Peel Town Commissioners

Statement of Accounts

For the year ended 31 March 2023

Peel Town Commissioners
Year ended 31 March 2023

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Peel Town Commissioners
Year ended 31 March 2023

Members, Officers and Advisors

Peel Town Commissioners' registered address is:

Peel Town Commissioners,
Town Hall,
Derby Road,
Peel.
IM5 1RG

The Commissioners are the local authority for the Town of Peel. The local authority primary duties are social housing, waste collection, domestic refuse disposal, commercial refuse disposal, environmental health, routine cyclical highway maintenance operations, car parking management, street lighting, street sweeping, public parks, public amenity areas, public convenience, public library, museum, campsite, and byelaw enforcement.

The Commissioners work with the neighbouring authorities in the West of the Island to provide a Western civic amenity site, Western swimming pool and Western sheltered housing complex. These organisations individually prepare and publish their own statement of accounts which are separate to Peel Town Commissioners.

The Local Authority Board of Peel Town Commissioners is made up of seven elected representatives. The elected representatives for the year ended 31 March 2023 and to 24 April 2025 were:

Ms V. Heaton (Chair)
Ms H. Hannan (Deputy Chair)
Mr F.K. Crompton
Mr A.G. Jones
Ms M. Kelly
Mrs C.A. Moughtin
Mr R. K. Harmer (From 20 February 2023)

Mr M.W. Wade resigned from the Board of Peel Town Commissioners on 25 January 2023.

At the year ending 31 March 2023 the Commissioners operated three Lead Member Committees to oversee the local authority's functions. The elected representatives with delegated responsibility for prescribed function areas are detailed below:

Ms H. Hannan and Mrs C.A. Moughtin are responsible for overseeing the Commissioners' finance, operational maintenance activities, waste, staffing resource and corporate governance matters delegated to the Finance and Staff Resource Lead Member Committee.

Mr F.K. Crompton and Mr A.G. Jones are responsible for overseeing the Commissioners' social housing, licencing and property assets delegated to the Property and Asset Management Lead Member Committee. Mr A.G. Jones is responsible for overseeing the Commissioners' interests in the Leece Museum.

Ms M. Kelly and Ms V. Heaton (Mr M.W. Wade resigned from this Committee on 25 January 2023 and was replaced by the Chair Ms V. Heaton) are responsible for overseeing the Commissioners' campsite, library, parks, amenity areas, events, car parking management and byelaw enforcement delegated to the Events, and Commercial Innovation Lead Member Committee.

Members, Officers and Advisors - continued

Since the local authority elections on 24 April 2025, the elected representatives for the year ended 31 March are:

Ms R. K. Harmer (Chair)
Mr F K Crompton (Deputy Chair)
Ms S Lambert
Ms K Baptist
Mrs C.A. Moughtin
Mr A Cubbon-Wood
Mr S Hardingham

Mrs C Moughtin and Ms S Lambert are responsible for overseeing the Commissioners' finance, operational maintenance activities, waste, staffing resource and corporate governance matters delegated to the Finance and Staff Resource Lead Member Committee.

Mr F K Crompton and Mr A Cubbon-Wood are responsible for overseeing the Commissioners' social housing, licencing and property assets delegated to the Property and Asset Management

Ms K Baptist and Mr S Hardingham are responsible for overseeing the Commissioners' campsite, library, parks, amenity areas, events, car parking management and byelaw enforcement delegated to the Events, and Commercial Innovation Lead Member Committee.

The Commissioners' Town Clerk and Responsible Finance Officer is Mr D.J. Sewell Bsc (Hons) MBA CILT.

The Commissioners internal auditor is Alexander Elliott and the external auditor is Crowe Isle of Man Audit LLC. Their Registered Addresses are as follows:

Alexander Elliott
Sovereign House
4 Christian Road
Douglas
IM1 2SD

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

Peel Town Commissioners
Year ended 31 March 2023

Explanatory Foreword

Introduction
This Statement provides a summary of Peel Town Commissioners financial performance for the year ended 31 March 2023. The Board's main objectives are to:

- To develop a Town plan which revitalise the conservation area by improving the quality of the street scene and accessibility;
- To develop a Town plan which defines appropriate development opportunities to meet the demands for housing, amenity and small businesses;
- To establish the western housing authority committee for all social housing in the West;
- To increase the use and value of the Commissioners' assets;
- To provide and support inclusive spaces and events that are accessible to everyone;
- To improve tourist information, facilities and signage for the Town Hall; and
- To improve public information through upgrading the website to connect with social media, photo/video gallery, access live feeds, receive campsite bookings, receive library information, receive rent payments and receive public enquiries or complaints.

Performance against Objectives
The authority sets the general rate in January each year and the rates are collected by the Isle of Man Treasury. The Isle of Man Treasury have provided the following information for the year ending 31 March 2022:

1. **The total rates in Peel is £1,560,434 (£1,527,042 in 2022) as stated on page 15.**
2. **The total rate arrears is £143,058 (£111,537 in 2022). An amount of £101,666 (£137,539 in 2022) was due from Treasury as stated on pages 31 and 32.**
3. **The bad debt provision has increased to £143,058 (£111,539 in 2022) as stated on page 29.**

One of the main purposes of the Finance, Operations and Staff Resource Lead Member Committee is to improve finance management of the Commissioners' affairs and increased transparency through reporting the Commissioners' financial position monthly to the Board at their public meetings. This allows the timely interventions by the Board when required to address expenditure and income issues which are not in accordance with the Commissioners' budget expectations. This management has allowed:

