

Chichester City Council

Unaudited Financial Statements

For the year ended 31 March 2023

Chichester City Council

Table of Contents

31 March 2023

	Page
Table of Contents.....	2
Council Information.....	3
Statement of Responsibilities.....	4
Statement of Accounting Policies.....	5
Income and Expenditure Account.....	8
Statement of Movement in Reserves.....	9
Balance Sheet.....	10
Cash Flow Statement.....	11
Notes to the Accounts.....	12
1 Other Costs Analysis.....	12
2 Interest and Investment Income.....	12
3 Agency Work.....	13
4 General Power of Competence.....	13
5 Related Party Transactions.....	13
6 Audit Fees.....	13
7 Publicity.....	13
8 Members' Allowances.....	13
9 Employees.....	14
10 Pension Costs.....	14
11 Tangible Fixed Assets.....	15
12 Financing of Capital Expenditure.....	16
13 Information on Assets Held.....	16
14 Investments.....	17
15 Debtors.....	17
16 Creditors and Accrued Expenses.....	17
17 Financial Commitments under Operating Leases.....	18
18 Deferred Grants.....	18
19 Revaluation Reserve.....	18
20 Capital Financing Account.....	19
21 Financial Instruments Financing Account.....	19
22 Usable Capital Receipts Reserve.....	19
23 Earmarked Reserves.....	20
24 Capital Commitments.....	20
25 Contingent Liabilities.....	20
26 Reconciliation of Revenue Cash Flow.....	20
27 Movement in Cash.....	21
28 Reconciliation of Net Funds/Debt.....	21
29 Post Balance Sheet Events.....	21
Appendices.....	22

Chichester City Council

Council Information

31 March 2023

(Information current at 26th June 2023)

Mayor

Cllr C. Gershater

Councillors

Cllr M. Corfield (Deputy Mayor)

Cllr C.M.M. Apel

Cllr E. Butler

Cllr R. Chant

Cllr J. Gershater

Cllr G. Hitchman

Cllr S. Knight

Cllr J. Kondabeka

Cllr S. Loxton

Cllr S. McHale

Cllr R. Miall

Cllr R. Moore

Cllr L. Pratt

Cllr S. Quail

Cllr A.M.D. Scicluna

Cllr K. Squire

Cllr J. Vivian

Clerk to the Council

Mrs S. Tate CiLCA

Responsible Financial Officer (R.F.O.)

Mrs K. Martin MAAT

Auditors

Moore (East Midlands
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

Chichester City Council
Statement of Responsibilities

31 March 2023

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 Deputy Town Clerk & 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 2023 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 2023, and its income and expenditure for the year ended 31 March 2023.

Signed:

Mrs K. Martin MAAT- Deputy Town Clerk & Finance Manager

Date:

Chichester City Council
Statement of Accounting Policies
31 March 2023

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 2023

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.

External Loan Repayments

The council has no long term borrowing. Consequently, there were no external loan repayments made in the year.

Chichester City Council
Statement of Accounting Policies
31 March 2023

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.

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 2025 and any change in contribution rates as a result of that valuation will take effect from 1st April 2026.

Chichester City Council
Income and Expenditure Account
31 March 2023

	Notes	2023 £	2022 £
Income			
Precept on Principal Authority		737,615	702,156
Grants Receivable		907,298	339,000
Rents Receivable, Interest & Investment Income		88,825	76,360
Charges made for Services		85,435	71,222
Other Income		446	878
Total Income		1,819,619	1,189,616
Expenditure			
Direct Service Costs:			
Salaries & Wages		(221,996)	(167,444)
Grant-aid Expenditure		(37,735)	(26,379)
Other Costs	1	(264,873)	(230,698)
Democratic, Management & Civic Costs:			
Salaries & Wages		(206,572)	(253,277)
Other Costs	1	(131,865)	(109,032)
Total Expenditure		(863,041)	(786,830)
Excess of Income over Expenditure for the year.		956,578	402,786
Exceptional Items			
(Loss) on the disposal of fixed assets		(235)	-
Net Operating Surplus for Year		956,343	402,786
STATUTORY CHARGES & REVERSALS			
Capital Expenditure charged to revenue	12	(14,080)	(9,038)
Reverse loss on asset disposals		235	-
Transfer (to) Earmarked Reserves	23	(916,355)	(373,276)
Surplus for the Year to General Fund		27,393	20,472
Net Surplus for the Year		943,748	393,748
The above Surplus for the Year has been applied for the Year to as follows:			
Transfer (to) Earmarked Reserves	23	916,355	373,276
Surplus for the Year to General Fund		27,393	20,472
		943,748	393,748

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

The notes on pages 12 to 21 form part of these unaudited statements.

