

Governance and Audit Committee Meeting

**Grand Jury Room, Town Hall, High Street,
Colchester, CO1 1PJ
Tuesday, 28 November 2023 at 18:00**

The Governance and Audit Committee considers and approves the Council's Statement of Accounts and reviews the Council's annual audit letter. The Committee also deals with the Council's governance, risk management and audit arrangements. To make recommendations to the Council on functions such as Elections and bye laws, and determine Community Governance Reviews.

Information for Members of the Public

Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

Have Your Say!

The Council welcomes contributions and representations from members of the public at most public meetings. If you would like to speak at a meeting and need to find out more, please refer to the Have Your Say! arrangements here: <http://www.colchester.gov.uk/haveyoursay>.

Audio Recording, Mobile phones and other devices

The Council audio records public meetings for live broadcast over the internet and the recordings are available to listen to afterwards on the Council's website. Audio recording, photography and filming of meetings by members of the public is also welcomed. Phones, tablets, laptops, cameras and other devices can be used at all meetings of the Council so long as this doesn't cause a disturbance. It is not permitted to use voice or camera flash functions and devices must be set to silent. Councillors can use devices to receive messages, to access meeting papers and information via the internet. Looking at or posting on social media by Committee members is at the discretion of the Chairman / Mayor who may choose to require all devices to be switched off at any time.

Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please take it to the Library and Community Hub, Colchester Central Library, using the contact details below and we will try to provide a reading service, translation or other formats you may need.

Facilities

Toilets with lift access, if required, are on each floor of the Town Hall. A water dispenser is available on the first floor.

Evacuation Procedures

Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Library and Community Hub, Colchester Central Library, 21 Trinity Square,

Governance and Audit Committee - Terms of Reference (but not limited to)

Accounts, Audit, Risk and Counter Fraud

To consider and approve the Council's Statement of Accounts and the Council's financial accounts, and review the Council's external auditor's annual audit letter.

To consider the findings of the annual review of governance including the effectiveness of the system of internal audit and approve the signing of the Annual Governance Statement.

To have an overview of the Council's control arrangements including risk management and in particular with regard to the annual audit plan and work programme, and to approve the policies contained in the Council's Ethical Governance Framework.

Miscellaneous regulatory matters

To make recommendations to Council on functions such as elections, the name and status of areas and individuals, and byelaws.

To determine and approve Community Governance Reviews.

An overview of the Council's complaint handling procedure and Local Government and Social Care Ombudsman investigations.

Shareholder Committee for Council owned companies

To consider, review and make recommendations to Cabinet regarding the activities and financial performance of Colchester Commercial (Holdings) Limited, its subsidiary companies and Colchester Borough Homes Limited.

Consider an annual review of the business plans of Colchester Commercial (Holdings) Limited (including its subsidiary companies) and performance of the companies including delivery of the dividend; and the Annual Report, Governance Statement and performance of Colchester Borough Homes Limited.

The creation of any arrangements for any future Council owned company including activities and performance.

Standards

To consider reports from the Monitoring Officer on the effectiveness of the Members' Code of Conduct, and to advise the Council on the adoption or revision of the Code.

To receive referrals from the Monitoring Officer into allegations of misconduct and to create a Hearings Sub-Committee to hear and determine complaints about Members and Co-opted Members referred to it by the Monitoring Officer.

To conduct hearings on behalf of the Parish and Town Councils and to make recommendation to Parish and Town Councils on improving standards or actions following a finding of a failure by a Parish or Town Councillor.

To inform Council and the Chief Executive of relevant issues arising from the determination of Code of Conduct complaints.

To grant dispensations, and to hear and determine appeals against refusal to grant dispensations by the Monitoring Officer.

To make recommendations to Council regarding the appointment of Independent Persons.

General

To review of the Constitution including governance issues around formal meetings, processes and member training and to make recommendations to Council.

The complete Terms of Reference of the Governance and Audit Committee are contained within the Council's Constitution.

COLCHESTER CITY COUNCIL
Governance and Audit Committee
Tuesday, 28 November 2023 at 18:00

The Governance and Audit Committee Members are:

Councillor Chris Pearson	Chair
Councillor Paul Smith	Deputy Chair
Councillor Paul Dundas	
Councillor Dave Harris	
Councillor Alison Jay	
Councillor Sara Naylor	
Councillor William Sunnucks	

The Governance and Audit Committee Substitute Members are:

All members of the Council who are not Cabinet members or members of this Panel.

AGENDA
THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING
(Part A - open to the public)

Please note that Agenda items 1 to 6 are normally dealt with briefly.

1 Welcome and Announcements

The Chairman will welcome members of the public and Councillors and remind everyone to use microphones at all times when they are speaking. The Chairman will also explain action in the event of an emergency, mobile phones switched to silent, audio-recording of the meeting. Councillors who are members of the committee will introduce themselves.

2 Substitutions

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

3 Urgent Items

The Chairman will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

- 4 **Declarations of Interest**
Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other registerable interest or non-registerable interest.
- 5 **Minutes of Previous Meeting**
The Councillors will be invited to confirm that the minutes of the meeting held on 17 October 2023 are a correct record.
- Draft Governance and Audit minutes - 17 October 2023** 9 - 20
- 6 **Have Your Say! (Hybrid Council meetings)**
Members of the public may make representations to the meeting. This can be made either in person at the meeting, or by joining the meeting remotely and addressing the Committee via Zoom. Each representation may be no longer than three minutes. Members of the public wishing to address the Committee remotely may register their wish to address the meeting by emailing democratic.services@colchester.gov.uk by 12.00 noon on the working day before the meeting date. In addition, a written copy of the representation will need to be supplied for use in the event of unforeseen technical difficulties preventing participation at the meeting itself.
- There is no requirement to pre register for those attending the meeting in person.
- 7 **Colchester Commercial Holdings Limited Annual Report** 21 - 140
The Committee will consider a report presenting to it Colchester Commercial (Holdings) Ltd's Annual Report.
- 8 **Quarter 2 Budget Monitoring Report** 141 - 164
The Committee will consider a report setting out the 2023/24 General Fund and Housing Revenue Account positions, for both revenue and capital, as of 30 September 2023.
- 9 **Review of Polling Districts and Polling Places** 165 - 180
The Committee will consider a report requesting that it recommends to Full Council a revised schedule of polling districts and polling places within the City of Colchester area.
- 10 **Work Programme 2023-2024** 181 - 184
The Committee will consider a report setting out its work programme for the current municipal year.
- 11 **Exclusion of the Public (not Scrutiny or Executive)**

In accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

Part B **(not open to the public including the press)**

Item 7 - Appendix 4 - Colchester Commercial (Holdings) Ltd proposed budget

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).