1. The authority has incorporated inflationary cost increases within their current budgets and retained the existing 257 pence in the pound general rate for six years (since 2016/17). **The Board, after consideration of the proposed increases in the Western Swimming Pool Joint Board and the Western Civic Amenity Site Joint Board operational costs, resolved to increase the general rate by 7 pence to 264 pence and the refuse rate by £2 per household to £198 for the year ending 31 March 2023.**
2. The Commissioners are again seeking a manage increase in their reserves during the initial term of the Board. This strategy proved successful between 2016 and 2019 with reserves being increased to a value of £958,009 at the end of March 2019. This permitted investment in a new infrastructure before the end of the Board's term of office. By the 31 March 2022 the Commissioners' reserve had increased slightly by £24,629 to 774,553 and the Capital receipt reserve remained at £44,912 as shown on page 17. At the 31 March 2023 the Commissioners' reserve had increased by £216,112 to £990,665 and the Capital receipt reserve remained at £44,912 as shown on page 16

Explanatory Foreword - continued

3. The authority has continued to employ season workers to assist in summer maintenance activities including providing additional weeding, grass cutting and street cleaning works in the town centre.
4. The authority has continued to operate their services within their allocated budget provision and to provide the surplus of £216,112. This surplus is mainly attributable to the £72,877 increase in campsite income; a £79,145 reduction in loan payments following the repayment of two loans; a £57,782 surplus in the salary budget; a £33,392 increase in rate income which was not used as envisaged in January 2022 to fund the additional swimming pool operating costs.

During the financial year ending 31 March 2023 the authority has seen its operations return to pre-Covid 19 pandemic status. This has resulted in the following::

1. The Campsite 2020/21 income has increased by £72,877 from £97,053 in 2022 to £169,930 in 2023 as stated on page 41.
2. The overall rent debt for Commissioner housing has decreased from £49,474 in 2022 to £41,935 in 2023 as stated on page 33. The bad rent debt provision has increased to £15,852 in 2023 from £15,497 in 2022 as stated on page 33.
3. The income at the Leece Museum has increased by £4,640 to £5,096 (£456 in 2022) as stated on page 41.

Social Housing

The Commissioners own/manage 357 social housing units. In the year ended 31 March 2023 the authority:

- **Let 16 social housing properties to tenants.**
- **The Isle of Man deficiency payment (subsidy) was £267,757** (£136,350 in 2022) as detailed within the Comprehensive Income and Expenditure Statement on page 15.
- **The overall housing maintenance reserve increased by £1,859 to £378,260** (£376,401 in 2022) as detailed within the Statement of Movement on Reserves Housing Maintenance Reserve Balance on page 16. This is earmarked for maintenance works to the exterior of properties at Reayrt Aalin. The Commissioners will be promoting a pilot project on two properties which will be undertaken in 2024. The findings from this pilot project will be critical in the development of a business case to support a value for money capital work treatment for this estate for approval by Isle of Man Government in 2024

On 28 February 2024, the Department of Infrastructure confirmed that Peel Town Commissioners can carry forward the housing maintenance reserve to be utilised in respect of capital projects undertaken in the year ended 31 March 2025.

Investments, Capital Expenditure, and Borrowing

During the year no external investments were made.

The total capital expenditure in the year was £217,567. This can be broken down as follows:

Land and Property £166,664
Plant and Equipment £50,903

Explanatory Foreword - continued

Investments, Capital Expenditure, and Borrowing – continued

The financing for this expenditure was as follows:

Repair allowance £80,725
General Revenue £136,842

The unused capital receipts is currently £44,912 (£44,912 in 2022). The accruals at the year end in respect of capital expenditure totalled £40,841 retention for the Beary Close housing scheme which was scheduled for payment in 2019.

The retention on the Beary Close housing scheme has not been paid to date following the identification of remedial works to new property boilers to permit adequate rapid accessibility for maintenance works. The retention for the new playground has not been paid because two items of equipment sustained minor damage during construction and require replacement.

Pension Liability

The net liability on the Isle of Man Local Government Superannuation Scheme attributable to Peel Town Commissioners is £159,000 (£1,889,000 in 2022) on page 38.

The pension liability has decreased by £1,730,000 on the previous year.

Future Strategic Intention

The ongoing delivery of the Board's objectives by:

- Keep increases to the town rate to a minimum;
- The delivery of efficient and cost effective Commissioners' services to Peel residents and businesses;
- Timely contribute to the Strategic and Western Area Town and Country Plans;
- To increase visitors to Peel and Peel Camping Park;
- The development of new events and facilities to encourage new visitors to Peel;
- The refurbishment of the Town Hall site and its surroundings;
- The provision of attractive easy to clean public conveniences in the Town;
- Investment in new information technology, website and communication systems; and
- The development of a social housing committee with neighbouring western local authorities to reduce operating costs and waiting time for the provision of social housing in the West of the Island.

Events Since Balance Sheet Date

No events are reported which will impact the accounts for the year ended on 31 March 2023.

Risks and Uncertainties

The internal audit has not recorded any risks which need urgently addressing by the authority. There are no other material risks and uncertainties to report.

....
Chairman Town Clerk

Peel Town Commissioners
Year ended 31 March 2023

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

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

The Responsible Financial Officer has also:

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

Signed D. Sewell

Responsible Finance Officer

Date 16 December 2025

Peel Town Commissioners
Year ended 31 March 2023

Certificate of the Tynwald Auditor General

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

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

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

Stephen Warren
Tynwald Auditor General/ Ard Scruteyder Tinvaal
2nd Floor
Prospect House
27-29 Prosect Hill
Douglas
Isle of Man
IM1 1ET

Date 23 December 2025

Independent auditor's report to the Members of Peel Town Commissioners

We have audited the statement of accounts of Peel Town Commissioners for the year ended 31 March 2023 which comprise the comprehensive Income and Expenditure statement, the Statement of Movement on Reserves, the Balance Sheet, the Cash Flow Statement and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the statement of accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report to the Members of Peel Town Commissioners - continued

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Responsible Financial Officer

As explained more fully in the Responsible Financial Officer's responsibilities statement set out on page 8, the Responsible Financial Officer is responsible for the preparation of the statement of accounts and for being satisfied that they give a true and fair view, and for such internal control as the Responsible Financial Officer determines is necessary to enable the preparation of statement of accounts that are free from material misstatement, whether due to fraud or error.