Chichester City Council
Statement of Movement in Reserves
31 March 2023

Reserve	Purpose of Reserve	Notes	2023 £	Net Movement in Year £	2022 £
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	3,026,100	(31,075)	3,057,175
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	21,729	-	21,729
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	23	1,637,145	916,355	720,790
General Fund	Resources available to meet future running costs		544,269	27,393	516,876
Total			5,832,991	912,673	4,920,318

The notes on pages 12 to 21 form part of these unaudited statements.

Chichester City Council

Balance Sheet

31 March 2023

	Notes	2023 £	2023 £	2022 £
Fixed Assets				
Tangible Fixed Assets	11		3,371,817	3,408,035
Long Term Assets				
Investments Other Than Loans	14		490,000	490,000
Current Assets				
Debtors and prepayments	15	31,581		22,573
Cash at bank and in hand		2,137,040		1,224,267
		<u>2,168,621</u>		<u>1,246,840</u>
Current Liabilities				
Creditors and income in advance	16	<u>(65,478)</u>		<u>(87,445)</u>
Net Current Assets			2,103,143	1,159,395
Total Assets Less Current Liabilities			5,964,960	5,057,430
Deferred Grants	18		(131,969)	(137,112)
Total Assets Less Liabilities			<u>5,832,991</u>	<u>4,920,318</u>
Capital and Reserves				
Revaluation Reserve	19		213,748	213,748
Capital Financing Reserve	20		3,026,100	3,057,175
Investments Financing Reserve	21		390,000	390,000
Usable Capital Receipts Reserve	22		21,729	21,729
Earmarked Reserves	23		1,637,145	720,790
General Reserve			544,269	516,876
			<u>5,832,991</u>	<u>4,920,318</u>

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2023, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 26th June 2023 .

Signed:
Cllr C. Gershter
Mayor
Mrs K. Martin MAAT
Responsible Financial Officer

Date:

The notes on pages 12 to 21 form part of these unaudited statements.

Chichester City Council

Cash Flow Statement

31 March 2023

	Notes	2023 £	2023 £	2022 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(428,567)		(420,720)
Other operating payments		(439,138)		(455,724)
			(867,705)	(876,444)
<i>Cash inflows</i>				
Precept on Principal Authority		737,615		702,156
Cash received for services		120,190		139,731
Revenue grants received		906,136		339,000
			1,763,941	1,180,887
Net cash inflow from Revenue Activities	26		896,236	304,443
SERVICING OF FINANCE				
<i>Cash inflows</i>				
Interest received		29,367		18,505
Net cash inflow from Servicing of Finance			29,367	18,505
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(14,080)		(54,482)
<i>Cash inflows</i>				
Sale of fixed assets		1,250		-
Capital grant received		-		20,369
Net cash (outflow) from Capital Activities			(12,830)	(34,113)
Net cash inflow before Financing			912,773	288,835
Increase in cash	27		912,773	288,835

The notes on pages 12 to 21 form part of these unaudited statements.

Chichester City Council

Notes to the Accounts

31 March 2023

1 Other Costs Analysis

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

Direct Service Costs

	2023	2022
	£	£
Heritage	2,171	3,206
Community Centres	40,720	36,869
Outdoor Sports & Recreation Facilities	-	204
Community Parks & Open Spaces	8,350	6,895
Allotments	18,194	17,383
Cemeteries	47,661	13,600
Public Conveniences	13,848	12,882
Community Safety (Crime Reduction)	43,296	42,448
Structure & Local	17,187	6,830
Market Undertakings	42	-
Grants from New Homes Bonus	7,000	28,500
Promotion & Marketing of the Area	53,720	46,569
Community Development	37,996	26,535
Routine Repairs (other roads)	12,162	9,491
Investment Properties	261	5,665
Less: Grant-aid Expenditure	(37,735)	(26,379)
Total	264,873	230,698

Democratic, Management & Civic Costs

	2023	2022
	£	£
Corporate Management	73,093	40,220
Democratic Representation & Management	33,019	46,442
Civic Expenses	21,753	18,370
Mayors Allowance	4,000	4,000
Interest Payable	-	-
Total	131,865	109,032

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

2 Interest and Investment Income

	2023	2022
	£	£
Interest Income - General Funds	31,494	18,401
	31,494	18,401

Chichester City Council

Notes to the Accounts

31 March 2023

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.