Exempt extract of the minutes of the Governance and Audit Committee 17-10-2023

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).

GOVERNANCE AND AUDIT COMMITTEE

17 October 2023

Present:- Councillor Chris Pearson (Chair)
Councillor Dave Harris, Councillor Sara Naylor, Councillor Paul Smith, Councillor William Sunnucks

Substitutions:

Also Present:- Councillor David King, Councillor Martyn Warnes*,
Councillor Mark Cory*

*Attended remotely

383. Have Your Say!

The Committee heard that although no members of the public were present at the meeting to address the Committee as part of the Council's Have Your Say! arrangements, a request had been received prior to the meeting from a member of the public who wished a statement to be read to the Committee, and this request had been declined by the Chair following consultation with Officers and examination of the Council's constitution. Although the Have Your Say! arrangements had been relaxed during recent periods of lockdown, the regulations which had allowed this had now lapsed.

384. Amphora Future Strategy

The Committee considered a report recommending that it consider the Proposed Future Strategy for Amphora which was set out in the Officer's report.

The Committee were advised that Chair of the Committee had decided to deal with items 9 and 10 on the agenda at the start of the meeting due to time pressures on the Officers involved in these items.

Richard Carr, Interim Managing Director Colchester Commercial (Holdings) Ltd (CCHL), attended the meeting to present the report and assist the Committee with its enquiries. He advised the Committee that for the purpose of clarity, he would refer to the Council's wholly owned commercial companies by the collective name of Amphora throughout the meeting. Although the changes which were being proposed to the Amphora Group of companies were significant in nature, these changes needed to be understood in the context of what the companies had achieved to date. The proposals were based on a recognition that the circumstances in which the

Council, and therefore Amphora, was now operating were very different from those in which Amphora had been set up. It was therefore appropriate to review the strategy for CCHL, taking into account the circumstances that the Council was now facing and the Council's likely move towards a 'corporate landlord model' as part of its estate management function. The changes which were proposed by Amphora were in the context of the Council's Strategic Objectives and its current reduced appetite for risk.

It was suggested that the Council needed to be at the heart of decision making with regard to the Northern Gateway Project, although significant expertise was available within Amphora to support this. There had been a particular impact on one of the Amphora companies caused by the delays to the Northern Gateway Project, which was that the energy company, Colchester Amphora Energy Limited (CAEL) was in a position where it could not recover income until developments had taken place on the site in the form of new homes. The timescales for delivery of these homes were out of the control of CAEL and therefore the specific proposition for CAEL was that it should be placed into hibernation.

The increasing pressures on the Council to provide affordable housing had also been considered, and in the current circumstances it was suggested that it was not advisable to proceed with the original business model for Colchester Amphora Homes (CAHL). The reality was that the establishment of local authority housing companies across the country had not seen a significant increase in the supply of affordable housing, and it was therefore proposed to hibernate the CAHL. It was considered that useful skills which were contained within the Amphora group should be deployed to help the Council in other ways.

The potential role of the Colchester Fibre element of CCHL had been noted, and it was proposed that a more detailed proposal for this aspect of the business was considered and presented to the Committee at a future date.

It was suggested that the 'corporate landlord model' which was a likely option for the Council in the future potentially represented a way to maintain the current arrangements by which some estate management functions were delivered within Amphora. Although this was perfectly reasonable option, on balance it was considered that there was probably greater value in bringing all these functions within the Council's direct control.

Amphora had been supporting the Council in the delivery of its Capital Programme. The current model involved CCHL being reimbursed for its support through the management fee, and also fees levied in relation to specific projects which had been worked on. In practice the team in Amphora had worked exclusively for the Council on its own projects, although they could in theory have worked for external parties too. It was considered necessary to encourage the use of the technical expertise which resided within CCHL for the delivery of the Capital Programme by removing the complicated charging arrangement which existed between CCHL and the Council.

The Committee heard that there was scope to move Amphora towards a much more simplified operation, focusing on those services and activities where it was genuinely trading – particularly around the events business, Helpline and CCTV activity, and this simplification was at the heart of what was being proposed. It would be wrong to consider the activities of CCHL purely in terms of the dividend it delivered, as the events company, for example, drew in large number of visitors to the area which carried a wider economic benefit to the city. More detailed proposals would be presented to the Committee in the future with regard to the proposal to hibernate CAHL and the potential development Colchester Fibre.

Councillor Warnes, Chair of CCHL, attended the meeting remotely and, at the invitation of the Chair, addressed the Committee. He offered his support to the Interim Managing Director and his team for the work which had gone into the proposals, and agreed that the suggested changes had been driven by changes in external factor. He supported the suggestions which had been made with regard to hibernating some trading companies and simplifying the operation of CCHL.

The Chair of the Committee reminded members of the public who may be watching the meeting that although as a matter of general principle all Council business was conducted in public wherever possible, some matters were of too commercially sensitive a nature to be discussed in public. He offered his assurance that the private session of the Committee from which members of the public and the press were excluded would be kept as short as possible.

RESOLVED that: In accordance with Section 100A(4) of the Local Government Act 1972 the public, including the press, be excluded from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda could be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

The Committee returned to public session.

The Interim Director of CCHL responded to questions from the Committee and confirmed that a lot of work had been put into the implementation of the transition planning which was proposed, and if the Committee did approve the recommendations then they would move forward quickly. If the Committee was minded to approve the recommendation for CAEL, then this process was almost complete, and in practice there were very few assets under the Amphora umbrella and these consisted primarily of the boreholes created by the energy company and a single property that CAHL owned. There would be costs associated with continued work in relation to the proposals, but these would be a few thousand pounds as opposed to anything more significant. It was necessary to take into account the consequences of not hibernating the companies when considering any costs associated with placing them into hibernation. Allowing the companies to continue as they currently were would require the Council to continue to stand by the liabilities

which had been created with no realistic prospect of generating a return for the time being, and this position was not sustainable.