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

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

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

Independent auditor's report to the Members of Peel Town Commissioners - continued

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment or collusion.

The extent to which our procedures are capable of detecting irregularities including fraud, is detailed below. However the primary responsibilities for the prevention and detection of fraud rests with those charged with governance of the Company. Our approach is as follows:

We considered the opportunities for non-compliance with the key laws and regulations affecting the Authority. We identified the Audit Act 2006 and the Accounts and Audit Regulations 2018 as the primary pieces of legislation and regulation affecting the entity. We reviewed the legislation to conclude whether there has been any activity in the Scheme which is required to be disclosed under this legislation.

- We considered the opportunities for non-compliance with the key laws and regulations affecting the Authority. We identified the Audit Act 2006 and the Accounts and Audit Regulations 2018 as the primary pieces of legislation and regulation affecting the entity. We reviewed the legislation to conclude whether there has been any activity in the Scheme which is required to be disclosed under this legislation.

- We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, management override in the manipulation of financial information and bias in the use of estimates. We discussed these risks with the Authority's administrators and designed audit procedures to mitigate the risks identified. These included tests on the recognition of revenue and testing a sample of journals to confirm they were appropriate for the transactions noted in the year.

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

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

- the payment or application of money or other property held or received by or on account of the Authority; or

- a transaction effected by or on account of the Authority is or will be contrary to law.

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

Independent auditor's report to the Members of Peel Town Commissioners - continued

Use of our report

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

Crowe Isle of Man Audit LLC

Crowe Isle of Man Audit LLC
Chartered Accountants
6th Floor, Victory House
Prospect Hill
Douglas
Isle of Man
IM1 1EQ

Date 23rd December 2025

Peel Town Commissioners
Year ended 31 March 2023

Statement of Internal Control

Introduction

Regulation 6 of the Accounts and Audit Regulations 2018 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 the Peel Town 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 Authority and the Responsible Financial Officer

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

The Authority 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 Authority.

In discharging this responsibility, the Authority 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 on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The following are considered to be key aspects of the internal control and corporate governance environment:

- ***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.

- ***Authority meetings***

  The Authority meets monthly and consists of a Chairman and 6 other Authority members. The Authority 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 Authority.

Peel Town Commissioners
Year ended 31 March 2023

Statement of Internal Control (continued)

Review of internal control and corporate governance environment

The effectiveness of the Authority's internal control and corporate governance arrangements is continuously assessed by the work of management and the Authority. During the year ended 31 March 2023, the Authority has reviewed and restructured its staff resources to strengthen its internal finance control and corporate governance procedures to further enhance the oversight of the authority's financial affairs.

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

Report on internal control and corporate governance environment

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

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

- Segregation of duties utilising administrative staff to record invoices, with finance officer to make payments, authorised by the Clerk;
- Approval of timesheets
- Budgeting systems;
- Regular reviews of monthly, quarterly and annual financial reports by finance officer, town clerk and lead member for finance which indicate financial performance against budget forecasts:
- Clearly defined capital expenditure plans and monitoring of actual spend versus budget; and
- Regular review of housing spend against allowance and utilisation of reserve held.

During the year ended 31 March 2023 a general internal audit review of all aspects of the operation was undertaken (moderate and low risk areas done on rotation).

All risks identified in the prior year identified by the internal auditor were mitigated. No high risk observations were identified in the report in relation to the year ended 31 March 2023.

The RFO has met with the Authority to discuss the detailed findings of the report with a view to implementing, where practical, the key recommendations of the Internal Auditor. The internal audit has not recorded any risks which need urgently addressing by the authority.

Signed) _____ (Signed) D - Sewell

(Chair) (Responsible Finance Officer)

(Dated) 16 December 2025

Peel Town Commissioners

Comprehensive Income and Expenditure Statement

for the year ended 31 March 2023

Statement of net expenditure		**Gross Expenditure £**	**Income £**	**2022/23 Net Expenditure £**	2021/22 Net Expenditure £
Continuing operations:					
Employee costs		**575,327**	**-**	**575,327**	519,550
Premises		**207,492**	**291,378**	**(83,886)**	(6,666)
Agency and contracted services		**568,662**	**49,361**	**519,301**	548,484
Recharges		**18,822**	**15,924**	**2,898**	(9,222)
Central and technical		**243,743**	**136,554**	**107,189**	33,373
Vehicle costs		**38,117**	**-**	**38,117**	19,732
Depreciation		**133,772**	**-**	**133,772**	133,135
Net current service cost of pensions	**17**	**48,000**	**-**	**48,000**	57,000
Net cost of General Fund services		**1,833,935**	**493,217**	**(1,340,718)**	(1,295,386)
Housing services	**8**	**1,501,503**	**2,163,098**	**661,595**	698,476
Deficiency receivable	**8**	**-**	**267,757**	**267,757**	136,350
Net cost of services		**3,335,438**	**2,924,072**	**(411,366)**	(460,560)
Rates income				**1,560,434**	1,527,042
Interest and investment income				**10,831**	4
Profit on sale of asset				**-**	542
Write back of liability	**4**			**-**	87,170
Interest payable and finance charges				**(500,634)**	(411,388)
Net pension interest cost	**17**			**(48,000)**	(44,000)
Surplus on provision of services				**611,265**	698,810
Other Comprehensive Income and Expenditure					
Remeasurement of net pension liability				**1,826,000**	471,000
Revaluation				**14,822,541**	-
Total comprehensive income and expenditure				**17,259,806**	1,169,810