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:

	2023	2022
	£	£
Fees for statutory audit services	2,520	2,000
Total fees	<u>2,520</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:

	2023	2022
	£	£
Council House Publicity	421	884
	<u>421</u>	<u>884</u>

8 Members' Allowances

	2023	2022
	£	£
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>

The council has resolved that, other than the Mayor, no members allowances will be paid.

Chichester City Council

Notes to the Accounts

31 March 2023

9 Employees

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

	2023	2022
	Number	Number
Full-time	6	7
Part-time	6	6
Temporary	4	4
	<u>16</u>	<u>17</u>

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

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 2023 was £62,003 (31 March 2022 - £59,279).

The most recent actuarial valuation was carried out as at 31st March 2022, and the council's contribution rate is confirmed as being 19.20% of employees' pay with effect from 1st April 2023 (year ended 31 March 2023 – 20.20%). 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.

Chichester City Council

Notes to the Accounts

31 March 2023

11 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Non Operational Land and Buildings	Vehicles and Equipment	Infra- structure Assets	Community Assets	Total
Cost	£	£	£	£	£	£
At 31 March 2022	1,385,187	1,558,550	238,143	218,591	679,691	4,080,162
Additions	-	-	14,080	-	-	14,080
Disposals	-	-	(2,473)	-	-	(2,473)
At 31 March 2023	1,385,187	1,558,550	249,750	218,591	679,691	4,091,769
Depreciation						
At 31 March 2022	(333,855)		(225,254)	(111,132)	(1,886)	(672,127)
Charged for the year	(23,924)		(5,262)	(19,453)	(174)	(48,813)
Eliminated on disposal	-		988	-	-	988
At 31 March 2023	(357,779)	-	(229,528)	(130,585)	(2,060)	(719,952)
Net Book Value						
At 31 March 2023	1,027,408	1,558,550	20,222	88,006	677,631	3,371,817
At 31 March 2022	1,051,332	1,558,550	12,889	107,459	677,805	3,408,035

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 2023

12 Financing of Capital Expenditure

	2023	2022
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	14,080	29,407
	<u>14,080</u>	<u>29,407</u>
was financed by:		
Capital Grants	-	20,369
Revenue:		
Capital Projects Reserve	-	-
Equipment Replacement Reserve	14,080	9,038
	<u>14,080</u>	<u>29,407</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

Renault Kangoo Van (Electric)

Infrastructure Assets

Fencing

Heritage Lighting

Bus Shelters (5)

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 2023

14 Investments

**Investments
Other Than
Loans**

Cost

At 01 April 2022

£
490,000

At 31 March 2023

490,000

Amounts Written Off

At 31 March 2023

-

Net Book Value

At 31 March 2023

490,000

490,000

At 01 April 2022

490,000

490,000

At 31 March 2023 the investments included above at a cost of £490,000 had a market value of £457,767 (31 March 2022 - £548,123).

15 Debtors

	2023	2022
	£	£
Debtors	5,040	5,000
Hall Bookings	3,235	2,522
Rounding adjustments	2	3
Trade Debtors	8,277	7,525
VAT Recoverable	3,130	-
Other Debtors	700	1,393
Revenue Grant Debtors	1,162	-
Prepayments	11,536	9,006
Accrued Interest Income	6,776	4,649
	31,581	22,573

16 Creditors and Accrued Expenses

	2023	2022
	£	£
Trade Creditors	31	-
V A T Payable	-	244
Accruals	18,709	17,500
Income in Advance	46,738	69,701
	65,478	87,445

Chichester City Council

Notes to the Accounts

31 March 2023

17 Financial Commitments under Operating Leases

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

	2023	2022
	£	£
Obligations expiring within one year	440	440
Obligations expiring between two and five years	-	-
Obligations expiring after five years	-	-
	<u>440</u>	<u>440</u>