At the request of a Committee member, the Chair explained for the benefit of any members of the public who were viewing the meeting that the Committee was considering CCHL which was a private, 'arms length' company which had been set up 6 years ago by the Council and which had 3 trading arms which were referred to as Amphora trading arms. One of these as a company working on sustainable energy provision (CAEL), another was provision of housing (CAHL), and the third dealt with events, Helpline and CCTV activity (CATL). The Interim Managing Director of CCHL explained that hibernation entailed that the companies would be placed into a dormant state where they would not be trading but would still exist. The reasoning behind this as opposed to winding up the companies altogether was that there may come a time in the future when the companies were able to trade successfully again, and the companies could simply be re-activated if circumstances changed.

In discussion, the Committee noted that risks associated with the operation of the companies would not be removed by the proposals, but would be transferred back to the Council. The Interim Managing Director of CCHL confirmed that this was correct, but in practice this would not represent a substantial change in the position. In reality CAEL was not able to recover the costs it expended and the Council stood behind this position, meaning in practical terms the proposals did not represent a change in the Council's exposure to risk.

The Committee supported the proposals which had been made in relation to the hibernation of the companies, and considered that the future prospects of CAEL in particular were very encouraging, once the circumstances allowed it to trade successfully. It made financial sense to hibernate at this stage as had been suggested, rather than dissolve companies.

RECOMMENDED TO CABINET that:

- The Proposed Future Strategy for Amphora set out in the Officer's report at Appendix A, supported by the Board of Colchester Commercial (Holdings) Ltd, be approved.

385. Hibernation of Colchester Amphora Energy Limited (CAEL)

The Committee considered a report which invited it to consider the formal hibernation of Colchester Amphora Energy Ltd (CAEL) and the transfer of its assets to Colchester City Council.

Richard Carr, Interim Managing Director Colchester Commercial (Holdings) Limited attended the meeting to present the report and assist the Committee with its enquiries. The Committee heard that the proposal which was before represented the final permission to complete the proposed hibernation of Colchester Amphora Energy Limited (CAEL) which followed a process of due diligence which had been undertaken with legal advice. The proposal covered the treatment of all third party contracts that were currently in place with CAEL, some of which would be moved to

the City Council, and some of which would be extinguished, as detailed in the Officer's report.

The Committee noted that it had discussed the proposal which was before it at length earlier in the meeting, in relation to the item on the agenda setting out the proposed future strategy for the Council's wholly owned commercial companies, the Amphora Gorup. Accordingly no additional comments or questions were raised at this time.

RECOMMENDED TO CABINET that:

1. Colchester Amphora Energy Limited (CAEL) is prepared for, placed into and maintained in a dormant state as set out in the Officer's report under section 2, Appendix 1 – 'Report to the Board of CAEL – Placing the Company into Dormancy'.
2. CAEL's contracts and agreements are transferred or otherwise dealt with in accordance with recommendations in the Officer's report detailed at section 8 of Appendix 1.
3. The employment of CAEL's staff is transferred in accordance with arrangements set out in the Officer's report under section 8 of Appendix 1.
4. The Shareholder resolutions set out in the Officer's report at Appendix 5 be approved.

386. Local Government & Social Care Ombudsman's Annual Review Letter

The Committee considered a report providing details of Colchester City Council's Local Government & Social Care Ombudsman's Annual Review Letter, which concerned the number of complaints received regarding each local authority.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee heard that there had been no findings of maladministration against the Council, however, there had been 2 complaints upheld which were set out in the Officers' report.

A Committee member considered that Colchester Borough Homes (CBH) was an extremely able organisation, and that their welfare facilities were excellent as a housing association. It was right and proper that the 2 complaints which had been received had been dealt with by the Ombudsman, although he considered that the pressure that the Council was under to provide suitable accommodation was a potential cause of the issues which had been experienced.

The Committee noted that although a low number of complaints had been referred to the Ombudsman, it was a point of concern that these had both been upheld. It was suggested that for a complaint to have reached this stage, it would have already been through the Council's own procedure which had reached an unsatisfactory conclusion.

The Head of Governance and Monitoring Officer confirmed that both complaints had gone through the complaints process of CBH, and the complainants both felt that their concerns had not been dealt with appropriately and so went to the Local Government Ombudsman. Following the resolution of the complaints, CBH had changed its processes as a result of the lessons which had been learned. It was suggested that as long as CBH used the findings as a learning method to improve their customer interaction, then this should be supported. It was noted by the Committee that the Ombudsman had been pleased to deliver additional training for staff at CBH.

In discussion, the Committee wondered whether it was possible to put a monitoring system in place to support the changes to CBH systems which had been made. It was important to acknowledge that anyone who pursued a complaint through these systems would have found the process very challenging, and it was possible that other complaints had been received which had not been taken so far. The Committee was reminded that it had been agreed that as part of its workload, CBH would be reviewed and overseen on an annual basis, and CBH also reported to Scrutiny Panel which would provide the opportunity to determine whether or not things were improving. In addition to this, the Head of Governance and Monitoring Officer offered assurance to the Committee that these complaints were also reported to the Board of CBH.

RESOLVED that: the contents of the Local Government & Social Care Ombudsman's Annual Review Letter for 2023 be noted.

387. Health and Safety Report 2023

The Committee considered a report which provided it with an overview of the Council's Health and Safety activity during the year from 01 October 2022 to 30 September 2023.

Hayley McGrath, Corporate Governance Manager, and Lee Holden, Health and Safety Manager, attended the meeting to present the report and assist the Committee with its enquiries. The Health and Safety Manager had extensively reviewed the Council's Health and Safety Policies and practices since he had been appointed.

The Committee heard that there was no formal requirement for the Committee to consider the Health and Safety Overview Report and Policy which was placed before it on an annual basis, however, this was considered to be good practice. Health and safety formed part of the Council's Risk Management Framework, and one of the duties of the Committee was to overview risk and to ensure that items were managed appropriately.

A key element of work which had been undertaken during the year had been the implementation of a new health and safety management system. An Interim Health and Safety Manager employed by the Council had developed an award winning

management system which had been implemented by the Council. The system was very detailed, and was being introduced across the organisation to give a clear overview of the management of risks. Significant work had been carried out in respect of fire assessments to ensure that all Council buildings were compliant, together with supporting the refurbishment and reopening of Rowan House.