Peel Town Commissioners

Statement of Movement on Reserves

for the year ended 31 March 2023

	Notes	**General revenue reserve £**	**Capital adjustment account £**	**Revaluation reserve £**	**Pensions reserve £**	**Housing maintenance reserve £**	**Capital receipts reserve £**	**Earmarked reserves £**
Total comprehensive income and expenditure		**611,265**	**-**	**14,822,541**	**1,826,000**	**-**	**-**	**-**
Depreciation and impairment of fixed assets	1	**133,773**	**(382,195)**	**(398,179)**	**-**	**646,601**	**-**	**-**
Net charges made for retirement benefits	17	**96,000**	**-**	**-**	**(96,000)**	**-**	**-**	**-**
Loan fund principal repayments		**(37,088)**	**1,052,101**	**-**	**-**	**(1,015,013)**	**-**	**-**
Fixed assets financed from General Fund		**(136,842)**	**217,567**	**-**	**-**	**(80,725)**	**-**	**-**
Transfer to Housing Revenue Account		**(450,996)**	**-**	**-**	**-**	**450,996**	**-**	**-**
Depreciation written back on revaluation		**-**	**57,996**	**(57,996)**	**-**	**-**	**-**	**-**
		216,112	**945,469**	**14,366,366**	**1,730,000**	**1,859**	**-**	**-**
Balance brought forward		774,553	12,167,533	19,387,905	(1,889,000)	376,401	44,912	18,741
Balance carried forward		**990,665**	**13,113,002**	**33,754,271**	**(159,000)**	**378,260**	**44,912**	**18,741**

Peel Town Commissioners

Statement of Movement on Reserves

for the year ended 31 March 2022

	General revenue reserve £	Capital adjustment account £	Revaluation reserve £	Pensions reserve £	Housing maintenance reserve £	Capital receipts reserve £	Earmarked reserves £
Total comprehensive income and expenditure	698,810	-	-	471,000	-	-	-
Depreciation and impairment of fixed assets	133,135	(375,716)	(398,638)	-	641,219		
Net charges made for retirement benefits	101,000	-	-	(101,000)	-	-	-
Loan fund principal repayments	(35,019)	1,065,890	-	-	(1,030,871)	-	-
Fixed assets financed from General Fund	(342,003)	405,546			(63,543)		
Transfer to Housing Revenue Account	(542)	542	-	-	-	-	-
	(87,170)	87,170	-	-	-	-	-
Transfer from capital receipts reserve	(443,579)	-	-	-	443,579	-	-
	24,632	1,183,432	(398,638)	370,000	(9,616)	-	-
Balance brought forward	749,921	10,984,101	19,786,543	(2,259,000)	386,017	44,912	18,741
Balance carried forward	774,553	12,167,533	19,387,905	(1,889,000)	376,401	44,912	18,741

Peel Town Commissioners

Balance Sheet

as at 31 March 2023

	Notes	**2023**	2022
		£	£
Tangible fixed assets	*1*	**58,892,836**	44,633,102
Current assets			
Debtors	*3*	**390,194**	535,584
Cash at bank and short term investments		**1,254,944**	1,114,315
		1,645,138	1,649,899
Current liabilities			
Short term borrowing	*5*	**(1,071,901)**	(1,052,101)
Creditors	*4*	**(359,969)**	(582,700)
		(1,431,870)	(1,634,801)
Net current assets/(liabilities)		**213,268**	15,098
Total assets less current liabilities		**59,106,104**	44,648,200
Long-term liabilities			
Liability relating to defined benefit pension scheme	*17*	**(159,000)**	(1,889,000)
Long term borrowing	*5*	**(10,806,253)**	(11,878,155)
Total assets less liabilities		**48,140,851**	30,881,045
Revaluation reserve		**33,754,271**	19,387,905
Accumulated surpluses		**1,387,666**	1,169,695
Pensions reserve		**(159,000)**	(1,889,000)
Capital adjustment account		**13,113,002**	12,167,533
Usable capital receipts		**44,912**	44,912
		48,140,851	30,881,045

The financial statements were approved by the Authority on 16/12/25 and were signed on their behalf by:

Chairman *RFO*

Peel Town Commissioners

Cash Flow Statement

for the year ended 31 March 2023

	Notes	£	**2023** **£**	2022 £
Net surplus on provision of services		**611,265**		698,810
Adjustments to net surplus on provision of services for non-cash movements	11	**799,032**		645,797
Adjustments for items included in net surplus on provision of services that are investing and financing activities		**470,416**		410,066
Net cash flows from Operating Activities			**1,880,713**	1,754,673
Net cash flows from Investing Activities	12	**(217,567)**		(409,633)
Net cash flows from Financing Activities	13	**(1,533,128)**		(1,475,957)
			(1,750,695)	(1,885,590)
Net increase/(decrease) in cash and cash equivalents			**130,018**	(130,917)
Cash & cash equivalents at the beginning of the reporting period	14		**568,210**	699,127
Cash & cash equivalents at the end of the reporting period	14		**698,228**	568,210

Peel Town Commissioners

Statement of Accounting Policies

1. Basis of preparation

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

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

2. Going concern

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

3. Income

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

(b) Rentals

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

(c) Housing deficiency

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

4. Accruals of income and expenditure

The 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.

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.

Statement of Accounting Policies (Continued)

6. Tangible fixed assets

Tangible fixed assets have physical substance and are held by the Authority 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 Authority; and
- The cost can be measured reliably.