18 Deferred Grants

	2023	2022
	£	£
Capital Grants Unapplied		
Grants received in the year	-	20,369
Applied to finance capital investment	-	(20,369)
At 31 March	<u>-</u>	<u>-</u>
Capital Grants Applied		
At 01 April	137,112	121,886
Grants Applied in the year	-	20,369
Released to offset depreciation	(5,143)	(5,143)
At 31 March	<u>131,969</u>	<u>137,112</u>
Total Deferred Grants		
At 31 March	<u>131,969</u>	<u>137,112</u>
At 01 April	<u>137,112</u>	<u>121,886</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

	2023	2022
	£	£
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 2023

20 Capital Financing Account

	2023	2022
	£	£
Balance at 01 April	3,057,175	3,091,322
Financing capital expenditure in the year		
Additions - using revenue balances	14,080	9,038
Disposal of fixed assets	(2,473)	-
Depreciation eliminated on disposals	988	-
Reversal of depreciation	(48,813)	(48,328)
Deferred grants released	5,143	5,143
Balance at 31 March	<u>3,026,100</u>	<u>3,057,175</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

	2023	2022
	£	£
Balance at 01 April	390,000	390,000
Financing Investment Purchases in the year		
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

	2023	2022
	£	£
Balance at 01 April	21,729	21,729
Balance at 31 March	<u>21,729</u>	<u>21,729</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 Local Authority Property 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 Useable Capital Receipts Reserve. Any surpluses arising on realisation will be treated as Revenue Income.

Chichester City Council

Notes to the Accounts

31 March 2023

23 Earmarked Reserves

	Balance at 01/04/2022	Contribution to reserve	Contribution from reserve	Balance at 31/03/2023
	£	£	£	£
Capital Projects Reserves	19,393	-	(5,040)	14,353
Asset Renewal Reserves	418,575	900,297	(48,888)	1,269,984
Other Earmarked Reserves	282,822	111,913	(41,927)	352,808
Total Earmarked Reserves	720,790	1,012,210	(95,855)	1,637,145

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 2023 are set out in detail at Appendix A.

24 Capital Commitments

The council had no capital commitments at 31 March 2023 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

	2023	2022
	£	£
Net Operating Surplus for the year	956,578	402,786
Add/(Deduct)		
Interest and Investment Income	(29,367)	(18,505)
(Increase)/Decrease in debtors	(9,008)	29,531
(Decrease) in creditors	(21,967)	(109,369)
Revenue activities net cash inflow	896,236	304,443

Chichester City Council

Notes to the Accounts

31 March 2023

27 Movement in Cash

	2023	2022
	£	£
Balances at 01 April		
Cash with accounting officers	30	70
Cash at bank	1,224,237	935,362
	<u>1,224,267</u>	<u>935,432</u>
Balances at 31 March		
Cash with accounting officers	30	30
Cash at bank	2,137,010	1,224,237
	<u>2,137,040</u>	<u>1,224,267</u>
Net cash inflow	<u>912,773</u>	<u>288,835</u>

28 Reconciliation of Net Funds/Debt

	2023	2022
	£	£
Increase in cash in the year	912,773	288,835
Cash outflow from repayment of debt	-	-
Net cash flow arising from changes in debt	<u>-</u>	<u>-</u>
Movement in net funds in the year	<u>912,773</u>	<u>288,835</u>
Cash at bank and in hand	1,224,267	935,432
Total borrowings	-	-
Net funds at 01 April	<u>1,224,267</u>	<u>935,432</u>
Cash at bank and in hand	2,137,040	1,224,267
Total borrowings	-	-
Net funds at 31 March	<u>2,137,040</u>	<u>1,224,267</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 26th June 2023), which would have a material impact on the amounts and results reported herein.