The Committee heard that a new reporting system had been developed to make it easier for Officers to report incidents as they took place, both online and via a phone app. During the preceding year, just over 1,000 incident reports had been received, which included near misses. It was important to include near misses to identify problems as soon as possible, and to help to stop any significant incidents that may arise in the future. Leisure World had provided the highest number of reported incidents, which was to be expected, given the high number of users of the facilities who were playing sport. There had been 2 serious incidents in the previous year which related to sports injuries, however, neither of these had warranted any further action being taken by the Health and Safety Executive. No changes had been made to the processes used to manage health and safety, however, the Policy had been updated to reflect the Council's new management structure.

In response to a question from the Committee, it was confirmed that there had been an increase in the number of incidents which had been reported, however, it was considered that this was due to the improvements which had been made to the reporting system, as opposed to an increase in the actual number of incidents which had occurred.

The Committee heard that the new reporting system was being trialled in Leisure World and that staff had access to it via terminals located in key areas such as reception and the gym. Once the system had been tested it would be introduced into other service areas across the Council. A wide variety of staff had been invited to test the system to ensure that it could be effectively used by people with varying degrees of computer literacy, and feedback was being used to make improvements where necessary.

In discussion, the Committee noted the role of Cabinet in relation to health and safety and wondered whether any training was provided to support individual Cabinet members in carrying out this function. The Corporate Governance Manager confirmed that all senior managers at the Council were trained in health and safety responsibilities, but there was currently no equivalent training for members of Cabinet. Advice would be sought from the Leader of the Council and the Chief Operating Officer as to the possibility of including Cabinet members in this training.

The Corporate Governance Manager confirmed that no breaches of the Council's Health and Safety Policy by members of staff had been recorded.

RESOLVED that:

- The Health and Safety work undertaken between October 2022 and September 2023 be noted;

- The Health and Safety Policy for 2023/24 be approved.

388. Draft Statement of Accounts 2021/2022

The Committee considered a report which presented the Council's draft Statement of Accounts for 2021/2022 to it. The Committee was invited to note the report.

Chris Hartgrove, Deputy S151 Officer, attended the meeting to present the report and assist the Committee with its enquiries. The draft Statement of Accounts for 2021/2022 had been published on 15 September 2023 following significant delays caused by nationwide external audit issues and a shortfall in staff resources. Questions had been submitted to the Deputy S151 Officer by members of the Committee before the meeting, and answers to some of these questions were provided to the Committee:

Question 1 - On Page 111 (of the Governance and Audit Committee agenda document) reference is made to the Collection Fund being in deficit. Is it possible to break the Collection Fund out into amounts collected on behalf of other preceptors (which I assume are payable to them immediately) and amounts belonging to Colchester City Council? I am seeking clarification of the overall collection fund deficit once monies belonging to other preceptors have been excluded.

Answer: The net Deficit on the Collection Fund as of 31 March 2022 is £10.680 million. This comprised a Surplus of £1.497 million on Council Tax, offset by a Deficit of £12.177 million on Business Rates. The Colchester City Council share of the overall Collection Fund Deficit of £10.680 million was £4.678 million (comprising a Surplus share of £192,480, offset by a Deficit share of £4,870,876). It was broadly correct that surpluses and deficits were payable immediately, however, the precise payments were based on estimates made in the January preceding the following financial year (thus allowing preceptors to set their budgets ahead of the financial year) i.e., in this instance, the estimates would have been made in January 2021. Consequently the (usually small) differences (plus or minus) were reflected in subsequent balances. It should be noted that (nationally, as well as Colchester), the large Deficit on Business Rates was a legacy of Covid and the Council received large compensating Section 31 payments from Central Government, which were temporarily held in the Business Rates Reserve (Note 11 in the Statement of Accounts with a Balance of £9.9 million), pending transfer to the Collection Fund to fund future deficits (i.e., the Council's share was met from this source in 2022/23).

Question 2 - Community Stadium

Could Officers please confirm that the Community Stadium is included in the Property, Plant and Equipment figure and its current Net Book Value. Please also confirm the revenue that the stadium generated in 2021/2022.

Answer: The Community Stadium is included in Property, Plant and Equipment with a Net Book Value of £28.5 million as of 31st March 2022. The income from the Community Stadium was £176,524 in 2021/22.

Question 3a – Value Added Tax (VAT)

Please confirm if the Council fell within the 5% insignificant test required for VAT recovery in 2021/22.

Question 3b - Has it continued to do so in 22/23?

Answer a: Yes. The Council's Partial Exemption (de minimis) position for 2021/22 was 1.86%.

Answer b: Yes. The Council's Partial Exemption (de minimis) position for 2022/23 was 1.63%.

Additional questions had been received from another Committee member concerning the Council's reserves, the comprehensive Income and Expenditure Statement, the Council's balance sheet, the Housing Revenue Account and some inter-authority comparisons. Staff commitments to the completion of the Council's Statement of Accounts 2022/2023 meant that answers to these detailed questions would be provided to the Committee after the meeting, however, some additional information was able to be provided at the meeting:

Reserves: there was a difference between the opening reserves position for this year and the previous year's closing reserves, which was £5.07m. This was correct and was disclosed as a prior period adjustment, and the difference was comprised of right to buy capital receipts. This represented a deliberate change in classification in the 2021/2022 accounts to correctly accord with proper accounting practice. The original misclassification had been in the draft 2020/2021 statement of accounts and this would be corrected before those accounts were signed off by the Council's auditors. Any significant accounting adjustments would be reported to this Committee in due course.

Comprehensive Income and Expenditure Statement: a reconciliation had been requested between the £1.653m deficit on the provision of reserves disclosed on the face of the Comprehensive Income and Expenditure Statement, and the Management Accounts. It was confirmed that this was presented in note 5 to the accounts, which referred to the summary of the Management Accounts.

Balance sheet: it was confirmed that the Council did benefit from fixed interest rates which were reflected in note 24 on financial instruments.

Housing Revenue Account (HRA): was the £35m Department of Work and Pensions benefit subsidy, which had been disclosed in note 9, included in HRA turnover? The Committee heard that the sum was not included in HRA turnover and was a general fund item which was absorbed in the Comprehensive Income and Expenditure Account.

With regard to inter-authority comparisons, appropriate context was required in order to obtain a reasonable like for like comparison and there were several factors which would have a major bearing on the Council's financial figures and staffing levels. The different elements of the Council's operations, including Colchester Commercial (Holdings) Limited (CCHL), were required to prepare reports to different accounting

standards than the Council itself which meant that different reporting styles would be evident.