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

(b) Measurement (Valuation Bases)

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

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

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

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

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

(c) Revaluation

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

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

Statement of Accounting Policies (Continued)

6. Tangible fixed assets - continued

(c) Revaluation - continued

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

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

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);

- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

(d) Impairment

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

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

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);

- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

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

Statement of Accounting Policies (Continued)

6. Tangible fixed assets - continued

(e) Depreciation

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

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

Land – not depreciated
Property and Dwellings (including associated Housing Revenue Account assets) – 50 years
Component parts of Social Housing Improvements – Between 5 and 30 years
Vehicles, plant and equipment - 5 years

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

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

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

(f) Disposals

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

7. Investment Property

Investment Properties are those that are used solely to earn rentals or for capital appreciation purposes. Properties that are used to facilitate the delivery of services are not Investment Properties.

Investment properties are measured initially at cost and subsequently at fair value. The assets are not depreciated but are subject to five yearly revaluation reviews according to market conditions at the year-end. All valuations are undertaken by a qualified valuer. Gains and losses on revaluation and disposal are posted to the Comprehensive Income and Expenditure Statement. These unrealised gains and losses are reversed out in the Statement of Movement on Reserves to the Revaluation reserve. Proceeds on the sale of such assets would be reversed out to the Capital Adjustment account.

Statement of Accounting Policies (Continued)

8. 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 Authority's cash management.

9. Government Grants and Contributions

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

(a) Revenue Grants

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

(b) Housing Deficiency

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

10. 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.

11. 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.

Statement of Accounting Policies (Continued)

12. Employee benefits

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

(a) Short term benefits

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

(b) Defined benefit pension plan

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

The 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. The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the Authority's defined benefit obligation at the end of the reporting date less the fair value of the plan assets attributable to the Authority's members at the reporting date.

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

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

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

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

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

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

Statement of Accounting Policies (Continued)

13. 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.

14. 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 Authority maintains the following significant reserves:

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

Housing Maintenance Reserve: set up to hold surplus monies received from housing rents less expenditure incurred.

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

Earmarked Reserves: set up to hold surplus monies received on specific earmarked reserves less expenditure incurred.

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

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

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

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

Peel Town Commissioners

Significant Judgements and Estimates

(a) Judgements

In applying the accounting policies set out above the Authority has had to make assumptions and form judgments 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 Authority operates a rolling 5 year revaluation programme for assets held on the Balance Sheet at revalued amount. This means that not all assets are revalued formally every year. However a desktop review is undertaken of the assets that were not formally revalued during the year, taking into account factors such as changes to building cost indices since the asset's last revaluation and the impact of revaluations in year for similar assets. As a result it is judged that the potential difference in value that would result from formal revaluation is not material in the context of the overall carrying value of the assets, and therefore the risk of material misstatement to the Balance Sheet is low.

- Property, Plant and Equipment assets are judged to be held for their service potential rather than future resale value and therefore the Authority 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 Authority 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 Authority is required to disclose those estimates and assumptions which it has made in the preparation of its accounts for which there is the potential for a material adjustment within the next financial year.

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

Notes to the financial statements

for the year ended 31 March 2023

1. Tangible fixed assets

	Land and Property	Vehicles Plant and equipment	Investment Property	Total
Cost/valuation	**£**	**£**	**£**	**£**
At 31 March 2022	43,773,488	684,478	2,620,000	47,077,966
Additions in the year	**166,664**	**50,903**	-	**217,567**
Revaluation	**11,510,648**	-	**605,000**	**12,115,648**
At 31 March 2023	**55,450,800**	**735,381**	**3,225,000**	**59,411,181**
Depreciation				
At 31 March 2022	2,019,950	424,914	-	2,444,864
Charge for year	**686,942**	**93,431**	-	**780,373**
Revaluation	**(2,706,892)**	-	-	**(2,706,892)**
At 31 March 2023	-	**518,345**	-	**518,345**
Net Book Value				
At 31 March 2023	**55,450,800**	**217,036**	**3,225,000**	**58,892,836**
At 31 March 2022	41,753,538	259,564	2,620,000	44,633,102

Valuation of fixed assets

The Authority plans to fully revalue its fixed assets every five years. Valuations have been carried out by Black Grace Cowley Limited, Chartered Surveyors as at 31 March 2024. Further guidance was received in respect of the potential valuation as at 31 March 2023 and the uplift was applied at 31 March 2023.

The valuations have been carried out in accordance with the Practice Statements, Guidance Notes and Valuation Information papers published by the Royal Institution of Chartered Surveyors; RICS Valuation – Global Standards (known as The Red Book) dated 2022 and subsequent updates.

The basis for valuation is set out in the statement of accounting policies.

Historical cost of revalued fixed assets

Included within the above are assets with a historical cost as follows:

Land and Property - £18,456,535 (2022: £18,289,871)
Investment Property - £1,500 (2022: £1,500)

Within Land and Property are Social Housing Land and Property with a historical cost of £17,275,243 (2022: £17,194,518).

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

2. Assets held

Operational assets	Number at 31 March 2022	Changes 2022/23	**Number at 31 March 2023**
Social Housing Dwellings	357	-	357
Other Land and Buildings			
Car parks	9	-	9
Depots	1	-	1
Public Conveniences	4	-	4
Public Offices	1	-	1
Recreational properties	5	-	5
Miscellaneous properties	6	-	6
Vehicles, Plant and Equipment			
Vehicles	12	-	12
Infrastructure Assets			
Parks and open spaces	7	-	7
Non-Operational assets			
Commercial properties	4	-	4
Retail properties	3	-	3
Garages	62	-	62

3. Debtors and prepayments

	2023	2022
	£	£
Amounts falling due in one year (net of bad debt provisions):		
Trade and sundry debtors	**170,031**	243,253
Housing rents	**41,935**	73,434
VAT	**40,708**	55,147
Prepayments	**97,134**	133,686
Amounts due from Central Government	**25,462**	4,359
Amounts due from other local authorities	**14,924**	25,705
	390,194	535,584

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

	2023	2022
	£	£
Trade debtors	**67,500**	68,816
Ratepayers	**143,058**	111,539
Housing rents	**15,852**	15,497
Sundry debtors	**24,000**	-

Notes to the financial statements (Continued)

for the year ended 31 March 2023

4. Creditors

	2023	2022
	£	£
Central government	-	47,172
Trade creditors	**67,429**	211,980
Housing rents	**23,574**	30,822
Sundry creditors and accruals	**268,966**	292,726
	359,969	582,700

5. Long term borrowing

Loans outstanding may be analysed as follows:

	2023	2022
	£	£
Falling due within one year:		
Commercial loans and overdrafts	**1,071,901**	1,052,101
Falling due after more than one year:		
Commercial loans	**10,806,253**	11,878,155

In past years the authority has taken out IOM Bank Loan finance to fund long term capital projects. Each of these loans are unsecured, repayable between 10 and 30 years and previously were fixed term loans. The interest charged on these loans varies between 4.33% and 5.79%.

