

Chichester City Council

Unaudited Financial Statements

For the year ended 31 March 2018

Chichester City Council

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31 March 2018

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Chichester City Council

Council Information

31 March 2018

(Information current at 20th June 2018)

Mayor

Cllr M.J. Bell

Councillors

Cllr T. Tupper (Deputy Mayor)

Cllr C.M.M. Apel

Cllr P.J. Budge

Cllr T. Dempster

Cllr A.P. Dignum

Cllr M. Evans

Cllr P. Evans

Cllr A.J. French

Cllr N. Galloway

Cllr L. R. Hixson

Cllr D.M. Holman

Cllr J. Joy

Cllr R. Keyworth

Cllr J. Kilby

Cllr L.J. Macey

Cllr R.E. Plowman

Cllr A.M.D. Scicluna

Cllr S. Sharp

Clerk to the Council

Rodney Duggua RD BA (Hons)

Responsible Financial Officer (R.F.O.)

Mrs K. Martin MAAT

Auditors

Moore Stephens
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

Chichester City Council
Statement of Responsibilities
31 March 2018

The Council's Responsibilities

The council is required:

- to make arrangements for the proper administration of its financial affairs
- to secure that one of its officers (R.F.O.) has the responsibility for the administration of those affairs. At this council that officer is the Finance Manager, and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's Unaudited Financial Statements in accordance with Part 4 of the "Governance and Accountability for Local Councils – A Practitioners Guide (England) (as amended)" (the guide), so far as is applicable to this council, to present a true and fair view of the financial position of the council at 31 March 2018 and its income and expenditure for the year then ended.

In preparing the Unaudited Financial Statements, the R.F.O. has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent, and
- complied with the guide.

The R.F.O. 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.

Responsible Financial Officer's Certificate

I further certify that the Unaudited Financial Statements present a true and fair view of the financial position of Chichester City Council at 31 March 2018, and its income and expenditure for the year ended 31 March 2018.

Signed:

Mrs K. Martin MAAT- Finance Manager

Date:

Chichester City Council
Statement of Accounting Policies

31 March 2018

Auditors

The name and address of the External Auditors is provided for information only.

These Statements are not subject to audit and the External Auditors have no responsibility for them.

Accounting Convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE) issued by the Accounting Standards Board, as applied to Local Councils by part 4 of Governance and Accountability for Local Councils – A Practitioners Guide (England) (the guide). Comparative figures have been restated to conform to the revised formats where appropriate. Certain requirements have been omitted for clarity and simplicity as these statements are not subject to audit. They are produced in support of the council's audited Statement of Accounts contained within the Annual Return Statement of Accounts.

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Fixed Assets

All expenditure in excess of £1000 (on any one item or group of similar items) on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. Fixed assets are valued on the basis recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and in accordance with the statements of asset valuation principles and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS). The closing balances are stated on the following basis:

land and buildings are included in the balance sheet at Depreciated Replacement Cost (DRC). The DRC basis of valuation requires an estimate of the value of the land in its existing use, together with the current replacement cost of the building and its external works, from which appropriate deductions have been made to reflect the age, condition, economic, functional and environmental obsolescence and other locational factors which might result in the existing building being worth less than a new replacement building,

all other assets are included in the balance sheet at the lower of cost (estimated where not known) or estimated realisable value, except that,

certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Such assets are therefore considered to have no appreciable realisable value and are included at nominal value only.

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Revaluation Reserve. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, should they occur.

In accordance with Financial Reporting Standard (FRS) 15, depreciation is provided on all operational buildings (but not land), as well as other assets.

Chichester City Council
Statement of Accounting Policies
31 March 2018

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Freehold land is not depreciated.

Non Operational Assets (including Investment Properties) are not depreciated.

Vehicles, plant, equipment and furniture are depreciated over 5 to 10 years on a straight line basis.

Infrastructure assets are depreciated over 10 years at 10% per annum straight line.

Community assets are not depreciated, because they are of either intrinsic or purely nominal value.

Depreciation is accounted for as a Balance Sheet movement only, not through the Income and Expenditure Account.