The Committee heard that the date which had been proposed for the completion of some of the Council's audits in September or October 2023 had been delayed, however, all the information which had been requested by the auditors had been provided by the Council. Since this information had been provided, there had been no supplementary feedback from the auditors as may have been expected. A Committee member pointed out that the Council's accounts would be extremely difficult to audit, as the organisation carried out an extremely wide range of activities, and a case could be made for simplifying the presentation of the accounts.

Councillor Cory, Portfolio Holder for Resources, attended the meeting remotely and, with the permission of the Chair, addressed the Committee. He confirmed to the Committee that the delay in providing audited accounts was entirely down to the Council's auditors, and national difficulties had placed many other public sector organisations in a similar position. It was essential that the Council's audited accounts were prepared as soon as possible.

A Committee member sought clarification on how the Council's assets were valued, in particular the Community Stadium, noting that normally such high value assets would be generating income or providing demonstrable community value.

Catherine Jobling, Interim Accountant, attended the meeting remotely and advised that details of how the Community Stadium had been valued could be provided to the Committee after the meeting. Investment properties were usually valued at market value, but the stadium was a regeneration asset which was subject to different accounting treatment.

A Committee member sought clarification on the Council's financial parameters, noting that the Council was in a position to borrow significant sums of money, and wondering whether the limit to this borrowing was in practice set by the Council's reserves. What were the rules which covered the reserves, and how long could the Council continue spending in deficit before it entered financial difficulties? It was suggested that the Council's Management Account should be more aligned with its Statutory Accounts.

Deputy S151 Officer confirmed that the projected deficits in the draft Statement of Accounts were accurate, however, these did not take into account the significant savings that the Council was making each year which would serve to reduce the overall deficit. Additional details about the Turnstone development would be provided in the draft Statement of Accounts for 222/2023, which was expected to be published in the near future. It was acknowledged that the Management Accounts were very different to the Statutory Accounts, but the Management Account had been reconciled to the Statement of Accounts as referred to in note 5.

Councillor King, Lead of the Council, attended the meeting and at the invitation of the Chair addressed the Committee. He confirmed that it was the desire of the administration of the Council to make the Council's Statement of Accounts more easily accessible and understandable to the public, and the Committee noted that

progress towards this goal had been made with the streamlining of the Quarter 1 financial report which had previously been presented to it.

In response to questions from the Committee, the Interim Accountant confirmed that she was not aware of any contingent liabilities the Council had as at 31 March 2023. The Council was in receipt of a significant amount of grant income, which was detailed in note 9 to the accounts. Grants for which it was not possible to say that the conditions of the grant had been met, or which were repayable sat in the Balance Sheet and were referred to as either Revenue Grants received in advance, or were noted in the creditors line.

There had been a significant increase in the Property Plant and Equipment valuation from 2020 to 2021, and the reason for this was explained to the Committee as being predominantly attributable to valuations of assets such Council dwellings and the Community Stadium. Property Plant and Equipment values were only increased in line with the opinion of the valuers, and a table of some of the most significant increases could be provided to the Committee.

A Committee member asked whether any assets within the Property Plant and Equipment figure could realistically be used to rise funds, and the Deputy S151 Officer would consider his response to this question outside the meeting.

RESOLVED that: the draft Statement of Accounts 2021/2022 prior to the completion of the audit process, be noted.

389. Work Programme

The Committee considered a report setting out its work programme for the current municipal year.

Matthew Evans, Democratic Services Officer, attended the meeting to present the report and assist the Committee with its enquiries. The attention of the Committee was drawn to the significant changes to the work programme which were detailed in the Officer's report.

The Committee requested that the report which had been proposed for its meeting in November on the Council's Housing Stock be moved to the December meeting of the Committee. It further requested that consideration be given to the most appropriate time to refer the draft statement of accounts for 2022/2023 to the Committee. The S151 Officer would be consulted in relation to this request.

RESOLVED that: the contents of the report be noted.

28 November 2023

Report of	Interim Managing Director, CCHL	Author	Richard Carr ☎ 282421
Title	Colchester Commercial (Holdings) Ltd - Reporting <ul style="list-style-type: none"> • CCHL Annual Report 2022-23 • CCHL Group Final Accounts 2022-23 • CCHL Half Year Financial Position 2023-24 • CCHL Budget 2024-25 		
Wards affected	All wards		

1. Executive Summary

- 1.1 This report discharges Colchester Commercial Holdings Ltd (CCHL)'s requirement to present its Annual Report to the November meeting of the Committee. The Annual Report for 2022/23 is attached as Appendix 1. Accompanying the Annual Report are the audited accounts for the group for 2022-23 at Appendix 2.
- 1.2 In addition, Appendix 3 sets out the financial position for CCHL, including its three subsidiaries, at the mid-point of the current financial year.
- 1.3 Finally, a draft budget for 2024-25 is attached as Appendix 4, which reflects the simplification of Amphora as a result of the Future Strategy proposals endorsed by the Committee at its October meeting and being considered by Cabinet at its meeting on 22 November.

2. Recommended Decision

- 2.1 To review and note the CCHL Annual Report 2022-23.
- 2.2 To review and note the CCHL Group Final Accounts for 2022-23.
- 2.3 To review and note the half year financial position of CCHL and its subsidiary companies.
- 2.4 To review the Amphora budget proposals for 2024-25, submitted on behalf of the CCHL Board which will need to be taken into account as part of the City Council's own financial planning process.

3. Reason for Recommended Decision

- 3.1 To discharge CCHL's responsibilities to the City Council as its Shareholder by providing information, including the Annual Report for 2022-23, the Group's Final Accounts for

2022-23, an update on financial performance in the current year and budget proposals for 2024-25.

4. Alternative Options

- 4.1 CCHL has not considered alternative options to supplying the required information to the City Council as its Shareholder.

Page break after Section 4.