During the year and prior year, new borrowings have been taken out with HSBC Bank. Such loans are unsecured, repayable between 10 and 30 years and are variable rate loans. In the year, an overdraft of £3,135,818 was converted into a loan repayable over 27 years.

Any monies borrowed on temporary overdraft facilities with HSBC Bank incur interest at 1.2% above GBP Libor. 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.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

6. General Rate Account

	£	2023 £	£	2022 £
Total rates levied for the year		**1,108,838**		1,067,188
Add:				
Due from Treasury re prior year	**98,452**		26,184	
Arrears brought forward	**78,049**	**176,501**	109,738	135,922
		1,285,339		1,203,110
Less:				
Discounts	**(34,747)**		(30,364)	
Collection charge	**(11,015)**		(10,955)	
Exempt and unoccupied properties	**(24,539)**		(17,558)	
		(70,301)		(58,877)
Irrecoverable amounts and re-rating adjustments		**12,193**		214
Total rates collectable		**1,227,231**		1,144,447
Rates received in the year:				
Current year rates		**923,795**		878,548
Arrears collected		**38,402**		63,214
Balance from Treasury re previous year		**98,452**		26,184
Total rates received in the year		**1,060,649**		967,946
Balances outstanding carried forward:				
Due from Treasury re current year	**68,270**		98,452	
Arrears - current year	**46,472**		31,311	
- previous years	**51,840**		46,738	
		166,582		176,501
		1,227,231		1,144,447

	2023 £	2022 £
General rates levied for the year	**1,108,838**	1,067,188
Less: Discounts, exempt/uninhabitable properties & refunds	**(59,286)**	(47,922)
Per Comprehensive Income and Expenditure Statement	**1,049,552**	1,019,266

Notes to the financial statements (Continued)

for the year ended 31 March 2023

7. Refuse Rate Account

	£	2023 £	£	2022 £
Total refuse rates levied for the year		**530,706**		526,126
Add:				
Due from Treasury re prior year	**39,087**		14,478	
Arrears brought forward	**33,488**	**72,575**	42,546	57,024
		603,281		583,150
Less:				
Discounts	**(16,463)**		(13,475)	
Collection charge	**(5,684)**		(5,283)	
Exempt and unoccupied properties	**(3,359)**		(4,876)	
		(25,506)		(23,634)
Irrecoverable amounts and re-rating adjustments		**8,753**		(4,146)
Total refuse rates collectable		**586,528**		555,370
Refuse rates received in the year:				
Current year refuse rates	**449,823**		447,427	
Arrears collected	**19,476**		20,889	
Balance due from Treasury re previous year	**39,087**		14,479	
Total refuse rates received in the year		**508,386**		482,795
Balances outstanding carried forward:				
Due from Treasury re current year	**33,396**		39,087	
Arrears - current year	**21,980**		15,978	
- previous years	**22,766**		17,510	
		78,142		72,575
		586,528		555,370

	2023 £	2022 £
Refuse rates levied for the year	**530,706**	526,126
Less: Discounts, exempt/uninhabitable properties & refunds	**(19,823)**	(18,350)
Per Comprehensive Income and Expenditure Statement	**510,883**	507,776

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

8. Housing Revenue Income and Expenditure

	2023	2022
	£	£
Income		
Dwelling rents (including rates)	**2,163,098**	2,167,352
Housing Deficiency Receivable	**267,757**	136,350
Total income	**2,430,855**	2,303,702
Expenditure		
Repairs and maintenance	**396,304**	393,708
Supervision and management	**109,219**	98,088
Rents, rates, taxes and other charges	**349,379**	335,861
Depreciation & impairment charges	**646,601**	641,219
	1,501,503	1,468,876
Net cost of Housing Services before interest and loan repayments	**929,352**	834,826

Included within rents, rates, taxes and other charges above is £349,379 of rates charged in respect of the Commissioners social housing properties. This amount is also included within dwelling rents (including rates) within the Housing Revenue Income and Expenditure Account, in addition to rates income within the Comprehensive Income and Expenditure Account.

Dwelling rent income

Dwelling rent income is the total rent due for the year after voids, write-offs, refunds etc. Voids represent 1.07% of the rental debit for the year (2022: 1.07%).

Rent arrears

	2023	2022
	£	£
Rent arrears	**41,935**	49,474
Rent arrears as a percentage of gross rent income	**2.30%**	2.82%

Arrears written off during the year amounted to £Nil (2022: £Nil) and a decrease of £355 (2022: £1,491 decrease) was made in the provision for bad and doubtful rental debts. As at 31 March 2023 the provision stood at £15,852 (2022: £15,497).

