. Valuations were carried out by Chrystals Commercial, the Authority's external valuer and Chartered Surveyors, during the year ended 31 March 2009. The basis for valuation is set out in the statement of accounting policies. Assets are further classified as:

	Non Operational Investment property £	Operational Community assets £	Operational Social housing dwellings £	Other Operational Land and buildings £	Total £
Valued at historic cost	-	2,066	2,561,905	4,284	2,568,255
Net current replacement cost	690,000	-	14,344,199	2,445,000	17,479,200
	690,000	2,066	16,906,104	2,449,284	20,047,455

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

1. Tangible fixed assets - continued

As at December 2008, the portfolio of 122 dwellings were valued at a value of £14,344,200 after allowing for a discount to reflect that it is intended to keep and maintain the stock in perpetuity. If the discount is not applied then the open market (vacant possession) value of the dwellings would be £23,907,000; the difference in valuations represents the economic cost to the Authority of providing housing at less than open market rents. These figures also include fixed asset additions, at cost, since the last valuation.

The Authority has reviewed the value of assets in all categories of assets including those professionally valued at December 2008 and does not consider there to be any material change as at 31 March 2012.

Depreciation methodologies

Depreciation is provided on all assets with a finite useful life, other than freehold land, investment property and assets under the course of construction. Depreciation is calculated on Balance Sheet values over periods reflecting the following estimated useful lives:

Property and dwellings (including associated Housing Revenue Account assets) – 30 to 50 years

Social housing improvements – over 15 years straight line basis

Other buildings – 20 to 30 years

Motor vehicles, plant and equipment – 3 to 10 years

Street lighting – 15 years

The use of these depreciation methodologies means that the Authority is not required to carry out a detailed impairment review.

2. Assets held

Operational assets	Number at 31 March 2011	Changes 2011/12	Number at 31 March 2012
Dwellings			
Dwellings – Houses and bungalows	110		110
Dwellings – flats	12		12
Other Land and Buildings			
Car parks	4		4
Depots	1		1
Public Conveniences	2		2
Public Halls / offices	1		1
Community Assets			
Golf course / recreational areas	1		1
Parks, gardens and open spaces	7		7
Non-Operational assets			
Commercial properties	2		2
Other properties	3		3
Agricultural land	1		1
Garages (general fund)	16		16

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

3. Intangible Fixed Assets

These represent software items which are amortised over 5 years

	31 March 2012	31 March 2011
	£	£
Cost		
At 1 April 2011	-	-
Additions in the year	10,000	-
Amortisation	(2,000)	-
	<u>8,000</u>	<u>-</u>
Net book value as at 31 March 2012		

4. Capital expenditure and financing

	2011/12	2010/11
	£	£
Capital investment		
Operational assets	41,880	729,938
	<u>41,880</u>	<u>729,938</u>
Sources of finance		
Isle of Man Bank Loans and overdrafts	1,179	726,581
Contribution from general fund	30,701	3,357
Contribution from housing revenue	10,000	-
	<u>41,880</u>	<u>729,938</u>

At the year end, £165,424 was accrued in respect of capital expenditure (2011:£21,791), £143,633 relating to 2011/12 additions. These additions are not included in the above note.

5. Capital commitments

The estimated commitments for capital expenditure that had started, or legal contracts entered into, by 31 March 2012 are listed below:

	31 March 2012	31 March 2011
	£	£
Housing	-	326,412
	<u>-</u>	<u>326,412</u>

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

6. Debtors

	2012	2011
	£	£
Amounts falling due in one year:		
Government departments	78,034	71,999
Ratepayers (note 9)	4,435	10,814
Housing rents	7,860	6,509
Trade debtors	3,550	-
Sundry debtors	9,960	8,074
Prepayments	20,676	-
Value Added Tax	-	1,236
	<u>124,515</u>	<u>98,632</u>

Debtor balances are shown net of provisions for bad or doubtful debts. Details of these provisions are given at note 9.

7. Cash

The cash in hand figure at 31 March 2012 was £723,447 (2011: £724,930). An analysis of the cash movements and the movement in net debt is provided in the cash flow statement and its notes on pages 19 to 20.

8. Creditors

	2012	2011
	£	£
Housing rents	10,030	11,167
Sundry creditors and accruals	214,458	86,196
Government departments	3,471	2,792
	<u>227,959</u>	<u>100,155</u>

9. Provisions

The Authority has provided against £17,137 (2011:£12,160) of rates income that is over one year old and 50% of current year arrears. In addition during the year an amount of £5,813 was written off as irrecoverable. In addition £669 was written off historic rent arrears (2011: £Nil).

