



Colchester Borough Council

Summary Statement of Accounts

2017/18

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice having regard to proper accounting practice. For the purpose of this summary, modifications have been made to aid understanding.

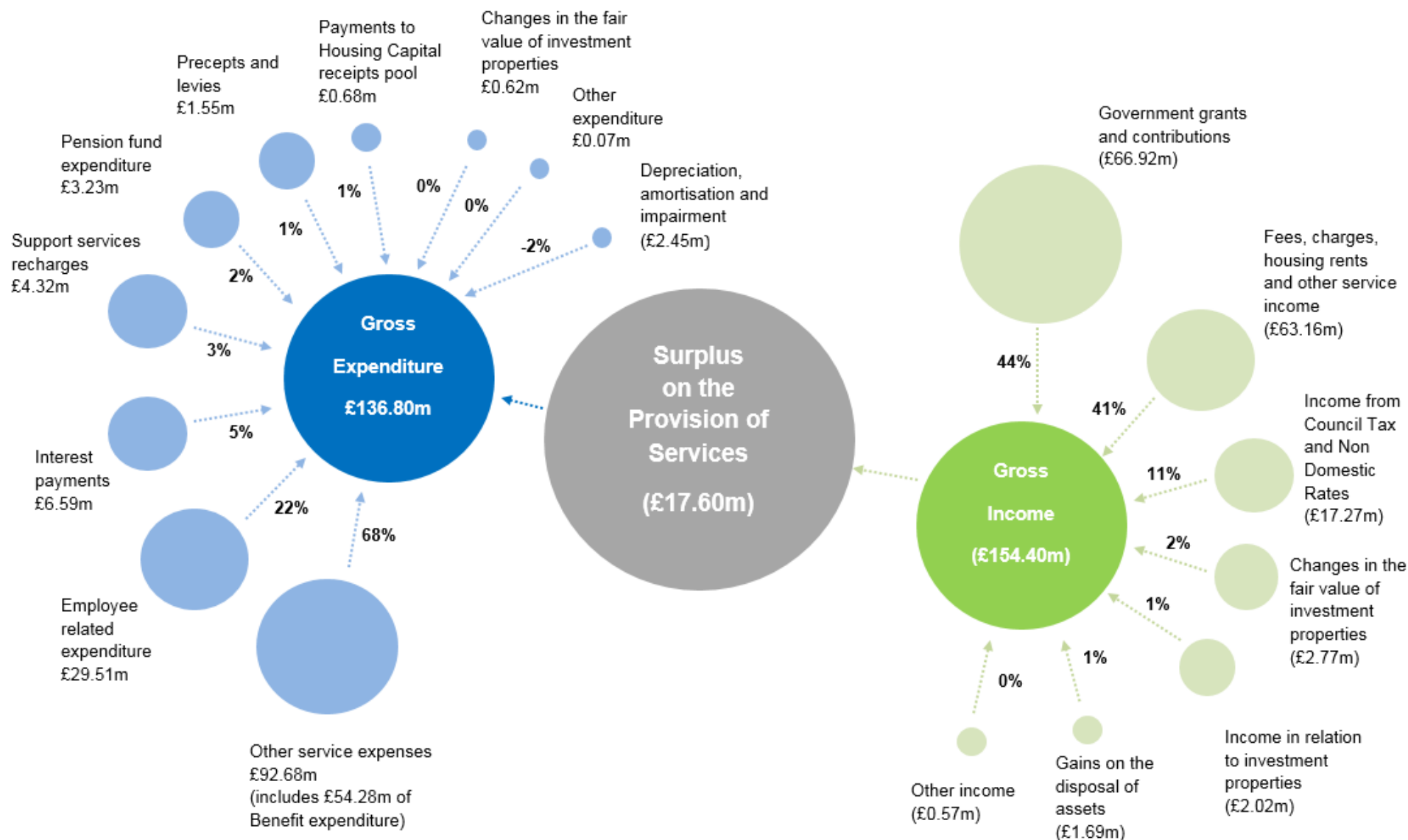
The Council's auditor, Ernst Young LLP, issued an unqualified opinion on the Council's Statement of Accounts for 2017/18 on 10 July 2018.