Grants or Contributions from Government or Related Bodies

Capital Grants

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Revenue Grants

Revenue grants are credited to income when conditions attached thereto have been fulfilled and/or equivalent expenditure has been incurred. Grants received in respect of which the conditions have not been fulfilled, or expenditure incurred, are carried forward as deferred revenue grants.

Investments

Investments are included in the balance sheet at historic cost and realised gains or losses are taken into the income and expenditure account as realised. Details are given at note 14.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the regulations. That is sums due to or from the council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of regular quarterly and other accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the council's annual budget.

The council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

Leases

Rentals payable under operating leases are charged to revenue on an accruals basis. Details of the council's obligations under operating leases are shown at note 17.

Chichester City Council
Statement of Accounting Policies
31 March 2018

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 20 to 23.

Certain reserves are maintained to manage the accounting processes for tangible fixed assets, available for sale investments and retirement benefits. They do not represent usable resources for the council:

Revaluation Reserves – hold balances representing unrealised gains on the appropriate asset since 1st April 2007.

Capital Financing Account – represent the council's investment of resources in such assets already made.

Interest Income

All interest receipts are credited initially to general funds.

Cost of Support Services

The costs of management and administration have been apportioned to services on an appropriate and consistent basis.

Pensions

The pension costs that are charged against precept in the council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The next actuarial valuation is due at 31st March 2019 and any change in contribution rates as a result of that valuation will take effect from 1st April 2020.

Chichester City Council
Income and Expenditure Account
31 March 2018

	Notes	2018 £	2017 £
Income			
Precept on District Council		533,235	509,315
Grants Receivable		113,790	166,295
Rents Receivable, Interest & Investment Income		121,775	105,348
Charges made for Services		66,787	72,286
Other Income		77	117
Total Income		835,664	853,361
Expenditure			
Direct Service Costs:			
Salaries & Wages		(138,709)	(143,840)
Grant-aid Expenditure		(35,000)	(49,116)
Other Costs	1	(285,040)	(418,355)
Democratic, Management & Civic Costs:			
Salaries & Wages		(198,960)	(175,605)
Other Costs	1	(98,718)	(88,722)
Total Expenditure		(756,427)	(875,638)
Excess of Income over Expenditure/(Expenditure over Income) for the year.		79,237	(22,277)
Exceptional Items			
(Loss) on the disposal of fixed assets		(600)	-
Net Operating Surplus/(Deficit) for Year		78,637	(22,277)
STATUTORY CHARGES & REVERSALS			
Capital Expenditure charged to revenue	12	(9,770)	388,775
Investments purchased from revenue	14	-	(390,000)
Reverse profit on asset disposals		600	-
Transfer from Earmarked Reserves	23	27,719	33,514
Surplus for the Year to General Fund		97,686	10,012
Net Surplus for the Year		69,967	(23,502)
The above Surplus for the Year has been applied for the Year to as follows:			
Transfer from Earmarked Reserves	23	(27,719)	(33,514)
Surplus for the Year to General Fund		97,686	10,012
		69,967	(23,502)

The council had no other recognisable gains and/or losses during the year.

The notes on pages 12 to 20 form part of these unaudited statements.

Chichester City Council
Statement of Movement in Reserves
31 March 2018

Reserve	Purpose of Reserve	Notes	2018 £	Net Movement in Year £	2017 £
Asset Revaluation Reserve	Store of gains on revaluation of fixed assets	19	213,748	-	213,748
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	20	3,138,287	(25,955)	3,164,242
Investment Financing Account	Store of capital resources set aside to purchase investments	21	390,000	-	390,000
Usable Capital Receipts	Proceeds of fixed assets sales available to meet future capital investment	22	27,363	(5,660)	33,023
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	23	280,362	(27,718)	308,080
General Fund	Resources available to meet future running costs		467,647	97,686	369,961
Total			4,517,407	38,353	4,479,054

The notes on pages 12 to 20 form part of these unaudited statements.