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

10. Capital reserves and accounts

	Pensions Reserve	Capital receipts reserve	Revaluation reserve	Capital adjustment account
	£	£	£	£
Balance at 1 April 2011	(268,000)	205,411	12,308,390	784,528
Movement in the year	(81,000)	-	(25,546)	(135,108)
Balance at 31 March 2012	<u>(349,000)</u>	<u>205,411</u>	<u>12,282,844</u>	<u>649,420</u>

Revenue reserves

	Housing maintenance Account	General revenue account	Total
	£	£	£
Balance at 1 April 2011	217,572	113,783	331,355
Net surplus for year	411	13,425	13,836
Transfer from other reserves	26,395	-	26,395
Balance at 31 March 2012	<u>244,378</u>	<u>127,208</u>	<u>371,586</u>

11. Analysis of net assets employed

	2012	2011
	£	£
General revenue account	3,195,728	3,336,466
Housing revenue account	9,964,533	10,025,218
	<u>13,160,261</u>	<u>13,361,684</u>

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

12. Borrowings

Loans outstanding are the amounts borrowed from external lenders at the balance sheet date. They may be analysed as follows:

Analysis of loans by type:	2012 £	2011 £
Bank Overdraft	3,338,999	3,337,820
Isle of Man Bank Loans	2,887,648	2,960,796
	<u>6,226,647</u>	<u>6,298,616</u>
Analysis of loans and overdrafts by maturity:		
Less than 1 year	3,415,726	3,410,967
Between 1 and 2 years	80,841	76,727
Between 2 and 5 years	267,809	254,722
Between 5 and 10 years	551,100	519,653
More than 10 years	1,911,171	2,036,547
Total outstanding	<u>6,226,647</u>	<u>6,298,616</u>

In recent years the authority has taken out Isle of Man Bank loan finance to fund long term capital projects. Each of these loans are unsecured, repayable in instalments over a period of between 10 and 30 years and are fixed term loans. The interest charged on these loans varies between 4.95% and 5.60%.

Any monies borrowed on temporary overdraft facilities now incur interest at 0.65% above base rate.

Such loans have been sanctioned on a loan by loan basis by both Treasury and the Department of Infrastructure and/or the Department of Social Care and are secured by way of a Letter of Comfort issued by Treasury.

13. Contingent assets and liabilities

There were no known contingent assets or liabilities at either the current or prior year end.

14. Post balance sheet events

There have been no events since the date the balance sheet was produced that would require adjustment of the financial statements or disclosure in the notes to the accounts.

15. Members' allowances

During 2011/12 the Authority paid £3,540 (2011:£3,720) to its Members in respect of their attendance at meetings, undertaking duties and responsibilities.

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

16. Employees' remuneration

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

17. 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.

18. Audit fees

During 2011/12 the Authority incurred the following fees relating to external audit and inspection:

	2011/12	2010/11
	£	£
Fees payable with regard to external audit services carried out by the appointed auditor	6,820	8,258

19. Total rateable value

The total rateable value of the Village at 31 March 2012 is £140,143 (2011: £136,632) at the year end with a 300p rate being charged (2011: 297p).

20. Investments

The Authority has representation on the board of the Southern Civic Amenity Site ('the Board'), a Joint Board established under the Southern Civic Amenity Board Order 2000, in accordance with section 7 of the Local Government Act 1985. The Board comprises representative members from various southern local authorities whereby each representative member has access to the rewards, and exposure to the associated risks, arising from the operation of the Board.

The Board is managed jointly by its representative members, with no single member having control or the right to exercise dominant or significant influence. Accordingly the Authority's interest in the Board is considered to be an 'Investment' as defined by the SORP. The Authority, together with the other representative members, fund the Board to the extent necessary to maintain its operations, but have made no capital contribution to the Board and therefore the investment is recorded at nil value.

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

21. Housing fixed assets

	Operational assets
	Dwellings £
Cost/valuation	
At 31 March 2011 (restated)	16,761,291
Additions in the year	144,814
Disposals in the year	-
At 31 March 2012	16,936,105

Depreciation in respect of housing stock has been charged against the revaluation reserve of £89,546 for the year (2011: £155,758). The remaining depreciation is charged to the capital adjustment account. The current year figure includes an amendment in respect of previous year's split between revaluation reserve and capital adjustment account. Without this adjustment this year's figure would have been £131,420.

