



Summary Statement of Accounts

2013/14

An overview of the Council's Statement of Accounts for 2013/14

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 £137 million, £0.6 million less than budget. General Fund balances now stand at £6.5 million, of which £2 million was uncommitted. These are used as a working balance in order to support future spending plans.

Capital spending is generally incurred on purchasing and improving assets such as land, buildings and other assets. The benefits from capital spending are received over a longer period of time. Capital spending in the year was £22.7 million. Capital spending was funded from a combination of grants, reserves and direct revenue contributions.

Capital Receipts

New receipts of £9.1 million were generated in 2013/14 from the sale of assets. There is a balance at the yearend of £6 million in the capital receipts reserve which is available to support future capital spending.

Council Tax and Business Rates

Council Tax income for the year was £86 million but the Council only retained £9.7 million to spend on its services, the balance was paid over to other authorities.

Business rates income for the year was £61 million but the Council only retained £3.7 million to spend on its services, the balance was paid over to other authorities.

Council Housing

The Council is the major provider of rented housing in the Borough. At the year end the Housing Revenue Account balance was £5.5 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 yearend of 31st March 2014 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 £82.3 million. While the figure is substantial it should be remembered 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 2013/14.

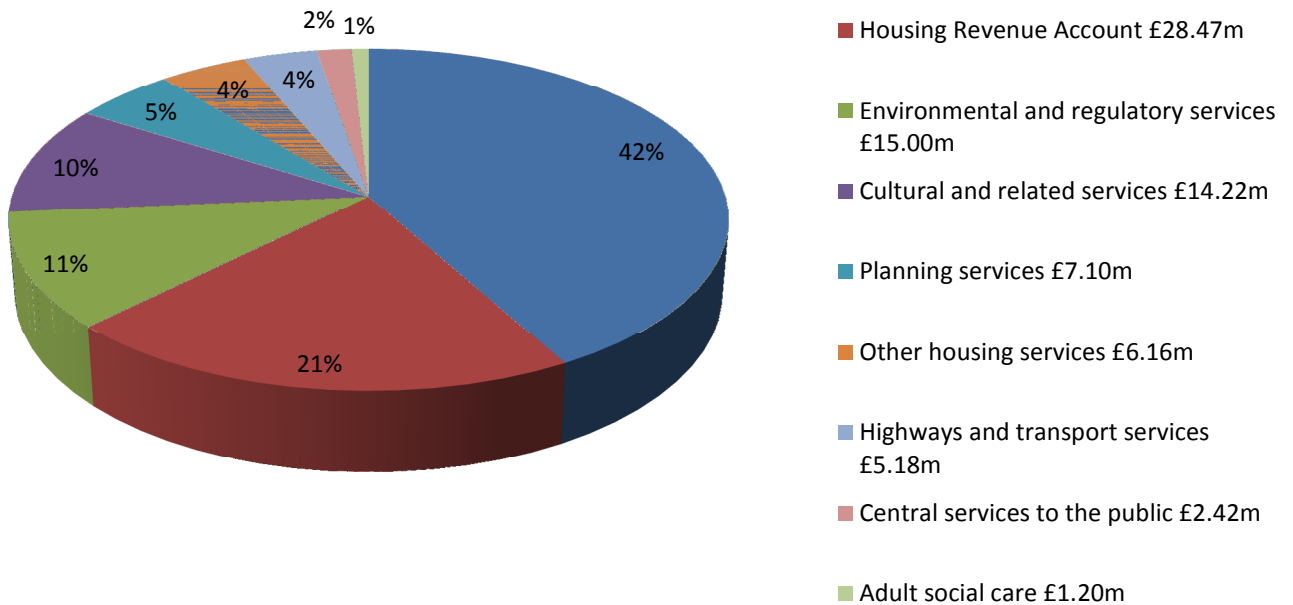
A full copy of the Council's 2013/14 audited accounts is available on the Council's website, www.colchester.gov.uk or on request using the details below.