Chichester City Council

Balance Sheet

31 March 2018

	Notes	2018 £	2018 £	2017 £
Fixed Assets				
Tangible Fixed Assets	11		3,474,989	3,503,300
Long Term Assets				
Investments Other Than Loans	14		490,000	390,000
Current Assets				
Debtors and prepayments	15	42,476		17,716
Cash at bank and in hand		825,503		858,153
		<u>867,979</u>		<u>875,869</u>
Current Liabilities				
Creditors and income in advance	16	<u>(187,968)</u>		<u>(160,166)</u>
Net Current Assets				
			680,011	715,703
Total Assets Less Current Liabilities				
			4,645,000	4,609,003
Deferred Grants	18		(127,593)	(129,949)
Total Assets Less Liabilities				
			<u>4,517,407</u>	<u>4,479,054</u>
Capital and Reserves				
Revaluation Reserve	19		213,748	213,748
Capital Financing Reserve	20		3,138,287	3,164,242
Investments Financing Reserve	21		390,000	390,000
Usable Capital Receipts Reserve	22		27,363	33,023
Earmarked Reserves	23		280,362	308,080
General Reserve			467,647	369,961
			<u>4,517,407</u>	<u>4,479,054</u>

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2018, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 20th June 2018 .

Signed:
Cllr M.J. Bell
Mayor

.....
Mrs K. Martin MAAT
Responsible Financial Officer

Date:
.....

The notes on pages 12 to 20 form part of these unaudited statements.

Chichester City Council

Cash Flow Statement

31 March 2018

	Notes	2018 £	2018 £	2017 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(337,666)		(319,445)
Other operating payments		<u>(421,433)</u>		<u>(536,272)</u>
			(759,109)	(855,717)
<i>Cash inflows</i>				
Precept on District Council		533,235		509,315
Cash received for services		178,627		139,788
Revenue grants received		<u>113,790</u>		<u>160,176</u>
			825,652	809,279
Net cash inflow/(outflow) from Revenue Activities	26		66,543	(46,438)
SERVICING OF FINANCE				
<i>Cash inflows</i>				
Interest received		<u>15,737</u>		<u>4,411</u>
Net cash inflow from Servicing of Finance			15,737	4,411
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(15,430)		(1,225)
Purchase of investments		<u>(100,000)</u>		<u>(390,000)</u>
<i>Cash inflows</i>				
Sale of fixed assets		<u>500</u>		<u>-</u>
Net cash (outflow) from Capital Activities			(114,930)	(391,225)
Net cash (outflow) before Financing			<u>(32,650)</u>	<u>(433,252)</u>
(Decrease) in cash	27		<u>(32,650)</u>	<u>(433,252)</u>

The notes on pages 12 to 20 form part of these unaudited statements.

Chichester City Council

Notes to the Accounts

31 March 2018

1 Other Costs Analysis

Other Costs reported in the council's Income and Expenditure Account comprise the following:

Direct Service Costs

	2018	2017
	£	£
Heritage	2,471	40,487
Community Centres	36,743	70,140
Community Parks & Open Spaces	18,780	17,751
Allotments	14,712	14,512
Cemeteries	46,322	45,210
Public Conveniences	11,500	11,310
Community Safety (Crime Reduction)	40,000	40,000
Structure & Local	4,756	6,511
Grants from New Homes Bonus	72,525	117,191
Promotion & Marketing of the Area	40,334	35,990
Community Development	35,272	49,500
Routine Repairs (other roads)	(3,647)	18,485
Investment Properties	272	384
Less: Grant-aid Expenditure	(35,000)	(49,116)
Total	285,040	418,355

Democratic, Management & Civic Costs

	2018	2017
	£	£
Corporate Management	38,025	23,585
Democratic Representation & Management	33,602	38,820
Civic Expenses	23,091	22,317
Mayors Allowance	4,000	4,000
Total	98,718	88,722

As reported in the Statement of Accounting Policies, apportionment of central costs is not reflected in the above analysis.

2 Interest and Investment Income

	2018	2017
	£	£
Interest Income - General Funds	20,838	4,411
	20,838	4,411

3 Agency Work

During the year the Council undertook no agency work on behalf of other authorities.

During the year the Council commissioned no agency work to be performed by other authorities.

Chichester City Council

Notes to the Accounts

31 March 2018

4 General Power of Competence

With effect from 20th May 2015 Chichester City Council acquired the right to exercise the General Power of Competence extended to Town and Parish Councils under the Localism Act 2011 by S.I. 2012 No 965 (The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012). Therefore, with effect from 20th May 2015 the council no longer exercises the powers conveyed by Section 137 of the Local Government Act 1972 (as amended).