The figures at 31 March 2011 have been restated to reflect the actual cost or valuation as at that date.

22. HRA capital expenditure

Capital expenditure on HRA land and buildings was financed as follows:

	2011/12 £	2010/11 £
Borrowing	<u>1,180</u>	<u>726,581</u>

Accruals at the year end in respect of capital expenditure totalled £165,425 (2011: £21,791).

23. Housing Maintenance Account

	2011/12 £	2010/11 £
Balance at 1 April 2011	217,572	174,474
Movement in year	<u>26,806</u>	<u>43,098</u>
Balance at 31 March 2012	<u>244,378</u>	<u>217,572</u>

24. Gross rent income

Gross rent income is the total rent due for the year after voids, write-offs, refunds etc. Voids of £2,439 (2011:£1,863) represent 0.63% of the rental debit for the year, compared to 0.25% in 2010/11.

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

25. 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 receivable is shown as follows:

	2011/12	2010/11
	£	£
Deficiency receivable at year end re 2011/12	15,608	-
Deficiency receivable at year end re 2010/11	7,064	35,323
Deficiency receivable at year end re 2009/10	-	32,802
	<u>22,672</u>	<u>68,125</u>

During the year £61,060 (2011: £Nil) was received in respect of housing deficiency.

26. Housing stock

The housing stock of dwellings at 31 March was made up as follows:

	2011/12	2010/11
	No's	No's
Houses and bungalows	110	110
Flats and maisonettes	12	12
	<u>122</u>	<u>122</u>

There were no changes to the housing stock in the year ended 31 March 2012.

27. Rent arrears

	2011/12	2010/11
	£	£
Rent arrears	7,860	6,509
Rent arrears as a percentage of gross rent income	2.0%	1.5%

Arrears written off during the year amounted to £669 (£Nil in 2010/11).

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

28. Pensions

As part of the terms and conditions of employment of its employees, the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire, the authority has a commitment to make these payments. The Authority participates in the Local Government Pension Scheme administered by Douglas Borough Council in accordance with the Isle of Man Local Government Superannuation Scheme Regulations 2003. This is a defined benefit statutory scheme. The Authority 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.

During the financial year the cost of pensions contributions £34,000, (2011: £40,000) has been charged to the Income and Expenditure Account. The Authority must also disclose its share of the assets and liabilities related to the scheme for its employees.

The assets and liabilities of the Scheme as at 31 March 2012 were valued by the Fund's actuaries, Hymans Robertson, using the projected unit method, which assesses the future liabilities of the Scheme discounted to their present value. The main financial assumptions used in the calculations are:

Assumptions	31 March 2012 % per annum	31 March 2011 % per annum
Rate of increase in salaries	4.8%	5.1%
Rate of increase in pensions	2.5%	2.8%
Rate for discounting scheme liabilities	4.8%	5.5%
Rate of expected return on assets	5.3%	6.7%

The actuary has also adopted a set of demographic assumptions that are consistent with those used for the Pension Scheme at the last triennial valuation on 31st March 2010.

The actuary used this valuation as the basis for the Pension calculations. The assets in the Isle of Man Local Government Pension Scheme are valued at fair value, principally market value for investments, and the asset categories are shown in the Isle of Man Local Government Pension Scheme Accounts.

The fair value of the assets and liabilities held by the Authority within the Scheme are as follows:

	31 March 2012 £	31 March 2011 £
Estimated employer assets	820,000	782,000
Present value of scheme liabilities	(1,169,000)	(1,050,000)
Net pensions liability	<u>(349,000)</u>	<u>(268,000)</u>

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

28. Pensions (continued)

The fair value of the pension scheme assets at 31 March can be analysed as follows:-

	31 March 2012	31 March 2011
	£	£
Equities	525,000	524,000
Bonds	205,000	172,000
Property	74,000	63,000
Cash	16,000	23,000
	<hr/>	<hr/>
Estimated employer assets	820,000	782,000
	<hr/> <hr/>	<hr/> <hr/>

The following transactions have been made in the income and expenditure account during the year:

