

## Summary Statement of Accounts 2011/2012



### 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 £164 million, £0.9million less than budget. General Fund balances now stand at £4.9 million, of which £1.9 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 £88.0 million, which included a one-off payment to Government of £73.7 million as part of the national reform of housing finance. Capital spending was funded from a combination of grants, reserves and direct revenue contributions.

New receipts from the sale of assets of £1.36 million were available in 2011/12. There is a balance at the year end of £4.5 million that is already planned to support future capital spending.

#### Council Tax and Business Rates

Council Tax income for the year was £90.4 million but we only kept £10.7 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 £7.1 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 £3.5 million, a significant part of which is earmarked to support future capital spending.

### Borrowing

New borrowing totalling £73.7 million was undertaken in respect of the housing reform payment made on 28 March. As investment rates were below long-term borrowing rates no other new loans were undertaken during the year, with internal cash balances continuing to be used to temporarily fund part of the Council's capital financing requirement. The total loan debt at the year end was £137.2 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 £84.9 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 2012-2015 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. For the purpose of this summary modifications have been made to aid understanding.

The Council's Statement of Accounts has been audited. The auditor issued an unqualified opinion on the Council's full accounts for 2011/12.

A full copy of the Council's 2011/12 audited accounts is available on request by contacting Steve Heath, details below. The accounts are also published on our website, [www.colchester.gov.uk](http://www.colchester.gov.uk)

**For more information about these accounts,  
please contact:**

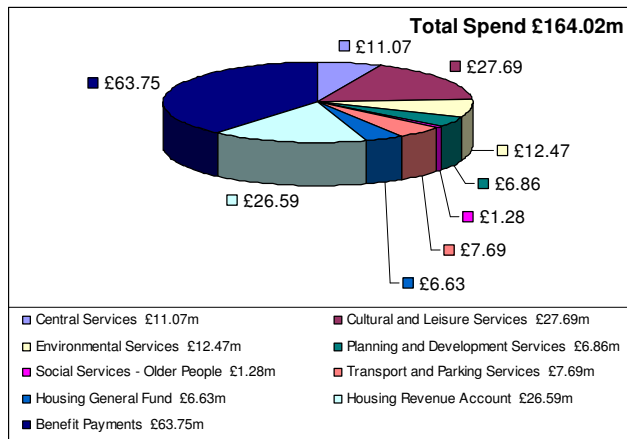
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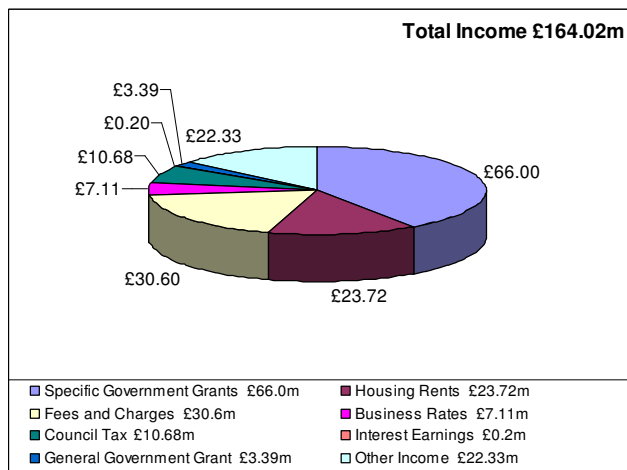
# Overall Revenue Account

The revenue account shows the cost of running Council services between April 2011 and March 2012 and where the money came from to meet these costs.

## WHAT WE SPENT ON SERVICES DURING 2011/2012



## WHERE THE MONEY CAME FROM



# Housing Revenue Account

The Council owns 6,257 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.

	2011/2012 £'000
<b>INCOME</b>	
Council house rents	(23,719)
Other Income	(2,492)
<b>Total Income</b>	<b>(26,211)</b>
<b>EXPENDITURE</b>	
Repairs and maintenance	4,717
Supervision and management	8,411
Capital financing costs	8,047
Other costs	5,418
<b>Total Expenditure</b>	<b>26,593</b>
<b>Use of balances</b>	<b>(382)</b>

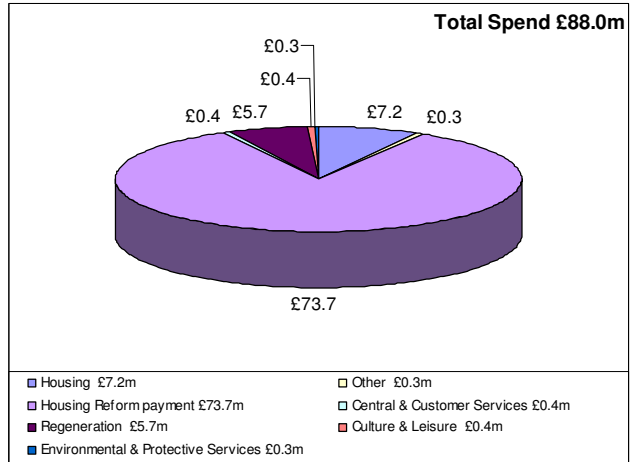


	31 Mar 2012
<b>Analysis by Type of Dwelling:</b>	
Houses and bungalows	3,080
Flats and maisonettes	3,177
<b>Total dwellings</b>	<b>6,257</b>

The number of properties that we own was reduced by 16, due to sales to tenants and registered social landlords.

# Capital Spending

Capital spending is on items with a value to the Council or the community that lasts more than a year.



## 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 2012 £'000
Buildings, land and other assets owned by the Council	444,552
Investments	2,946
Money owed to the Council	9,539
Money owed by the Council	(23,475)
Future pension liability	(84,952)
Money in the bank	19,361
	<b>367,971</b>
<b>Financed by:</b>	
Borrowing	137,589
Usable reserves	19,859
Restricted reserves	210,523
	<b>367,971</b>

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