



Summary Statement of Accounts

2014/15

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 2014/15 on 17 September 2015.

A full copy of the Council's 2014/15 Statement of Accounts is available using the details below:

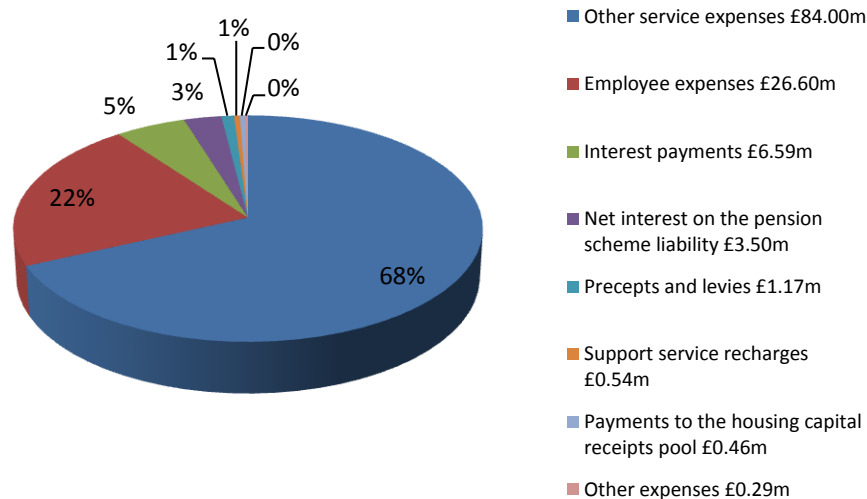
- visiting our website at www.colchester.gov.uk
- emailing financial.accounting@colchester.gov.uk
- telephoning Colchester (01206) 282389
- or writing to Corporate and Financial Management, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG.

Revenue Expenditure

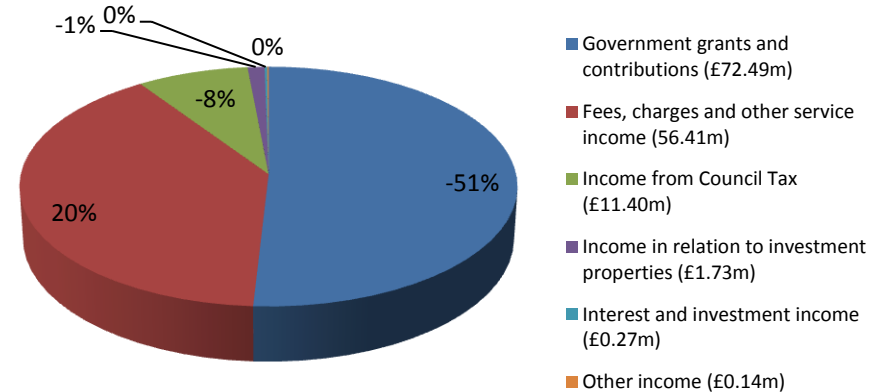
The revenue account shows the cost of running Council services between 1 April 2014 and 31 March 2015 and where the money came from to meet these costs.

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 £123.15 million, £0.6 million less than budget. General Fund balances now stand at £8.7 million, of which £2.3 million was uncommitted. These are used as a working balance in order to support future spending plans.

Total revenue expenditure incurred in 2014/15: £123.15m



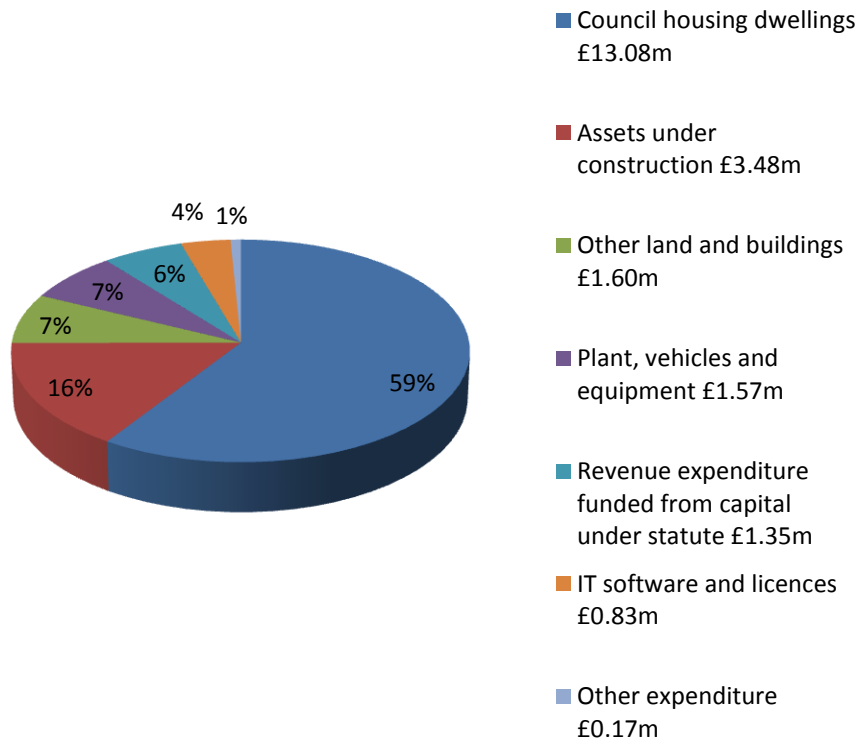
Total income received in 2014/15: £142.44m