	2011/12	2010/11
	£	£
Net cost of service		
Past service gain	-	154,000
	<hr/>	<hr/>
Current service cost	26,000	39,000
Employer contribution payable to the Scheme	(34,000)	(40,000)
	<hr/>	<hr/>
	(8,000)	(1,000)
	<hr/> <hr/>	<hr/> <hr/>
Net operating expenditure		
Interest cost	58,000	64,000
Expected return on employer assets	(53,000)	(52,000)
	<hr/>	<hr/>
	5,000	12,000
	<hr/> <hr/>	<hr/> <hr/>

The net deficit on the scheme has increased from £268,000 to £349,000. An analysis of the movement during the year is shown below:

	2011/12	2010/11
	£	£
Net pension liability at the beginning of the year	(268,000)	(520,000)
Current service cost	(26,000)	(39,000)
Employer contributions	34,000	40,000
Expected return on employer assets	53,000	52,000
Actuarial (losses)/gains	(84,000)	109,000
Past service gains	-	154,000
Interest cost	(58,000)	(64,000)
	<hr/>	<hr/>
Net pension liability at the end of the year	(349,000)	(268,000)
	<hr/> <hr/>	<hr/> <hr/>

Port St. Mary Village Commissioners

Notes (continued)

(forming part of the financial statements for the year ended 31 March 2012)

28. Pensions (continued)

The recommended financial assumptions used in the report also include the following information:

Breakdown of the expected return on assets by category	2011/12	2010/11
	£	£
Equities	6.2%	7.5%
Bonds	3.3%	4.9%
Property	4.4%	5.5%
Cash	3.5%	4.6%

The actuarial gains have been further analysed in the following table, measured as absolute amounts and as a percentage of assets or liabilities as at the end of the financial year:

	2011/12		2010/11	
	£	Actuarial gain/loss as % of assets/liabilities	£	Actuarial gain/loss as % of assets/liabilities
Value of assets at end of year	820,000		782,000	-
Total present value of liabilities	(1,169,000)		(1,050,000)	-
Difference between the actual and expected return on assets	(42,000)	-5.12%	4,000	0.51%
Actuarial (losses)/gains recognised in the statement	(84,000)	-7.19%	109,000	10.38%

The above figures have been provided by the actuaries to the Isle of Man Government Pension Scheme using information provided by the Scheme, and assumptions determined by the Authority in conjunction with the actuary. Actuarial calculations involve estimates based on assumptions about events and circumstances in the future, which may mean that the result of actuarial calculations could be affected by uncertainties within a range of possible values.

The net liability represents the difference between the value of the Authority's share of assets in the Scheme and the value of the future pension payments to which it was committed at that date. These pension liabilities will be paid out over a period of many years, during which time the assets will continue to generate returns towards funding them. Any significant changes in the global equity markets after 1 April 2012 would also have an impact on the capital value of the pension fund assets.

In addition, full details of the pension fund accounts can be obtained from Douglas Borough Council, Douglas, Isle of Man.

29. Prior year amendment

The comparative split of net assets employed has been amended to correctly classify the housing and general revenue share of net assets. Pension disclosures have also been amended in the Income and Expenditure Account for presentational purposes only. There is no overall effect on the results or net assets for the comparative year.

Port St. Mary Village Commissioners

Detailed Income and Expenditure Account for the year ended 31 March 2012

	£	2012 £	£	2011 £
Salaries, office wages, NIC etc	90,377		120,069	
Manual wages	452		948	
Audit fees	6,821		8,258	
Accountancy, internal audit and professional	13,648		8,532	
Legal and consultancy	22,450		3,881	
Printing and stationery	463		2,800	
Photocopying	283		677	
Incidentals	863		705	
Election expenses	-		1,094	
Bank charges	1,788		891	
Travel expenses	982		699	
Attendance allowance	3,540		3,720	
Computer charges	968		1,239	
Postage and cleaning	3,489		2,043	
Telephone	2,271		2,287	
Staff training	249		2,313	
Advertising	-		1,445	
Civic events	4,653		869	
	<u> </u>	153,297	<u> </u>	162,470
 <i>Less receipts</i>				
Housing administration fee	29,053		27,592	
Search fees	900		1,950	
	<u> </u>	(29,953)	<u> </u>	(29,542)
		<u> </u>		<u> </u>
		123,344		132,928
 Direct labour – Central costs				
Manual workers – holiday		19,348		19,001
Manual workers – sick pay		2,637		17,809
Manual supervising wages				293
Vehicle costs and fuel		13,874		20,261
Vehicles – wages		2,877		2,132
Miscellaneous		2,986		1,223
		<u> </u>		<u> </u>
		41,722		60,719

