



Colchester Borough Council

Summary Statement of Accounts

2016/17

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.

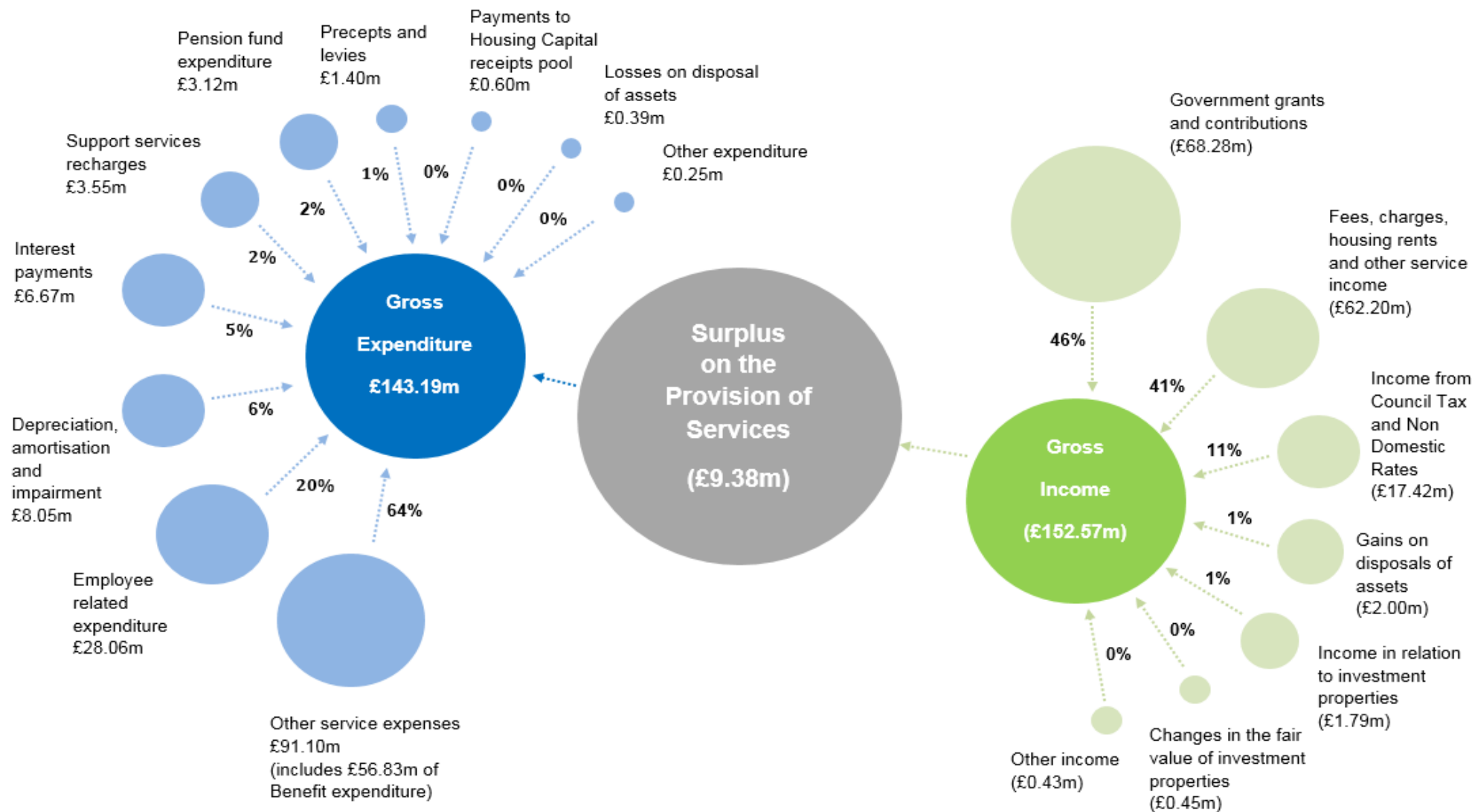
The Council's auditor, Ernst Young LLP, issued an unqualified opinion on the Council's Statement of Accounts for 2016/17 on 25 July 2017.

A full copy of the Council's 2016/17 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 Policy and Corporate, Rowan House, 33 Sheepen Road, Colchester, CO3 3WG.