5. Background Information

- 5.1 CCHL is required to provide information to the Governance and Audit Committee, in order that the Committee can discharge its role in safeguarding the interests of the City Council as Amphora's Shareholder.
- 5.2 The Annual Report for 2022-23 and the Group's Final Accounts reflect the circumstances that have contributed to the need to reset the future direction of Amphora, as well as providing an overview of services delivered and activities undertaken during that year. The proposed simplification of Amphora was supported by the Committee at its October meeting in the context of a change in the City Council's capacity to accommodate risk. Amphora recorded a loss in 2022-23 as a result of the recognition of some costs associated with projects whose completion is less certain now than when initiated.
- 5.3 The expectation for the current financial year, which should be regarded as a year of transition, is reflected in Appendix 3. The opportunity is being taken to review the coding structure for the simplified Amphora in readiness for the new financial year. The option appraisal work planned for Colchester Fibre will include a thorough review of current forecasts for this area of activity to help inform future decision-making.
- 5.4 The budget proposals for 2024-25 are set out to reflect the simplification of Amphora envisaged in the Future Strategy proposals presented to the Committee's last meeting, including the transfer of some functions and staff to other parts of the Colchester family and a revised approach to the delivery of the Northern Gateway. Flowing from this, the proposals assume adjustments to the Management Fee paid by the City Council for services delivered to it by Amphora (such as technical input for capital projects) and to payments made by Amphora to the City Council for support services the company receives covering, for example, ICT or the processing of invoices. Clearly, the net impact of the adjustments will need to be considered as part of the City Council's wider financial planning.
- 5.5 At this stage, Amphora has not submitted plans beyond 2024-25, given the significance of the options appraisal covering Colchester Fibre envisaged in the Future Strategy for Amphora. Once decisions have been made following the outcome of this options appraisal, the CCHL Board will propose a Business Plan covering the medium term.

6. Equality, Diversity and Human Rights implications

- 6.1 There are no specific implications from these proposals for Equality, Diversity or Human Rights.

7. Standard References

- 7.1 The Future Strategy for Amphora supported by the Committee at its October meeting was set in the context of the Council's Strategic Plan.

8. Financial implications

- 8.1 These are set out in the proposed Budget 2024-25, attached as Appendix 4.

9. Health, Wellbeing and Community Safety Implications

9.1 As explained in the Annual Report, Amphora services make a direct contribution to the health, wellbeing and safety of Colchester residents, particularly through Helpline and CCTV.

10. Health and Safety Implications

10.1 There are no specific Health and Safety implications in these four documents.

11. Risk Management Implications

11.1 The CCHL Board is reviewing the strategic risk register for the company in the context of the simplified Amphora.

11.2 As with all commercial endeavours, assumptions about income in particular cannot be guaranteed but a prudent approach has been taken, based on contracts in place and recent experience.

12. Environmental and Sustainability Implications

12.1 There are no specific environmental and sustainability implications to highlight from this report.

Appendices:

Appendix 1 – CCHL Annual Report 2022-23

Appendix 2 – Group Final Accounts 2022-23

Appendix 3 – CCHL Consolidated Half Year Financial Report 2023-24

Appendix 4 – CCHL Proposed Budget 2024-25



Colchester
COMMERCIAL HOLDINGS



ANNUAL REPORT



2022 - 23



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FOREWORD



Welcome to the 2022/23 Annual Report

The last year and the months that have followed it have been highly significant for Amphora, the City Council and, indeed, beyond. The economic climate has impacted on us all and both the City Council and Amphora have not been immune from this.

This has had a particular bearing on some of the major projects which Amphora has been supporting the City Council to deliver, including the Northern Gateway and several housing and regeneration schemes. As a result, there is less certainty over some schemes and the Board has concluded that it is no longer appropriate to treat at least some of these as 'work in progress'.

This has resulted in some costs being realised in our accounts in a way that led the Group to show a small loss for 2022/23. Whilst this is disappointing, it feels an appropriate response to the changed circumstances that flow from factors outside of Amphora or, indeed, the City Council's control. Going forward, the Board is developing an appropriate strategy for the future, which takes account of the changed context and the more constrained ability of the City Council as Amphora's shareholder, to accommodate risk.

Despite the more difficult economic backdrop and indeed other challenges, our Events team has continued to stage events on Colchester's behalf, demonstrating an extraordinary resilience and recovery following the years affected by the pandemic. We have supported subscribers to our Helpline service, we continue to upgrade and improve the City's CCTV network, and provide cost-effective broadband connectivity to an expanding number of residents and businesses. In addition, we have achieved, or exceeded, the key performance indicators for the Estate Management service we deliver on behalf of the Council.

This report provides a little more insight into these and other achievements.

None of these achievements would be possible without the skills and contributions of our staff and I would like to place on record my continued thanks and appreciation for what they do on behalf of Amphora and, more importantly, the residents of Colchester.

Cllr Martyn Warnes

Chair of Colchester Commercial (Holdings) Ltd
Board of Directors



WHO WE ARE

Colchester Commercial (Holdings) Ltd (CCHL) is the holding company for three subsidiaries, with related but distinct products, services, markets and opportunities. We continue to consolidate our three trading entities into a high-quality commercial offer which maintains the strong public sector ethos of our shareholder.

Colchester Amphora Energy Ltd (CAEL) designs and implements low carbon energy systems and provides energy services in Colchester.

Colchester Amphora Trading Ltd (CATL) delivers high quality products and services to public and private sector clients in the property, leisure and health care industries.

Colchester Amphora Homes Ltd (CAHL) delivers high quality affordable and private homes for sale in Colchester and the surrounding area.

WE AIM TO

Generate profit to maintain viability, reduce risk, return a dividend to our shareholder and re-invest in our organisation

Provide our clients with high-quality products and services while maintaining a high level of return for the council

Capitalise on our range of unique products and services to gain market share

Operate in a commercial, innovative manner exploring options for development and expansion

Improve quality and availability of homes for private sale and affordable rent for local people

Help build the brand for Colchester as a place to do business, invest, live, study and visit

HOW WE ARE GOVERNED

CCHL is operated through a Board of Directors, which has delegated authority from the shareholder (CCC) to determine strategy and direction of the business in accordance with its objectives, and through joint working with the Senior Management Team.

The directors each hold an individual responsibility for making decisions, providing leadership and monitoring the performance of the company. The directors are responsible for obtaining appropriate legal, financial and tax advice to enable them to make informed decisions about the running of the company. The directors are responsible for maintaining and regularly reviewing a robust risk management framework.

The Board meet on a quarterly basis and are bound by the Articles of Association, Code of Conduct and Governance Agreement with Colchester City Council, the company's shareholder.