This page does not form part of the audited financial statements

Port St. Mary Village Commissioners

Detailed Income and Expenditure Account (continued) for the year ended 31 March 2012

	£	2012 £	£	2011 £
Property				
Depreciation	9,833		5,300	
Insurance	10,684		10,711	
Maintenance	68		82	
Town Hall costs (maintenance, heat, light, & rates)	12,017		12,512	
Town Hall maintenance wages	12,603		1,372	
Store	3,498		3,539	
Store – wages	5,267		8,680	
		<u>53,970</u>		42,196
<i>Less receipts</i>				
Lettings	16,957		18,416	
Rent – garages	17,177		15,433	
Rent – other	943	<u>(35,077)</u>	2,986	<u>(36,835)</u>
		<u>18,893</u>		<u>5,361</u>
Refuse				
Wages	33,739		38,145	
Refuse expenses	25,877		25,670	
Vehicle Expenses	10,127		17,072	
Refuse bins	12,570		5,178	
Amenity site costs	22,441		21,166	
Refuse sacks	748		327	
		<u>105,502</u>		107,558
<i>Less receipts:</i>				
Collection of refuse	5,580		8,934	
Amenity site lease rental	16,401		15,620	
		<u>(21,981)</u>		<u>(24,554)</u>
		<u>83,521</u>		<u>83,004</u>
Sewers (Drainage agency)				
Wages	579		1,565	
Sewer maintenance	7,976		1,566	
Machinery	716		1,709	
		<u>9,271</u>		4,840
<i>Less receipts:</i>				
Government sewerage deficiency	10,703		6,554	
Sewer income	130		-	
		<u>(10,833)</u>		<u>(6,554)</u>
		<u>(1,562)</u>		<u>(1,714)</u>

This page does not form part of the audited financial statements

Port St. Mary Village Commissioners

Detailed Income and Expenditure Account (continued) for the year ended 31 March 2012

	£	2012 £	£	2011 £
Public Works				
Street lighting (inc. depreciation)		21,896		18,733
Street lighting - wages		1,282		
Loan charges		-		2,339
		<u>23,178</u>		<u>21,072</u>
Street cleaning and car parks				
Street cleaning – and maintenance of footpaths		1,537		6,766
Street cleaning - wages		6,683		17,945
Car parks		721		248
		<u>8,941</u>		<u>24,959</u>
Public conveniences				
Wages		5,493		2,693
General expenses		3,515		3,153
		<u>9,008</u>		<u>5,846</u>
Parks and Leisure				
<i>Golf links</i>				
Wages	214		3,199	
Maintenance	601		1,168	
Misc. inc rates & insurance	545		1,010	
Tennis courts	313		1,052	
		<u>1,673</u>		<u>6,429</u>
<i>Less receipts</i>				
Fees – golf	750		1,250	
Rents	15,750		15,000	
		<u>(16,500)</u>		<u>(16,250)</u>
		<u>(14,827)</u>		<u>(9,821)</u>
Maintenance of public areas				
Gardening & bedding plants & dog-litter warden		31,888		18,948
Grass cutting – labour and machinery		10,729		12,927
		<u>42,617</u>		<u>31,875</u>

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Port St. Mary Village Commissioners

Detailed Income and Expenditure Account (continued) for the year ended 31 March 2012

	2012 £	2011 £
Public Amenities		
Annual contribution to Southern Local Authority		
Swimming Pool	3,420	3,418
Outdoor seating	2,681	3,606
Outdoor seating – wages	10,157	14,312
Playground equipment	254	743
Playground – wages	473	2,768
Christmas tree	985	916
Christmas tree – wages	722	791
Signage	-	657
Signage – wages	23	410
Chapel Beach – cleaning & bathing raft	2,422	1,637
Chapel Beach – wages	544	153
Miscellaneous	232	669
Allotments – Ballagawne	(198)	31
	<u>21,715</u>	<u>30,111</u>
Less receipts		
Memorial seats subscriptions	(2,625)	(3,250)
	<u>19,090</u>	<u>26,861</u>
Guides and general advertising		
Plaques and flags	295	90
Flags – wages	1,355	1,859
Wages	25	400
	<u>1,675</u>	<u>2,349</u>
Impairment provision	10,300	-
Bad Debt provision	4,979	12,160
Bad Debt write off	5,813	-
	<u>21,092</u>	<u>12,160</u>

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