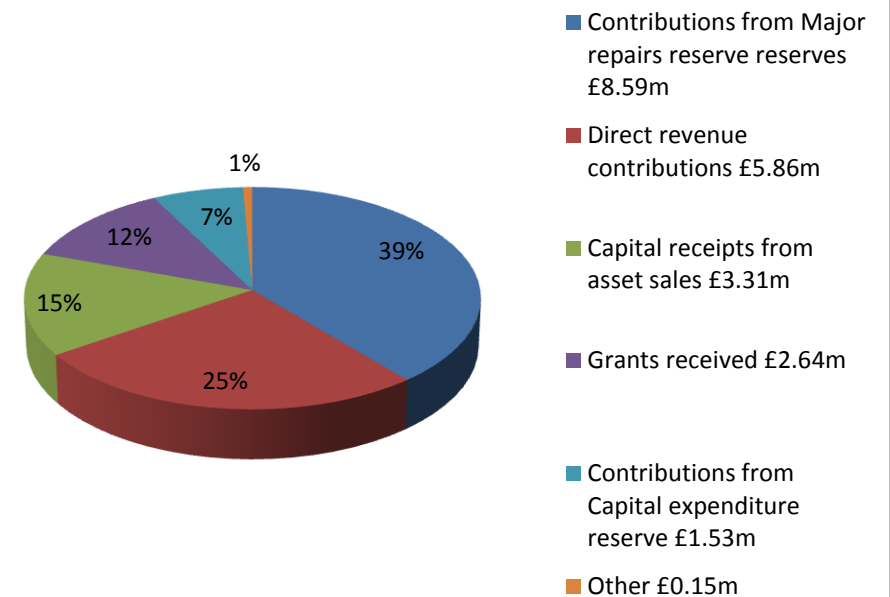
Capital Expenditure

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 tables below show how the capital expenditure of £22.08 million was spent in 2014/15 and how this expenditure was funded.

Total capital expenditure in 2014/15: £22.08m



How the capital expenditure was funded in 2014/15: £22.08m



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.

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 31 March 2015 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 £95.5 million. While the figure is substantial it should be remembered it is not a deficit that has to be met now.

	31 March 2015	31 March 2014	
	£'000	£'000	
Assets			
Land, buildings, dwellings, vehicles, equipment and other	459,668	434,780	
Stocks	173	127	
Cash and bank balances	20,600	23,886	
Investments	13,550	8,552	
Money owed to the Council	10,379	10,105	
Liabilities			
Money owed by the Council	(28,237)	(26,765)	
Borrowing	(137,838)	(137,839)	
Provisions for future spending	(2,655)	(1,039)	
Pension fund liability	(95,520)	(82,321)	
Total Assets less Liabilities	240,120	229,486	
Financed by:			
Usable reserves	Page 5	26,815	27,970
Unusable reserves	Page 5	213,305	201,516
Total Reserves	Page 5	240,120	229,486

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 2014	Page 4	27,970	201,516	229,486
Surplus/(Deficit) on provision of services		19,291	-	19,291
Other Comprehensive Income and Expenditure		-	(8,657)	(8,657)
Total Comprehensive Income and Expenditure		19,291	(8,657)	10,634
Adjustments between accounting basis and funding basis under regulations		(18,917)	18,917	-
Net Increase/(Decrease) before Transfers to Earmarked Reserves		374	10,260	10,634
Transfers to/from Earmarked Reserves		(1,529)	1,529	-
Net Increase/(Decrease) in 2014/15		(1,155)	11,789	10,634
Balance at 31 March 2015	Page 4	26,815	213,305	240,120

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 £2.5 million, a significant part of which is earmarked to support future capital spending.

	2014/15 £'000	2013/14 £'000
Income		
Council house rents and other rents	(27,468)	(26,925)
Other Income	(2,850)	(2,591)
Total Income	(30,318)	(29,516)
Expenditure		
Repairs and maintenance	5,089	5,126
Supervision and management	8,945	8,278
Capital charges	12,932	8,629
Other costs and statutory adjustments	6,293	6,433
Total Expenditure	33,259	28,466
Net Expenditure for Housing Revenue Account Services	2,941	(1,050)
Transfers to reserves	14	372
Net decrease in the year	2,955	(678)
HRA reserve brought forward at the start of the year	(5,465)	(4,787)
HRA reserve carried forward at the end of the year	(2,510)	(5,465)

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

	31 March 2015	31 March 2014
Houses and bungalows	3,028	3,052
Flats and maisonettes	3,045	3,078
Total Dwellings	6,073	6,130