

# Colchester Borough Council

## Summary Statement of Accounts 2012/13



## **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 £150.69 million, £0.9million less than budget. General Fund balances now stand at £5.9 million, of which £2 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 £15.8 million. Capital spending was funded from a combination of grants, reserves and direct revenue contributions.

New receipts from the sale of assets of £2.12 million were available in 2012/13. There is a balance at the yearend of £5.3 million that is already planned to support future capital spending.

### **Council Tax and Business Rates**

Council Tax income for the year was £92 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 £59 million was paid into the national pool from which we received £8.5 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 £4.8 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, 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 of 31<sup>st</sup> March 2013 was £137.8 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 £94.9 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.

### **Chief Financial Officer'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 auditor, Ernst Young LLP, has issued an unqualified opinion on the Council's Statement of Accounts for 2012/13.

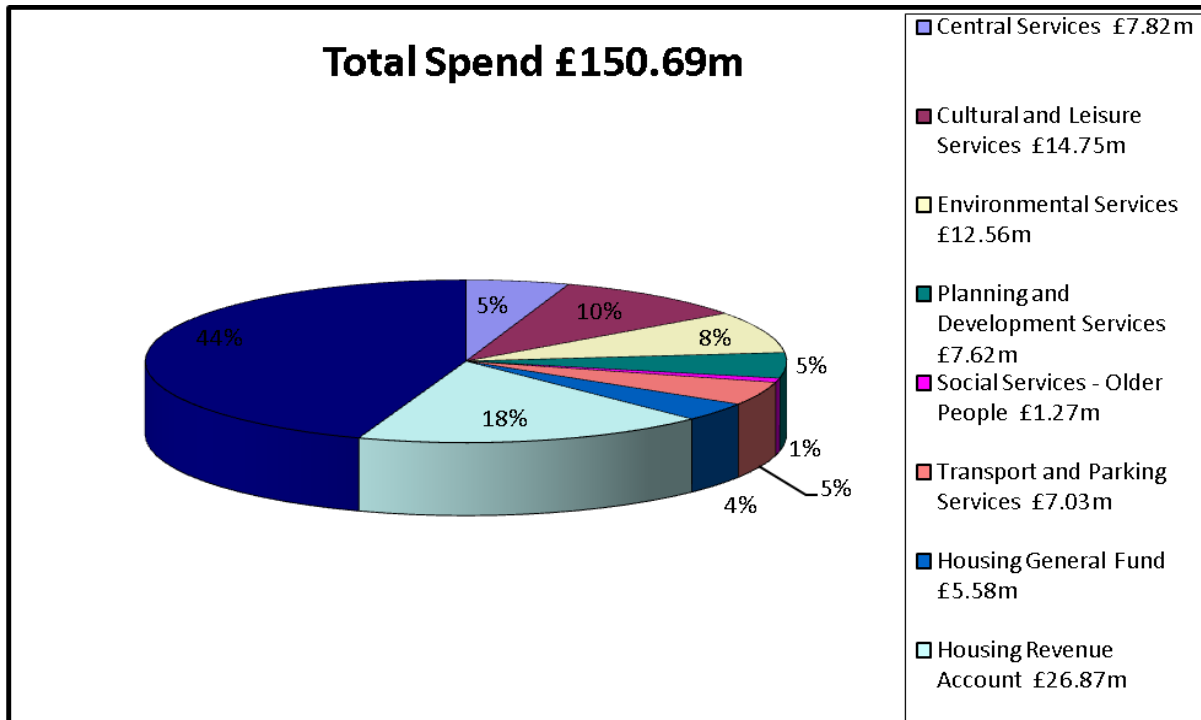
A full copy of the Council's 2012/13 audited accounts is available on our website, [www.colchester.gov.uk](http://www.colchester.gov.uk) or on request using the details below.