5 Related Party Transactions

The council entered into no material transactions with related parties during the year.

6 Audit Fees

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

	2018	2017
	£	£
Fees for statutory audit services	2,000	2,000
Total fees	<u>2,000</u>	<u>2,000</u>

7 Publicity

Section 5 of the Local Government Act 1986 requires the council to disclose expenditure on publicity. Details are shown under the following broad categories:

	2018	2017
	£	£
Council House Publicity	1,286	1,471
Recruitment Advertising	249	-
	<u>1,535</u>	<u>1,471</u>

8 Members' Allowances

	2018	2017
	£	£
Members of Council have been paid the following allowances for the year:		
Mayors Allowance	4,000	4,000
	<u>4,000</u>	<u>4,000</u>

9 Employees

The average weekly number of employees during the year was as follows:

	2018	2017
	Number	Number
Full-time	6	6
Part-time	6	6
Temporary	5	3
	<u>17</u>	<u>15</u>

All staff are paid in accordance with nationally agreed pay scales.

No officer received a salary in excess of £60,000

Chichester City Council

Notes to the Accounts

31 March 2018

10 Pension Costs

The council participates in the West Sussex County Council Pension Fund. The West Sussex County Council Pension Fund is a defined benefit scheme, but the council is unable to identify its share of the underlying assets and liabilities because all town and parish councils in the scheme pay a common contribution rate.

The cost to the council for the year ended 31 March 2018 was £44,122 (31 March 2017 - £39,870).

The most recent actuarial valuation was carried out as at 31st March 2016, and the council's contribution rate is confirmed as being 21.70% of employees' pay, plus a lump sum of £0 with effect from 1st April 2017 (year ended 31 March 2018 – 21.70%, , plus a lump sum of £0).

Financial Reporting Standard 17 (FRS17): "Retirement Benefits" sets out accounting requirements for pension costs. For schemes such as West Sussex County Council Pension Fund, paragraph 9(b) of FRS17 requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

11 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Operational Leasehold Land and Buildings	Non Operational Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£	£	£
At 31 March 2017	1,385,187	-	1,558,550	225,788	101,454	679,691	3,950,670
Additions	-	-	-	9,770	5,660	-	15,430
Disposals	-	-	-	(2,750)	-	-	(2,750)
At 31 March 2018	1,385,187	-	1,558,550	232,808	107,114	679,691	3,963,350
Depreciation							
At 31 March 2017	(214,235)	-	-	(190,628)	(41,491)	(1,016)	(447,370)
Charged for the year	(23,924)	-	-	(8,419)	(10,124)	(174)	(42,641)
Eliminated on disposal	-	-	-	1,650	-	-	1,650
At 31 March 2018	(238,159)	-	-	(197,397)	(51,615)	(1,190)	(488,361)
Net Book Value							
At 31 March 2018	1,147,028	-	1,558,550	35,411	55,499	678,501	3,474,989
At 31 March 2017	1,170,952	-	1,558,550	35,160	59,963	678,675	3,503,300

Although classified as capital expenditure, certain minor equipment purchases are not included in the above as they are not material in overall value.

Fixed Asset Valuation

The freehold and leasehold properties that comprise the council's properties have been valued as at 31st March 2008 by external independent valuers, Messrs The District Valuation Service. Valuations have been made on the basis set out in the Statement of Accounting Policies, except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of valuation. Plant and machinery that form fixtures to the building are included in the valuation of the building.

Assets Held under Finance Agreements

The council holds no such assets

Chichester City Council

Notes to the Accounts

31 March 2018

12 Financing of Capital Expenditure

	2018	2017
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	15,430	1,225
	<u>15,430</u>	<u>1,225</u>
was financed by:		
Capital Receipts	5,660	-
Revenue:		
Precept and Revenue Income	9,770	1,225
	<u>15,430</u>	<u>1,225</u>

13 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

Council House and Assembly Rooms

Non-Operational Land and Buildings

Buttermarket

Vehicles and Equipment

Council House furniture and equipment

Sundry office equipment

M U G A Lighting

Allotments Storage Container

Ford Transit

Infrastructure Assets

Fencing

Heritage Lighting

Bus Shelters (2)

Other Street Furniture

Community Assets

City Cross

St James Obelisk

Allotments – 7 sites

Litten War Memorial and Burial Ground

Furniture, Painting and Artefacts

Chichester City Council

Notes to the Accounts

31 March 2018

14 Investments

	Investments Other Than Loans
Cost	£
At 01 April 2017	390,000
Additions	100,000
At 31 March 2018	<u>490,000</u>
Net Book Value	
At 31 March 2018	<u>490,000</u>
	<u>490,000</u>
At 01 April 2017	<u>390,000</u>
	<u>390,000</u>

At 31 March 2018 the investments included above at a cost of £490,000 had a market value of £479,586 (31 March 2017 - £366,556).