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

8. Housing Revenue Income and Expenditure - continued

Housing deficiency grant

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

	2023	2022
	£	£
Opening balance payable	**(47,172)**	(148,789)
Deficiency grant required	**267,757**	136,350
Payments received from Department of Infrastructure	**(195,123)**	(34,733)
Closing balance payable	**25,462**	(47,172)

9. Employees' remuneration

The number of employees whose remuneration, excluding pension contributions, was £50,000 or more in bands of £25,000 was:

		2022/23 Number of Employees		2021/22 Number of Employees
Remuneration Band	**Total**	**Leavers in year**	Total	Leavers in year
£50,000 - £74,999	1	-	1	-

Key management compensation

Key management personnel are those persons having Authority and responsibility for planning, directing and controlling the activities of the Authority. Compensation paid in the year totalled £84,532 (2022: £75,851).

Members' allowances

During the year the Authority paid £1,300 to its Members in respect of their attendance at meetings, undertaking duties and responsibilities (2022: £1,250). As at 31 March 2023, an amount of £62 (2022: £Nil) was due in this respect.

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

10. 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 required deficiency funding of £267,757 (2022: £136,350) from Central Government. At the year end the Commissioners were owed £25,462 (2022: £47,172) in respect of this requirement.

An amount of £14,924 (2022: £21,422) was invoiced post year end from Peel Town Commissioners to Peel & Western District Housing Committee in respect of the recharge of expenditure incurred and staff costs incurred by Peel Town Commissioners. At the year end, an amount of £Nil (2022: £Nil) was due from Peel & Western District Housing Committee in this respect as the invoice has only been accrued.

Peel Town Commissioners invoiced £673 (2022: £1,362) during the year to Western Local Authority Swimming Pool Board in respect of refuse. The Commissioners paid £ 10,455 (2022: £10,382) to Western Swimming Pool Board in respect of swimming pool contributions. At the year end Peel Town Commissioners owed £355 (2022: £Nil).

Peel Town Commissioners were charged £147,229 (2022: £120,907) in the year by Western Civic Amenity Site. No amounts were due as at 31 March 2022 or 2023.

Ian Davidson was billed £Nil (2022:£Nil) in respect of campsite bookings. A balance of £915 (including VAT) (2022: £915) was owed in this respect at 31 March 2022 and was offset against an invoice for services rendered in the year in respect of events organisation.

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 transactions arose in relation to officers of the Authority

Members of the Authority - no related party transactions arose in relation to officers of the Authority

Notes to the financial statements (Continued)

for the year ended 31 March 2023

11. Cash flow statement – Operating activities

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

	2023	2022
	£	£
Depreciation, impairment & revaluation losses for non-current assets	**780,372**	774,354
Profit on sale of assets	**-**	(542)
(Decrease) in creditors	**(222,731)**	(62,027)
Decrease/(increase) in debtors	**145,391**	(166,988)
Difference between FRS102 pension cost and contributions paid (note 17)	**96,000**	101,000
	799,032	645,797

12. Cash flow statement – Investing activities

	2023	2022
	£	£
Purchase of assets (Fixed assets, investment property, intangible assets)	**(217,567)**	(410,175)
Proceeds on sale of assets	**-**	542
	(217,567)	(409,633)

13. Cash flow statement – Financing activities

	2023	2022
	£	£
Repayments of short-term and long-term borrowing	**(1,052,101)**	(1,065,891)
Increase in short term deposits	**(10,611)**	-
Bank interest received	**10,832**	4
Loan interest paid	**(481,248)**	(410,070)
	(1,533,128)	(1,475,957)

14. Cash flow statement – cash & cash equivalents

	2023	2022
	£	£
Cash at Bank and in hand	**698,228**	568,210
Short term deposits	**556,716**	546,105
Cash at bank per Balance Sheet	**1,254,944**	1,114,315
Short term deposits	**(556,716)**	(546,105)
Cash & cash equivalents per Cash Flow Statement	**698,228**	568,210

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

15. Audit fees

During the year the Authority incurred external audit fees of £11,950 (2022: £8,850).

16. Total rateable value

The total rateable value of the Town at 31 March 2023 is £421,292 (2022: £415,285) with a 264p rate being charged (2022: 257p). In addition a refuse charge of £198 (2022: £196) per household was levied for the year.

17. Post employment benefits

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

A comprehensive actuarial valuation of the Local Government Superannuation Scheme, using the projected unit credit method, was carried out at 31 March 2023 by independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions:

	31 March 2023	31 March 2022
Rate of increase in salaries	**3.70%**	4.00%
Rate of increase in pensions	**2.90%**	3.20%
Rate for discounting scheme liabilities	**4.80%**	2.60%

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

The mortality assumptions used were as follows:

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

Notes to the financial statements (Continued)

for the year ended 31 March 2023

17. Post-employment benefits (continued)

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Net liability
	£	£	£
At 1 April 2022	4,278,000	6,167,000	(1,889,000)
Benefits paid	(102,000)	(102,000)	-
Plan participants contributions	19,000	19,000	-
Employer contributions	79,000	-	79,000
Current service cost	(14,000)	113,000	(127,000)
Interest income/(expense)	111,000	159,000	(48,000)
Remeasurement gains/(losses)			
• Actuarial gains	(112,000)	(1,950,000)	1,838,000
• Return on plan assets excluding interest income	(527,000)	-	(527,000)
• Change in demographic assumptions	-	(183,000)	183,000
• Experience gain	-	(332,000)	332,000
At 31 March 2023	3,732,000	3,891,000	(159,000)

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

	2023	2022
	£	£
Current service cost	**48,000**	57,000
Interest cost	**48,000**	44,000
	96,000	101,000

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

	2023	2022
	%	%
Equity instruments	**52**	50
Bonds	**34**	35
Property	**13**	15
Cash	**1**	-
Total	**100**	100

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

	2023	2022
	£	£
Interest income	**111,000**	80,000
Return on plan assets less interest income	**(527,000)**	226,000
Total return on plan assets	**(416,000)**	306,000

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

18. Capital commitments

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

	31 March 2023	31 March 2022
	£	£
Vehicles and equipment	-	38,203

19. Contingent liability

As disclosed on page 6, Peel Town Commissioners have received approval to carry forward excess housing maintenance reserves, to be utilised against future capital housing projects. This approval was provided in a letter dated 29 February 2024 from the Department of Infrastructure.