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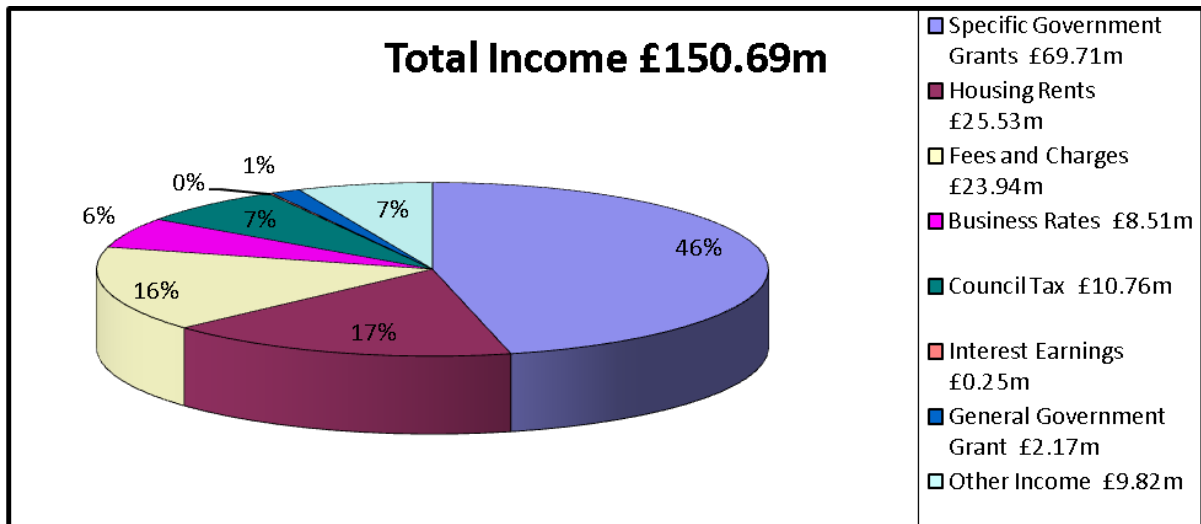
## Revenue Spending

The revenue account shows the cost of running Council services between 1<sup>st</sup> April 2012 and 31<sup>st</sup> March 2013 and where the money came from to meet these costs.

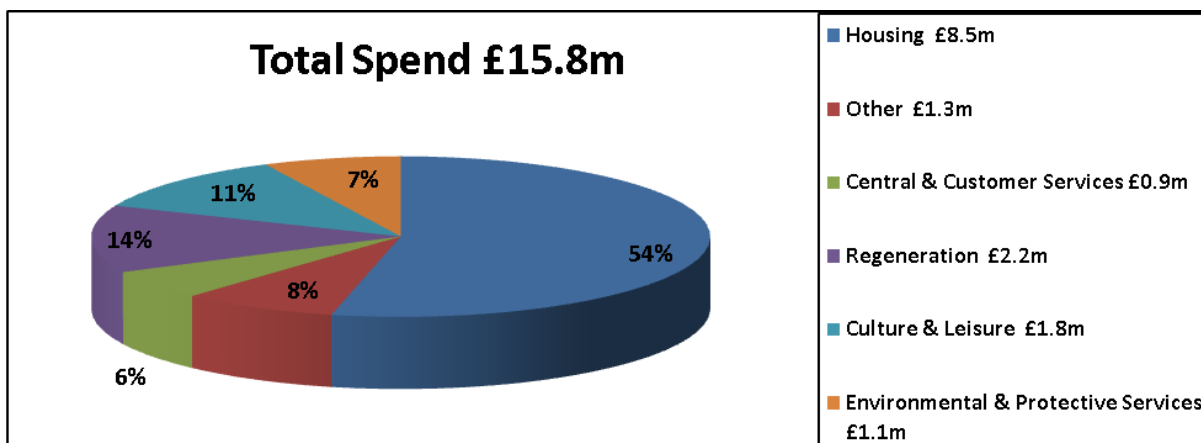
### WHAT WE SPENT ON SERVICES DURING 2012/13



### WHERE THE MONEY CAME FROM DURING 2012/13



### CAPITAL SPENDING



## Housing Revenue Account

The Council owns 6,230 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.

	<b>2012/13</b>
	<b>£'000</b>
<b>INCOME</b>	
Council house rents and other rents	(25,527)
Other Income	(2,593)
<b>Total Income</b>	<b>(28,120)</b>
<b>EXPENDITURE</b>	
Repairs and maintenance	4,634
Supervision and management	8,606
Capital financing costs	12,832
Other costs	798
<b>Total Expenditure</b>	<b>26,870</b>
<b>Use of Balances</b>	<b>(1,250)</b>

### Number of Properties by type of property:

	<b>31<sup>st</sup> March 2013</b>
Houses and bungalows	3,069
Flats and maisonettes	3,161
<b>Total Dwellings</b>	<b>6,230</b>

The number of properties that we own was reduced by 27, due to sales to tenants and registered social landlords.

## Year End Balances

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

	<b>31 March 2013</b>
	<b>£'000</b>
Buildings, land and other assets owned by the Council	432,800
Investments	4,286
Money owed to the Council	11,169
Money owed by the Council	(19,586)
Future pension liability	(94,912)
Money in the bank	16,605
	<b>350,362</b>
<b>Financed by:</b>	
Borrowing	140,141
Usable reserves	23,522
Restricted reserves	186,699
	<b>350,362</b>

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