HIGHLIGHTS OF OUR YEAR

2022/23



Working with partners, **ultrafast gigabit connectivity** was made available to almost **3,000 homes** across Wivenhoe, taking the overall investments secured by Colchester Amphora in future-proof connectivity to **£14.5m**.

Gigabit broadband connectivity made to **20+ public sites**, including Museums, Colchester Castle and Castle Park, Colchester Town Hall, and several **Colchester Borough Homes** sheltered housing schemes.



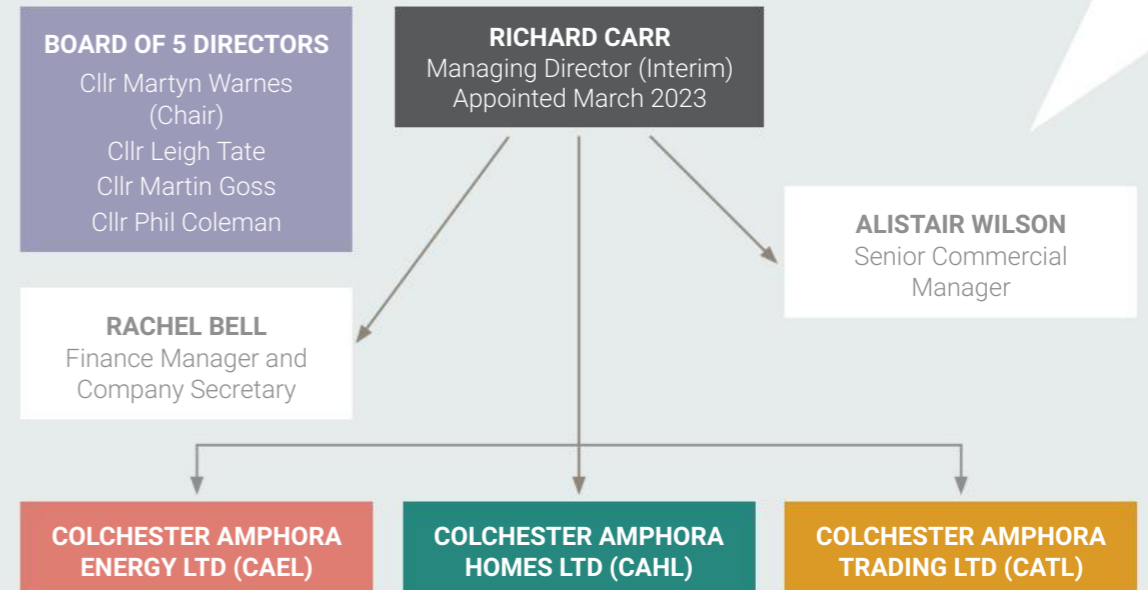
2426 incidents dealt with

238 assists with arrest, working with Essex Police



Awarded **3 year** North Essex Falls contract via NHS Suffolk and North East Essex **Integrated Care Board** (ICB)

COLCHESTER COMMERCIAL (HOLDINGS) LTD (CCHL)



FINANCIAL REVIEW

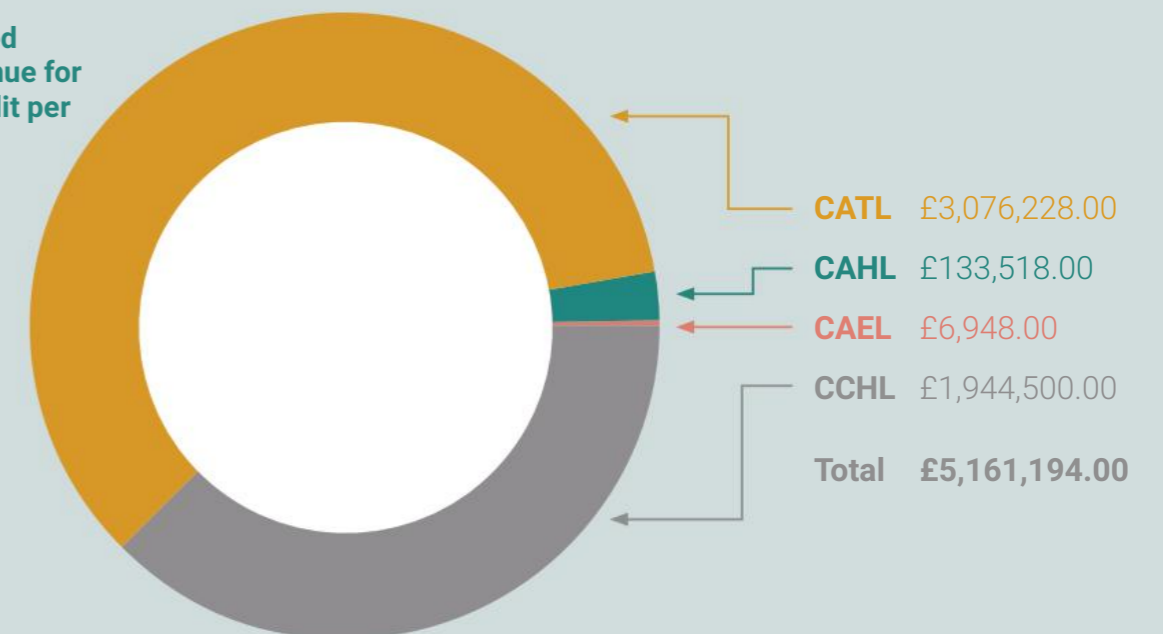
This year has been particularly challenging for the Group, given the impact of the wider economic climate on the activities and projects it has been undertaking. A prudent approach to future works and income streams has been taken, which has resulted in the write off of some previously capitalised costs in this current financial year. The costs written off total £273,164.

This has resulted in a group loss position, totalling £138,732. This cost reset has been necessary to ensure the Group is in the most

streamlined and efficient position moving forwards.

In the year ending 31 March 2023, CCHL received £5,161,194 of income for the products and services it provides and spent £5,326,776 to provide its services, inclusive of the write off previously mentioned. This includes £655,285 paid to CCC through a service level agreement for support services and accommodation; and £100,000 paid to CCC for the use of several venues used to run events across the City.

Consolidated Group revenue for 2022/23 split per Company



COLCHESTER AMPHORA TRADING LTD PERFORMANCE REVIEW 2022/23



COMMERCIAL DEVELOPMENT 2022/23

Colchester Amphora Trading's (CATL) Commercial Development team provides a range of services to Colchester City Council (CCC), from project inception and feasibility through to full development management services and delivery of large-scale construction projects.