A full copy of the Council's 2017/18 Statement of Accounts is available using the details below:

- visiting our website at www.colchester.gov.uk
- emailing financial.accounting@colchester.gov.uk
- telephoning Sean Plummer on (01206) 282347
- or writing to Policy and Corporate, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG.

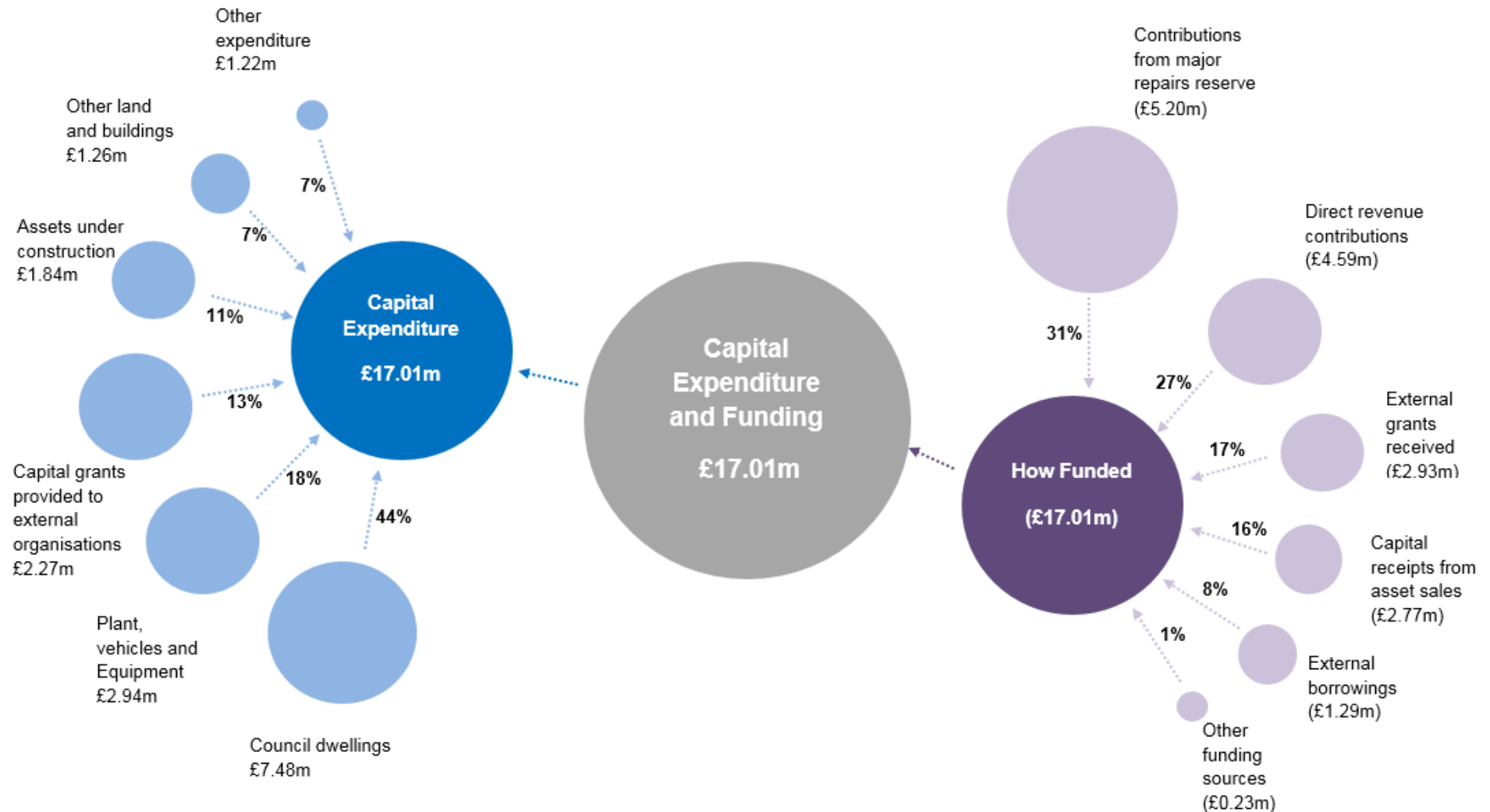
Revenue Expenditure

Revenue spending is generally on items used during the year, and is paid for by Fees and Charges, Council Tax, Business Rates, Government grants and other income. The provision of Council services between 1 April 2017 and 31 March 2018 resulted in a surplus of £17.6 million. General Fund balances now stand at £5.5 million, of which £2.5 million was uncommitted. These are used as a working balance in order to support future spending plans.