Chichester City Council

Appendices

31 March 2023

Appendix A

Schedule of Other F earmarked Reserves

	<u>Balance at</u> <u>01/04/2022</u>	<u>Contribution</u> <u>to reserve</u>	<u>Contribution</u> <u>from reserve</u>	<u>Balance at</u> <u>31/03/2023</u>
	£	£	£	£
<u>Capital Projects Reserves</u>				
Buttermarket	13,913			13,913
Allotment Improvements	5,480		(5,040)	440
	19,393	0	(5,040)	14,353
<u>Asset Replacement Reserves</u>				
CIL 2018/19	33,137		(33,137)	0
CIL 2019/20	36,342		(15,752)	20,590
CIL 2020/21	133,517			133,517
CIL 2021/22	215,580			215,580
CIL 2022/23		900,297		900,297
	418,575	900,297	(48,888)	1,269,984
<u>Other F earmarked Reserves</u>				
Allotment deposits	650	2,300		2,950
Elections	38,429	12,000		50,429
Council House Maintenance	98,855	47,000	(7,194)	138,661
Joint Twinning - Chartres	2,075	500		2,575
Joint Twinning - Ravenna	6,832	500		7,332
Painting Restoration	3,700	2,000		5,700
Lift contract	2,000	2,600		4,600
Solar Panels	3,000			3,000
s106 Public Art Woolstaple		1,162	(1,162)	0
Charter Dinner		291		291
International Relations	3,530		(1,686)	1,844
Litten Gardens	3,000			3,000
Computer Improvements	5,610	5,000		10,610
City Cross Conservation	16,117	2,000		18,117
St James Obelisk	1,800	100		1,900
Civic Regalia	9,199	2,000		11,199
War Memorial	6,004			6,004
Disused Burial Ground Maintenance	11,070			11,070
Budget Carry Forwards	30,418	19,460	(30,418)	19,460
Benches	11,938		(1,467)	10,471
Bus Shelters	17,064	15,000		32,064
Henty Field	6,531			6,531
Chichester in Bloom	5,000			5,000
	282,822	111,913	(41,927)	352,808
TOTAL EARMARKED RESERVES	720,790	1,012,210	(95,855)	1,637,145

Chichester City Council

31 March 2023

Annual Report Tables

Table. 1 – Budget & Actual Comparison

	Budget £	Actual £
Net Expenditure		
Cultural & Heritage	5,230	3,250
Recreation & Sport	185,550	124,627
Open Spaces	17,170	17,942
Cemetery, Cremation & Mortuary	44,500	47,661
Environmental Health	13,500	13,848
Community Safety (Crime Reduction)	43,385	43,296
Planning & Development Services (including Markets)	154,880	164,759
Highways Roads (Routine)	9,300	15,438
Investment Properties	(46,160)	(55,983)
Net Direct Services Costs	427,355	374,838
Corporate Management	185,080	(689,213)
Democratic & Civic	143,180	126,906
Net Democratic, Management and Civic Costs	328,260	(562,307)
Interest & Investment Income	(18,000)	(31,494)
Capital Expenditure	-	14,080
Proceeds of Disposal of Capital Assets	-	(1,250)
Transfers to/(from) other reserves	-	916,355
(Deficit from)/Surplus to General Reserve	-	27,393
Precept on Principal Authority	737,615	737,615

Chichester City Council

31 March 2023

Annual Report Tables

Table. 2 – Service Income & Expenditure

Notes	2023 £	2023 £	2023 £	2022 £
	Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES				
Cultural & Heritage}	3,250	-	3,250	4,804
Recreation & Sport	178,532	(53,905)	124,627	86,771
Open Spaces	41,489	(23,547)	17,942	18,440
ENVIRONMENTAL SERVICES				
Cemetery, Cremation & Mortuary	47,661	-	47,661	13,600
Environmental Health	13,848	-	13,848	12,882
Community Safety (Crime Reduction)	43,296	-	43,296	42,448
PLANNING & DEVELOPMENT SERVICES				
Planning & Development Services	59,859	-	59,859	38,214
Economic Development (including markets)	80,800	(14,983)	65,817	82,304
Community Development	39,083	-	39,083	27,739
HIGHWAYS, ROADS & TRANSPORT SERVICES				
Highways Roads (Routine)	15,438	-	15,438	13,975
OTHER SERVICES				
Investment Properties	1,348	(57,331)	(55,983)	(50,837)
CENTRAL SERVICES				
Corporate Management	211,531	(900,744)	(689,213)	(112,571)
Democratic & Civic	87,675	-	87,675	108,470
Civic Expenses	39,231	-	39,231	31,532
Net Cost of Services	863,041	(1,050,510)	(187,469)	317,771