

An overview of our accounts

The following is a summary of some of the key points from the accounts on our use of public funds.

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. During this year spending was in the order of £173 million, £0.5million less than budget. General Fund balances now stand at £3.9 million, of which £2.8 million was uncommitted. They are used as a working balance and to support future spending plans.

Capital spending is generally on purchasing and improving assets such as land, buildings and roads. The benefits from capital spending are received over a longer period of time. Capital spending in the year was £13 million. About 45% of capital spending was paid for from grants and contributions. Other capital spending was financed from capital receipts from sale of assets, reserves and from borrowing.

New receipts from the sale of assets of £3.2 million were available in 2009/10. There is a balance at the year end of £4.6 million that is already planned to support future capital spending.

Council Tax and Business Rates

Council Tax income for the year was £87 million but we only kept £10.2 million (12%) to spend on our services, the balance being paid over to other authorities. Business rates income of £57 million was paid into the national pool from which we received £10.3 million back to spend on our services.

Council Housing

The Council is the major provider of rented housing in the Borough. At the year end the Housing Revenue Account balance was £2.6 million, a significant part of which is earmarked to support future capital spending.

Borrowing

As investment rates were below long-term borrowing rates no new loans were undertaken during the year and internal cash balances were used to finance capital expenditure. The total loan debt at the year end was £63.4 million.

Pension Costs

Extensive reporting arrangements for pension costs are included in the full Statement of Accounts. The Council's share of the assets and liabilities of the pension fund show an estimated future liability of £71 million. While the figure is substantial it should be remembered that it is not an immediate deficit that has to be met now.

Outlook

In the Council's Strategic Plan 2009-2012 we identify priorities for action in these years. The Council continues, through its budgetary process, to ensure that the Council's limited resources are focussed on these priority areas.

Head of Resource Management's Statement

The Council's Statement of Accounts has been prepared in accordance with the Accounting Code of Practice having regard to proper accounting practice. There were a number of new requirements for 2009/10 and details are set out in the full Statement of Accounts. For the purpose of this summary some modifications have been made to aid understanding.

The Council's accounts have been audited. The auditor issued an unqualified opinion on the Council's full accounts for 2009/10.

A full copy of the Council's 2009/10 audited accounts is available on request by contacting Steve Heath, details below. The Accounts are also published on our website, www.colchester.gov.uk

For more information about these accounts, please contact:

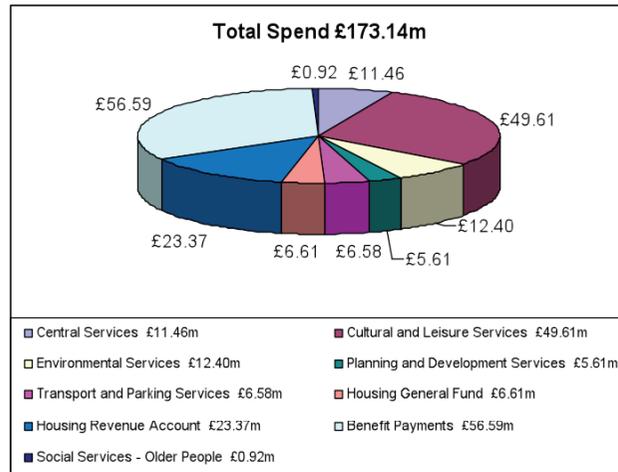
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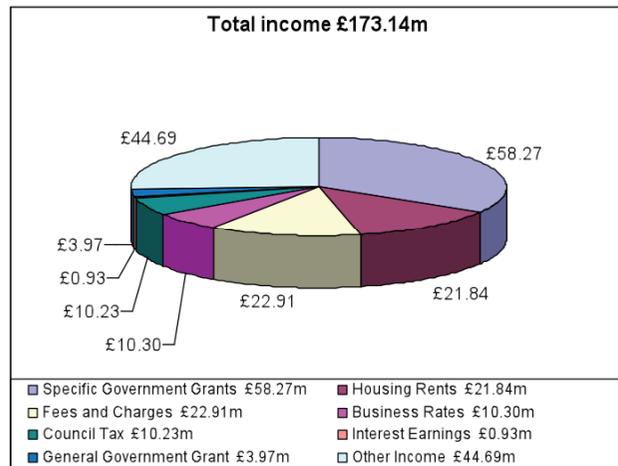
Overall Revenue Account

The revenue account shows the cost of running Council services between April 2009 and March 2010 and where the money came from to meet these costs.

WHAT WE SPENT ON SERVICES DURING 2009/2010



WHERE THE MONEY CAME FROM



Housing Revenue Account

The Council owns 6,303 dwelling properties, managed by Colchester Borough Homes. We are required by law to keep separate records of all spending and income relating to these properties.

	2009/2010 £'000
INCOME	
Council house rents	21,839
Other Income	2,620
Total Income	24,459
EXPENDITURE	
Repairs and maintenance	4,346
Supervision and management	8,415
Capital financing costs	7,513
Other costs	3,094
Total Expenditure	23,368
Transfer to balances	1,091



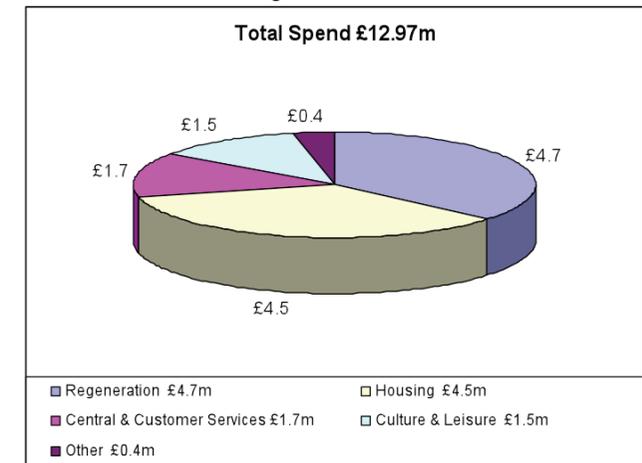
31 Mar 2010

Analysis by Type of Dwelling:	
Houses and bungalows	3,099
Flats and maisonettes	3,204
Total dwellings	6,303

The number of properties that we own was reduced by 15, due to sales to tenants.

Capital Spending

Capital spending is on items with a value to the Council or the community that lasts more than a year. The Council utilised its powers to undertake unsupported borrowing £0.1m towards the regeneration schemes.



Year End Balances

The figures below show what the Council owns, how much the Council owes and how much is owed to the Council.

	31 Mar 2010 £'000
Buildings, land and other assets owned by the Council	575,128
Investments	13,091
Money owed to the Council	11,936
Money owed by the Council	(8,654)
Future pension liability	(71,028)
Cash overdrawn	(917)
	519,556
Financed by:	
Borrowing	63,447
Restricted reserves	428,826
Usable reserves	27,283
	519,556

Restricted reserves are already used and not available for further spending. Usable reserves are available and planned to support future spending.