15 Debtors

	2018	2017
	£	£
Debtors	6,382	5,527
Hall Bookings	2,602	10,782
Trade Debtors	<u>8,984</u>	<u>16,309</u>
Prepayments	10,858	1,407
Accrued Income	17,533	-
Accrued Interest Income	5,101	-
	<u>42,476</u>	<u>17,716</u>

16 Creditors and Accrued Expenses

	2018	2017
	£	£
Trade Creditors	25,859	27,420
Other Creditors	31,098	30,702
V A T Payable	1,125	4,338
Accruals	22,915	11,769
Income in Advance	<u>106,971</u>	<u>85,937</u>
	<u>187,968</u>	<u>160,166</u>

Chichester City Council

Notes to the Accounts

31 March 2018

17 Financial Commitments under Operating Leases

The council had annual commitments under non-cancellable operating leases of equipment as follows:

	2018	2017
	£	£
Obligations expiring within one year	-	-
Obligations expiring between two and five years	440	-
Obligations expiring after five years	-	-
	<u>440</u>	<u>-</u>

18 Deferred Grants

	2018	2017
	£	£
Capital Grants Applied		
At 01 April	125,310	127,666
Grants Applied in the year	-	-
Released to offset depreciation	(2,356)	(2,356)
At 31 March	<u>122,954</u>	<u>125,310</u>
Revenue Grants and S106 Revenue Contributions		
At 01 April	4,639	10,758
Received in the year	-	-
Released to Revenue	-	(6,119)
At 31 March	<u>4,639</u>	<u>4,639</u>
Total Deferred Grants		
At 31 March	<u>127,593</u>	<u>129,949</u>
At 01 April	<u>129,949</u>	<u>138,424</u>

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from the Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

19 Revaluation Reserve

	2018	2017
	£	£
Balance at 01 April	<u>213,748</u>	<u>213,748</u>
Balance at 31 March	<u>213,748</u>	<u>213,748</u>

The revised system of accounting for local councils requires the establishment of a Revaluation Reserve. The balance on this account represents revaluation of fixed assets since 1st April 2007, less subsequent depreciation charged to revenue on such revaluation elements. This account will increase or reduce as and when assets are revalued or disposed of.

Chichester City Council

Notes to the Accounts

31 March 2018

20 Capital Financing Account

	2018	2017
	£	£
Balance at 01 April	3,164,242	3,211,224
Financing capital expenditure in the year		
Additions - using capital receipts	5,660	-
Additions - using revenue balances	9,770	1,225
Disposal of fixed assets	(2,750)	(65,982)
Depreciation eliminated on disposals	1,650	65,982
Reversal of depreciation	(42,641)	(50,563)
Deferred grants released	2,356	2,356
Balance at 31 March	<u>3,138,287</u>	<u>3,164,242</u>

The Capital Financing Account represents revenue and capital resources applied to finance capital expenditure or for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact upon the amount to be met from precept. It does not represent a reserve that the council can use to support future expenditure.

21 Financial Instruments Financing Account

	2018	2017
	£	£
Balance at 01 April	390,000	-
Financing Investment Purchases in the year		
Additions - using revenue balances	-	390,000
Balance at 31 March	<u>390,000</u>	<u>390,000</u>

The Financial Instruments Financing Account represents revenue and capital resources applied to finance the purchase of Available for Sale Investments, less provisions for losses below the original cost of the applicable investment, and the entries necessary to adjust loans made at less than market rates of interest to a Fair Value as reported in the Balance Sheet. It does not represent a reserve that the council can use to support future expenditure.