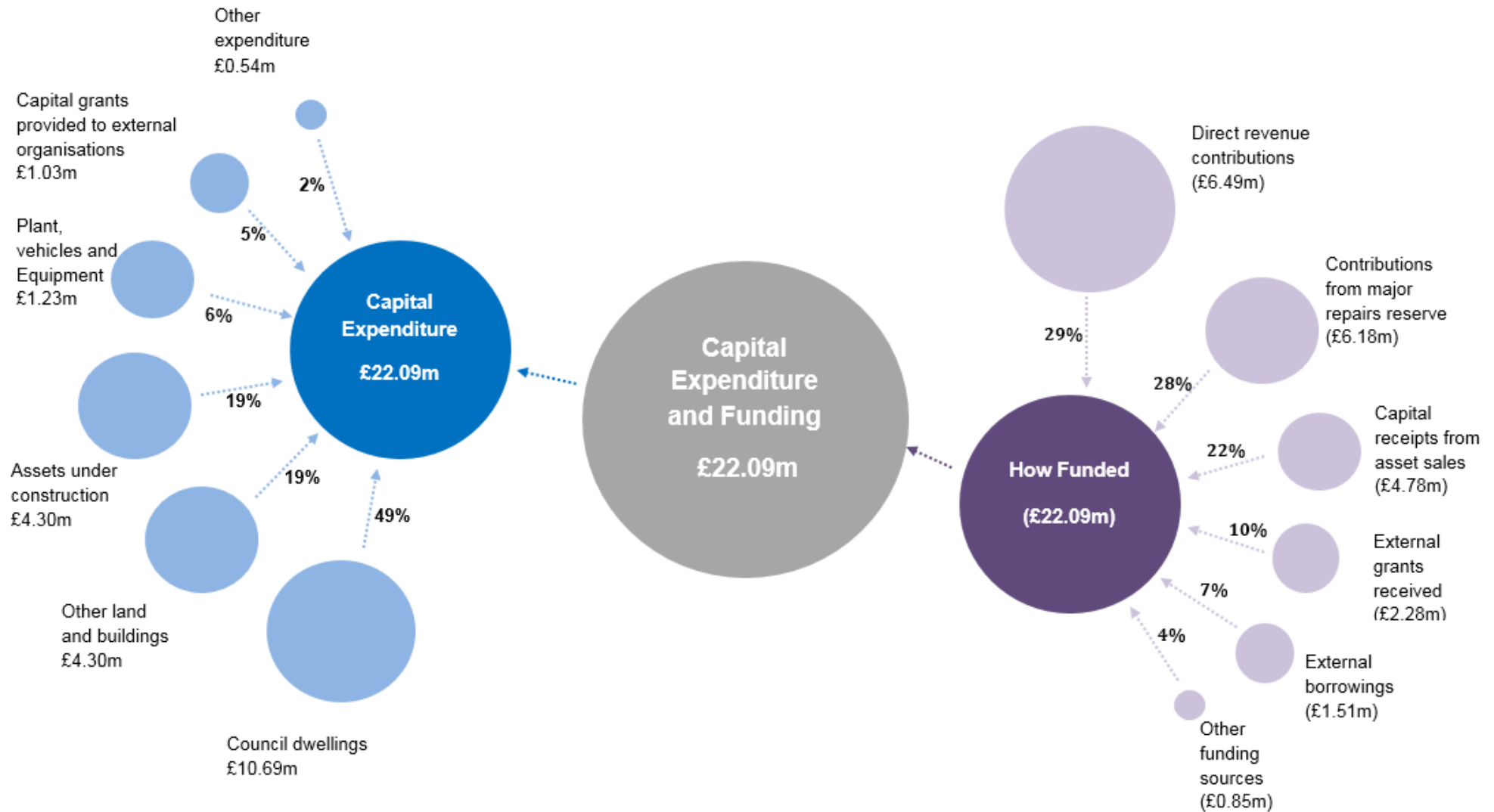
Revenue Expenditure

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. The provision of Council services between 1 April 2016 and 31 March 2017 resulted in a surplus of £9.38 million. General Fund balances now stand at £9.4 million, of which £2.4 million was uncommitted. These are used as a working balance in order to support future spending plans.



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 £22.09 million was spent in 2016/17 and how this expenditure was funded.



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.

	31 March 2017	31 March 2016
	£'000	£'000
Assets:		
Land, buildings, dwellings, vehicles, equipment and other	492,519	474,094
Stocks	176	168
Cash and bank balances	8,157	8,259
Investments	32,551	25,570
Money owed to the Council	14,736	14,843
Liabilities:		
Money owed by the Council	(31,267)	(26,302)
Borrowing	(137,841)	(137,842)
Provisions for future spending	(2,195)	(3,427)
Pension fund liability	(121,368)	(87,846)
Total Assets less Liabilities	255,468	267,517
Financed by:		
Usable reserves	Page 5 34,667	32,999
Unusable reserves	Page 5 220,801	234,518
Total Reserves	Page 5 255,468	267,517

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 2016	Page 4	32,999	234,518	267,517
Total Comprehensive Income and Expenditure		9,378	(21,427)	(12,049)
Adjustments between accounting basis and funding basis under regulations		(7,710)	7,710	-
Transfers to/from Earmarked Reserves		-	-	-
Net Increase/(Decrease) in 2016/17		1,668	(13,717)	(12,049)
Balance at 31 March 2017	Page 4	34,667	220,801	255,468

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 £2.9 million, a significant part of which is earmarked to support future capital spending.

	2016/17 £'000	2015/16 £'000
Income		
Council house rents and other rents	(27,866)	(28,058)
Other Income	(2,773)	(2,787)
Total Income	(30,639)	(30,845)
Expenditure		
Repairs and maintenance	4,927	5,015
Supervision and management	8,707	9,295
Capital charges	10,322	10,284
Other costs and statutory adjustments	6,250	6,325
Total Expenditure	30,206	30,919
Net (Income)/Expenditure for Housing Revenue	(433)	74
Transfers to reserves	(125)	48
Net (increase)/decrease in the year	(558)	122
HRA reserve brought forward at the start of the year	(2,388)	(2,510)
HRA reserve carried forward at 31 March	(2,946)	(2,388)

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

	31 March 2017	31 March 2016
Houses and bungalows	2,989	3,024
Flats and maisonettes	2,995	3,016
Total Dwellings	5,984	6,040