For more information about these accounts, please contact:
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E-mail: financial.accounting@colchester.gov.uk

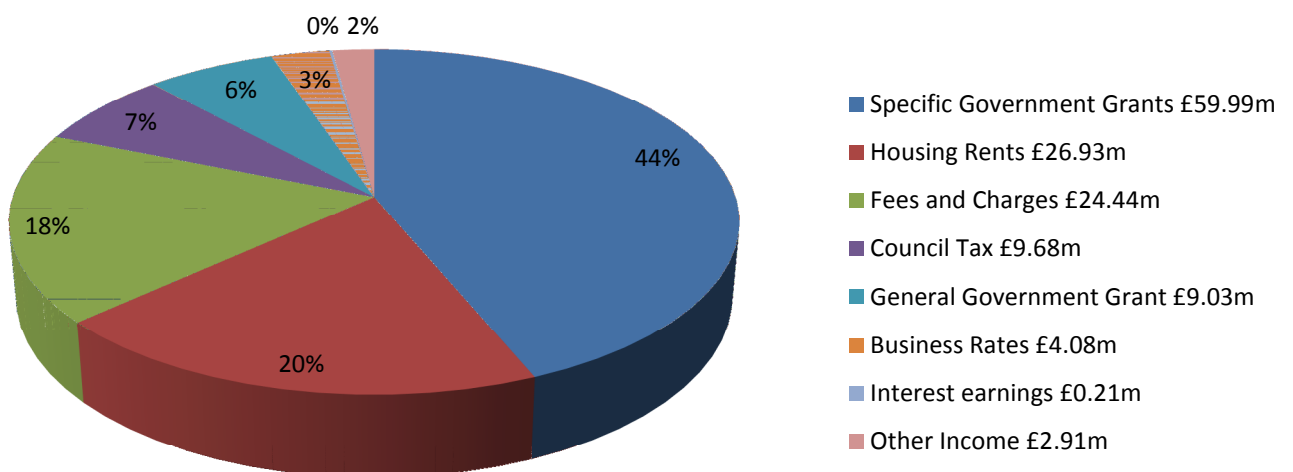
Revenue Spending

The revenue account shows the cost of running Council services between 1st April 2013 and 31st March 2014 and where the money came from to meet these costs.

Total revenue expenditure in 2013/14: £137.27m



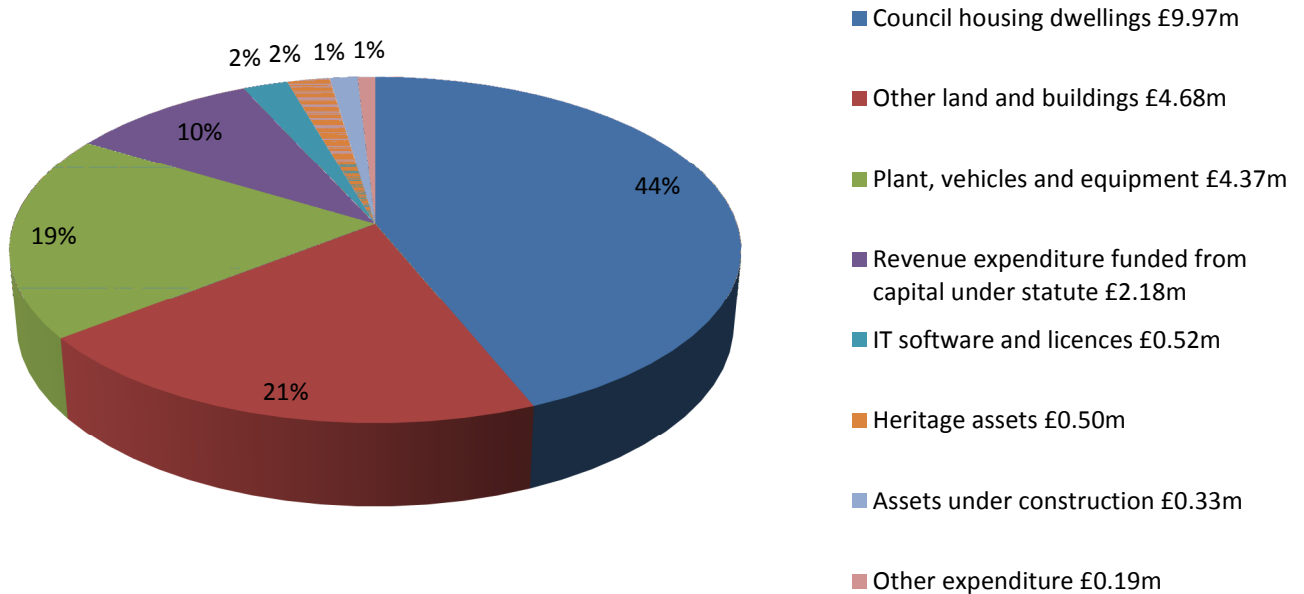
Total income received in 2013/14: £137.27m