Capital Expenditure

Capital expenditure is money spent on the purchase, creation or enhancement of assets which have a value to the Council for more than one year. This type of expenditure is treated separately from the day to day revenue running expenses of the Council. The diagram below shows how the capital expenditure of £17.01 million was spent in 2017/18 and how this expenditure was funded.



Balance Sheet

The Balance Sheet shows the financial position of the Council at the year end of 31 March. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Usable reserves are available and planned to support future spending. Unusable reserves are already used and are therefore not available for further spending.

	31 March 2018 £'000	31 March 2017 £'000
Assets:		
Land, buildings, dwellings, vehicles, equipment and other	540,910	492,519
Stocks	201	176
Cash and bank balances	9,606	8,157
Investments	34,576	32,551
Money owed to the Council	19,648	14,736
Liabilities:		
Money owed by the Council	(32,235)	(31,267)
Borrowing	(142,876)	(137,841)
Provisions for future spending	(2,628)	(2,195)
Pension fund liability	(102,764)	(121,368)
Total Assets less Liabilities	324,438	255,468
Financed by:		
Usable reserves	Page 5 35,458	34,667
Unusable reserves	Page 5 288,980	220,801
Total Reserves	Page 5 324,438	255,468

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other unusable reserves. The Surplus/(Deficit) on the Provision of Services line shows the true economic cost of providing the Council's services. These are different from the statutory amounts required to be charged to the General Fund Balance and the Housing Revenue Account for Council Tax setting and dwellings rent setting purposes. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory reserve balances before any discretionary transfers to or from Earmarked Reserves are undertaken by the Council.

		Total Usable Reserves £'000	Total Unusable Reserves £'000	Total Reserves £'000
Balance at 31 March 2017	Page 4	34,667	220,801	255,468
Total Comprehensive Income and Expenditure		17,596	51,374	68,970
Adjustments between accounting basis and funding basis under regulations		(16,805)	16,805	-
Transfers to/from Earmarked Reserves		-	-	-
Net Increase/(Decrease) in 2017/18		791	68,179	68,970
Balance at 31 March 2018	Page 4	35,458	288,980	324,438

Housing Revenue Account

The Council is the major provider of rented housing in the Borough. The Housing Revenue Account (HRA) is a ring-fenced account which relates to the management and maintenance of the Council's housing stock. Colchester Borough Homes Limited manages the dwellings on behalf of the Council.

At the year end the Housing Revenue Account balance was £3.9 million, a significant part of which is earmarked to support future capital spending.

	2017/18	2016/17
	£'000	£'000
Income		
Council house rents and other rents	(27,267)	(27,866)
Other Income	(2,734)	(2,773)
Total Income	(30,001)	(30,639)
Expenditure		
Repairs and maintenance	4,727	4,927
Supervision and management	8,785	8,707
Capital charges	8,871	10,322
Other costs and statutory adjustments	6,750	6,250
Total Expenditure	29,133	30,206
Net (Income)/Expenditure for Housing Revenue Account Services	(868)	(433)
Transfers from earmarked reserves	(91)	(125)
Net (increase)/decrease in the year	(959)	(558)
HRA reserve brought forward at the start of the year	(2,946)	(2,388)
HRA reserve carried forward at 31 March	(3,905)	(2,946)

Number of properties owned by the Council – analysed by type of property:

	31 March 2018	31 March 2017
Houses and bungalows	2,965	2,989
Flats and maisonettes	2,980	2,995
Total Dwellings	5,945	5,984