22 Usable Capital Receipts Reserve

	2018	2017
	£	£
Balance at 01 April	33,023	423,023
Capital used to fund expenditure	(5,660)	(390,000)
Balance at 31 March	<u>27,363</u>	<u>33,023</u>

The Usable Capital Receipts Reserve represents capital receipts available to finance capital expenditure in future years.

Under the provisions of the Local Authorities Investment Regulations 2010, Investments in the Public Sector Deposit Fund are permitted Revenue Investments. Nevertheless, the Investment made in 2016/17 originated from Capital Receipts. At such time as the Investment is realised, the sum of £390,000 will be required to be returned to Usable Capital Receipts Reserve. Any surpluses arising on realisation will be treated as Revenue Income.

Chichester City Council

Notes to the Accounts

31 March 2018

23 Earmarked Reserves

	Balance at 01/04/2017	Contribution to reserve	Contribution from reserve	Balance at 31/03/2018
	£	£	£	£
Capital Projects Reserves	47,966	2,500	(12,449)	38,017
Asset Renewal Reserves	-	-	-	-
Other Earmarked Reserves	260,114	81,041	(98,810)	242,345
Total Earmarked Reserves	308,080	83,541	(111,259)	280,362

The Capital Projects Reserves are credited with amounts set aside from revenue to part finance specific projects which are part of the council's capital programme.

The Other Earmarked Reserves are credited with amounts set aside from revenue to fund specific known commitments of the council.

The Other Earmarked Reserves at 31 March 2018 are set out in detail at Appendix A.

24 Capital Commitments

The council had no other capital commitments at 31 March 2018 not otherwise provided for in these accounts.

25 Contingent Liabilities

The council is not aware of any contingent liabilities at the date of these accounts.

26 Reconciliation of Revenue Cash Flow

	2018	2017
	£	£
Net Operating Surplus/(Deficit) for the year	79,237	(22,277)
Add/(Deduct)		
Interest and Investment Income	(15,737)	(4,411)
Deferred Revenue Grants Released to Revenue	-	(6,119)
(Increase)/Decrease in debtors	(24,760)	268
Increase/(Decrease) in creditors	27,803	(13,899)
Revenue activities net cash inflow/(outflow)	66,543	(46,438)

Chichester City Council

Notes to the Accounts

31 March 2018

27 Movement in Cash

	2018	2017
	£	£
Balances at 01 April		
Cash with accounting officers	70	70
Cash at bank	858,083	1,291,335
	<u>858,153</u>	<u>1,291,405</u>
Balances at 31 March		
Cash with accounting officers	70	70
Cash at bank	825,433	858,083
	<u>825,503</u>	<u>858,153</u>
Net cash (outflow)	<u>(32,650)</u>	<u>(433,252)</u>

28 Reconciliation of Net Funds/Debt

	2018	2017
	£	£
(Decrease) in cash in the year	(32,650)	(433,252)
Cash outflow from repayment of debt	-	-
Net cash flow arising from changes in debt	<u>-</u>	<u>-</u>
Movement in net debt in the year	<u>(32,650)</u>	<u>(433,252)</u>
Cash at bank and in hand	858,153	1,291,405
Total borrowings	-	-
Net funds at 01 April	<u>858,153</u>	<u>1,291,405</u>
Cash at bank and in hand	825,503	858,153
Total borrowings	-	-
Net funds at 31 March	<u>825,503</u>	<u>858,153</u>

29 Post Balance Sheet Events

There are no significant Post Balance Sheet events since the preparation of these accounts, up to the date of their final adoption (on 20th June 2018), which would have a material impact on the amounts and results reported herein.