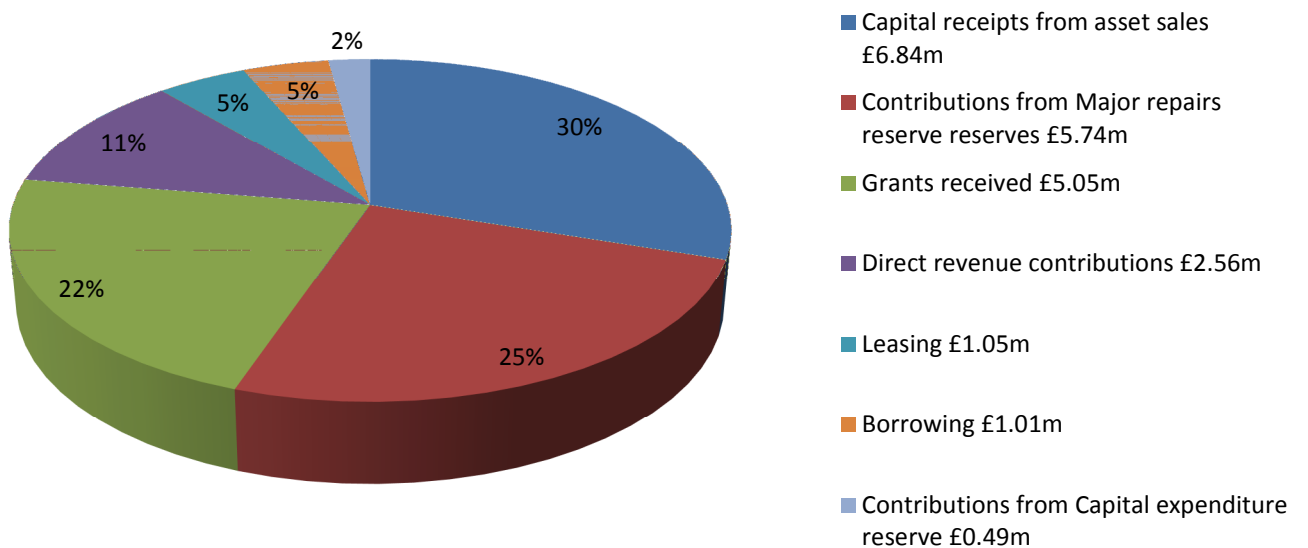
Capital Expenditure

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 running expenses of the Council. The tables below show how the capital expenditure of £22.74 million was spent in 2013/14 and how it was funded.

Total capital expenditure in 2013/14: £22.74m



How the capital expenditure was funded in 2013/14: £22.74m



Balance Sheet

The Balance Sheet shows the financial position of the Council as at 31st March 2014. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council.

	31 March 2014
	£'000
Assets	
Land, buildings, dwellings, vehicles, equipment and other	434,780
Stocks	127
Cash and bank balances	23,886
Investments	8,552
Money owed to the Council	10,105
Liabilities	
Money owed by the Council	(26,765)
Borrowing	(137,839)
Provisions for future spending	(1,039)
Pension fund liability	(82,321)
Total Assets less Liabilities	229,486
Financed by:	
Usable reserves	27,970
Unusable reserves	201,516
Total Reserves	229,486

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

Housing Revenue Account

The Housing Revenue Account (HRA) is a ring-fenced account which relates to the management and maintenance of the Council's housing stock of 6,130 dwellings. Colchester Borough Homes Limited manages the dwellings on behalf of the Council.

	2013/14
	£'000
Income	
Council house rents and other rents	(26,925)
Other Income	(2,591)
Total Income	(29,516)
Expenditure	
Repairs and maintenance	5,126
Supervision and management	8,278
Capital charges	8,629
Other costs and statutory adjustments	6,433
Total Expenditure	28,466
Net Income for Housing Revenue Account Services	(1,050)
Transfers to reserves	372
Net increase in the year	(678)
HRA reserve brought forward at the start of the year	(4,787)
HRA reserve carried forward at the end of the year	(5,465)

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

	31 March 2014
Houses and bungalows	3,052
Flats and maisonettes	3,078
Total Dwellings	6,130