This approval is subject to those monies being spent by 31 March 2025. Should excess monies not be spent by this date, deficiency monies would be limited and repayment of excess reserves would be deducted from amounts due from Government. Excess monies are deemed to be 30% of the Housing Maintenance repairs allowance in any year.

Due to a delay in the project, the amounts of excess monies was not spent in its entirety by 31 March 2025. No adjustment is required in terms of this within these financial statements.

20. Post balance sheet events

At the time of signing of the financial statements, Peel Town Commissioners are in the process of purchasing a block of units that will be utilised for further social housing. The anticipated cost of these units is £1,750,000 and borrowings will be taken out with HSBC Bank in accordance with the agreement referred to in note 5 to the financial statements.

Peel Town Commissioners

Detailed Income and Expenditure Account

for the year ended 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Employee costs				
Office salaries	**251,509**		233,617	
Attendants	**49,838**		31,507	
Grass cutting	**71,870**		64,134	
Gardening	**22,138**		4,939	
Cleaning	**27,721**		13,167	
Admin – Foreman	**695**		266	
Commercial properties	**3,233**		26,016	
General properties	**39,536**		46,735	
Works	**22,848**		10,063	
Public functions	**13,675**		13,725	
Refuse	**449**		-	
Ward library	**14,203**		14,805	
Leece museum	**-**		2,539	
Unallocated re covid, illness etc	**57,612**		58,037	
		575,327		519,550
Premises related costs				
Playground costs	**1,690**		1,968	
Amenity areas	**26,928**		21,878	
Skateboard/BMX costs	**4,206**		3,097	
Beach costs	**5,295**		5,839	
Campsite costs	**32,186**		21,183	
Phillip Christian Centre costs	**4,567**		785	
Ward library costs	**7,814**		13,372	
Leece Museum costs	**2,004**		12,517	
Bowls and tennis costs	**4,996**		3,157	
Swimming pool contributions	**10,455**		10,382	
Commercial property costs	**6,478**		5,104	
Street lighting costs	**62,045**		71,534	
Seats, bins, flags, signs, clocks etc	**4,585**		3,114	
Mill Road yard costs	**7,638**		7,239	
Clothing	**3,581**		2,770	
Replacement equipment	**139**		576	
Repairs to toilets	**22,596**		20,952	
Shelters, CCTV, road repairs	**289**		1,697	
		207,492		207,164

This page does not form part of the audited financial statements

Peel Town Commissioners

Detailed Income and Expenditure Account (continued)
for the year ended 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Premises related income				
Commercial rents	**44,032**		51,189	
Campsite fees	**169,930**		97,053	
Leece museum	**5,096**		456	
Shell tipping fees	**3,000**		3,000	
Garage rents	**56,111**		50,696	
Peel Hill rents	**5,757**		5,757	
Car park fees	**5,726**		5,654	
Miscellaneous income	**1,726**		25	
		291,378		213,830
		(83,888)		(6,666)
Agency and contracted services costs				
Refuse disposal	**255,883**		260,876	
Refuse contract	**185,747**		175,233	
Wheelie bin purchase	**-**		18,999	
Amenity site charges	**126,934**		120,908	
Street cleaning	**98**		27,697	
		568,662		603,713
Agency and contracted services income				
Commercial refuse income	**49,361**		55,229	
		(49,361)		(55,229)
		519,301		548,484
Recharge costs				
Drainage recharge costs	**4,893**		11	
Westlands	**13,929**		18,959	
Housing pilot scheme costs	**-**		981	
Other recharge costs	**-**		3,733	
		18,822		23,684
Recharge income				
Westlands	**14,924**		21,489	
Grass cutting	**1,000**		1,000	
Housing pilot scheme income	**-**		10,417	
		(15,924)		(32,906)
		2,898		(9,221)

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Peel Town Commissioners

Detailed Income and Expenditure Account (continued)

for the year ended 31 March 2023

	2023	2023	2022	2022
Central and technical	£	£	£	£
Public function fireworks	**7,121**		6,655	
Peel Day	**11,428**		8,615	
Carnival Day	**5,000**		5,057	
Christmas costs	**14,695**		18,197	
Other public function costs	**17,013**		21,082	
Rates payable	**(8,653)**		(1,119)	
Audit fees	**11,800**		8,850	
Accountancy fees	**18,229**		13,629	
Legal and professional fees	**18,474**		7,780	
Website costs	**5,370**		7,930	
Printing, stationery, photocopier etc	**3,827**		1,646	
Postage	**1,889**		2,132	
Insurance	**29,825**		18,394	
Election expenses	**1,026**		6,634	
Attendance allowances	**1,300**		1,250	
Town Hall maintenance	**9,080**		253	
Computer costs	**28,011**		25,977	
Telephone	**6,419**		5,893	
Staff training	**-**		1,785	
Miscellaneous	**4,060**		4,944	
Registrars costs	**-**		47	
Rate collection costs	**16,699**		16,239	
Rates provision for bad debts	**10,573**		(36,803)	
Other bad debt provisions	**30,557**		6,276	
		243,743		151,343
Central and technical income				
Admin allowance	**109,219**		98,087	
Search fees	**13,083**		14,777	
Hire of Boardroom	**212**		300	
Registrars fees	**2,656**		3,447	
Public function income	**11,384**		104	
Other income	**-**		1,255	
		(136,554)		(117,970)
		107,189		33,373
Motor vehicle expenses				
Tax and licences	**1,917**		2,111	
Petrol and diesel	**17,691**		11,149	
Repairs	**18,509**		6,472	
		38,117		19,732

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