Chichester City Council

Appendices

31 March 2018

Appendix A

Schedule of Other F earmarked Reserves

	<u>Balance at</u> <u>01/04/2017</u>	<u>Contribution</u> <u>to reserve</u>	<u>Contribution</u> <u>from reserve</u>	<u>Balance at</u> <u>31/03/2018</u>
	£	£	£	£
<u>Capital Projects Reserves</u>				
Florence Road	0			0
Buttermarket	24,935	2,500	(9,935)	17,500
Allotment Improvements	23,031		(2,514)	20,517
	<u>47,966</u>	<u>2,500</u>	<u>(12,449)</u>	<u>38,017</u>
<u>Other F earmarked Reserves</u>				
Elections	20,849	12,000		32,849
Council House Maintenance	21,693	20,000		41,693
Joint Twinning - Chartres	1,825	500		2,325
Joint Twinning - Ravenna	4,340	500		4,840
Council House Redecoration	40,000			40,000
Painting Restoration	2,000			2,000
Lift contract	1,200	500		1,700
Staff Restructuring	21,039		(14,039)	7,000
International Relations	3,335	250		3,585
Computer Improvements	0	2,110		2,110
City Cross Conservation	0	10,435	(318)	10,117
St James Obelisk	1,300	100		1,400
Civic Regalia	6,000	2,000		8,000
War Memorial	19,618	4,000	(9,007)	14,611
Disused Burial Ground Maintenance	23,812		(4,281)	19,531
Budget Carry Forwards	11,558	28,646	(11,558)	28,646
Footbridge Lighting	0			0
Benches	17,375		(5,437)	11,938
The General Power of Competence	0			0
Staff Restructure Report	0			0
Offset Reduction Tax Base	36,055		(36,055)	0
Richard Glover Fees	0			0
Events	5,775		(5,775)	0
Henty Field	15,000		(10,000)	5,000
S106 Schemes	2,340		(2,340)	0
Chichester in Bloom	5,000			5,000
	<u>260,114</u>	<u>81,041</u>	<u>(98,810)</u>	<u>242,345</u>
TOTAL EARMARKED RESERVES	<u>308,080</u>	<u>83,541</u>	<u>(111,259)</u>	<u>280,362</u>

Chichester City Council

31 March 2018

Annual Report Tables

Table. 1 – Budget & Actual Comparison

	Budget £	Actual £
Net Expenditure		
Cultural & Heritage	10,900	3,770
Recreation & Sport	167,810	68,639
Open Spaces	24,800	32,319
Cemetery, Cremation & Mortuary	38,500	46,322
Environmental Health	11,650	11,500
Community Safety (Crime Reduction)	40,000	40,000
Planning & Development Services (including Markets)	140,240	115,460
Highways Roads (Routine)	12,900	(236)
Council Tax Benefit Support Grant	(41,265)	(41,265)
Investment Properties	(88,900)	(99,274)
Net Direct Services Costs	<u>316,635</u>	<u>177,235</u>
Corporate Management	70,530	158,962
Democratic & Civic	148,570	138,639
Net Democratic, Management and Civic Costs	<u>219,100</u>	<u>297,601</u>
Interest & Investment Income	(2,500)	(20,838)
Capital Expenditure	-	15,430
Proceeds of Disposal of Capital Assets	-	(500)
Transfers to/(from) other reserves	-	(33,379)
(Deficit from)/Surplus to General Reserve	-	97,686
Precept on District Council	<u><u>533,235</u></u>	<u><u>533,235</u></u>

Chichester City Council

31 March 2018

Annual Report Tables

Table. 2 – Service Income & Expenditure

Notes	2018 £	2018 £	2018 £	2017 £
	Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES				
Cultural & Heritage}	3,770	-	3,770	41,686
Recreation & Sport	118,330	(49,691)	68,639	87,568
Open Spaces	45,555	(13,236)	32,319	33,853
ENVIRONMENTAL SERVICES				
Cemetery, Cremation & Mortuary	46,322	-	46,322	45,210
Environmental Health	11,500	-	11,500	11,310
Community Safety (Crime Reduction)	40,000	-	40,000	40,000
PLANNING & DEVELOPMENT SERVICES				
Planning & Development Services	25,737	-	25,737	41,701
Economic Development (including markets)	129,214	(76,385)	52,829	46,177
Community Development	36,894	-	36,894	51,103
HIGHWAYS, ROADS & TRANSPORT SERVICES				
Highways Roads (Routine)	(236)	-	(236)	15,359
OTHER SERVICES				
Council Tax Benefit Support Grant	-	(41,265)	(41,265)	(42,985)
Investment Properties	1,663	(100,937)	(99,274)	(99,189)
CENTRAL SERVICES				
Corporate Management	159,039	(77)	158,962	127,742
Democratic & Civic	98,326	-	98,326	97,532
Civic Expenses	40,313	-	40,313	38,936
Net Cost of Services	756,427	(281,591)	474,836	536,003