Colchester Northern Gateway (CNG)

The procurement and appointment of a contractor for the pumping station project was finalised, and the design confirmation set in motion. Additionally, the contract with Systra highways professional services was terminated and replaced by Aecom.

We have successfully procured professional services encompassing architectural, quantity surveying, and CDM (Construction Design and Management). Moreover, we have received confirmation regarding road booking space for the year 2024.

The development of the highways design is currently in progress, and plans are in place for the opening of The Walk. To ensure a smooth project execution, we are actively working on the clearance of site materials, and further ground investigation works are being carried out.

Commercial Development Feasibility Programmes

The year saw a diversity of fee agreements awarded to CATL for feasibility works including:

- **Heart of Greenstead**
- assistance on the council's business case for redevelopment works utilising Town Deal funding for new homes, a community hub, NHS centre and retail. The team was appointed to undertake works on the Community Hub.
- **Town centre road network and pedestrian thoroughfare improvements**
- utilising Levelling Up Funding (LUF) to explore potential works.
- **Colchester crematorium**
- feasibility work and business cases to review options for relocation of the existing crematorium, currently located within the town.
- **Fieldgate Quay feasibility study**
- the team's work to appraise options of various proposals to repair the failed quayside sheet piling carried out in early 2022 led to full project management for the works throughout all RIBA workstages.

- **Colchester Northern Gateway Pumping Station**

- Amphora has been appointed to ascertain required upgrades to ensure the facility is suitable and sufficient for both the new Colchester Northern Gateway South (CNGS) development and adoption by Anglian Water. Once the required upgrades have been identified, it will then be necessary for Amphora to appointment specialist contractors and manage the works.

Project Management

At Rowan House, the council's head offices, CATL was appointed to project manage the building's complete overhaul and update which included all heating, ventilation and air conditioning (HVAC) and mechanical, electrical and plumbing (MEP) services. In January 2022, the team began the process to commence works from RIBA stage 3 through to RIBA stage 7.

The project completed all internal areas and achieved Building Control sign-off July 2023. CCC has requested additional external works which Amphora will also be managing, due for completion late 2023.

The Council's ambition to develop new 'grow on' creative and digital workspace and a digital

working hub at the former bus depot at Queen Street, took a step forward with the start of demolition of the existing structure which completed in March 2023. This was overseen by CATL in advance of extensive archaeological excavations, prior to construction of the new building scheduled to complete in 2024.

Design and development work also progressed on wider Town Deal funded public spaces at St Nicholas Square and Trinity Churchyard with completion due in 2024. These schemes will provide attractive accessible public space to enhance the look and feel of the town centre and offer much needed new space for events, markets and outdoor dining at St Nicholas Square. The peaceful green space at Trinity Square will provide new spaces for residents and visitors to enjoy and help to stimulate economic growth in the town centre.

In September 2021, CATL celebrated the start of works on the new Stanway Lakelands Community Centre located on the western approach road. The building offers a main hall with a sprung floor, space for a community café/function room, plus office and meeting space. It will be fully accessible and include a Changing Places facility, hearing loop and inclusive playground outside. The building completed in November 2022 and is let to a local community organisation.





ESTATES AND ASSET MANAGEMENT 2022/23

CATL provides high quality estates and asset management services to Colchester City Council (CCC) for its diverse operational and investment portfolios. In addition, it offers a range of specialist consultancy advice to all departments within the Council and secures additional income for the company through its specialist valuations.

The service's dedicated team of professional Chartered Surveyors and technicians continues to focus on maximising and generating new income from CCC assets, increasing capital receipts and providing our parent company (CCC) with high quality advice on the effective use of its property portfolio, which has become even more important following the Covid-19 pandemic.

During 2022/23, the team successfully managed CCC's property investment portfolio worth c.£41 million, maintaining over £3million of income for the Council. The team has continued to identify and secure asset management initiatives bringing in a substantial total capital receipt to the Council of nearly £1million with a further £750k identified or in solicitor's hands.

The team has been involved in several high profile transactions including the letting of 20,000 sq ft at Rowan House to Essex County Council securing substantial rental income and cost savings for the Council and the co-location of one of its key partners; the sale of the Gosbeck's office which became surplus to operational requirements; agreeing terms with a CIC (Community Interest Company) for the new Stanway Community Centre,

an accessible and inclusive community facility, and securing the sale of a site for the development of a local convenience store and children's nursery, both of which will provide facilities for the new homes at the former Severalls hospital site.

Estates has also played a key lease advisory role in the £65m Colchester Northern Gateway Leisure Park with a Cineworld 12 screen cinema, a 90 bed Travelodge, Wendy's and Gregg's drive-thrus, Hollywood Bowl, Puttstars Golf, 8 restaurants including Kervan Kitchen and Kaspers, a high-quality landscaped piazza and parking for 750 cars – including electric car rapid charging points.

Throughout the year, the team has also dealt with the marketing and negotiation of over £20m worth of land and property for disposal and supported community initiatives through consultancy work.

Maximising asset performance is a priority for the Council. As well as ensuring income streams were maximised and costs minimised, the Estates team has provided consultancy advice and input into the instruction by CCC of external consultants to undertake a refreshed Asset Management Strategy.



HELPLINE

Helpline 24/7 continued to deliver a high-quality monitoring and response service to vulnerable residents across Colchester and North Essex, 24 hours a day, 365 days of the year.

The aim of the team during the last year has been to support our NHS colleagues at a time when many other providers were failing to attend to their customers' needs, resulting in added pressure and workload for the emergency services. The remarkable team effort meant Helpline delivered this vital service without fail, providing valuable support to over 3,000 customers.

Helpline 24/7 has been growing its customer base across North Essex with 1 in 7 customers now located outside of Colchester, predominantly within the Tendring area and the team attends the locality daily.

The team also expanded its services across the wider healthcare sector and North Essex having been awarded the North Essex Falls Service by the Suffolk and North East Essex Integrated Care Board working in partnership the Urgent Community Referral Service and the East of England Ambulance Service, as well as a range of voluntary and statutory providers to pick up non injured fallers across North Essex. This helped reduce demand on the NHS at a time when it continues to be stretched to capacity and there are extended wait times for ambulances.

Our dedicated falls teams attended referrals through the new falls contract lifting patients in their own homes and removing the need to convey them to hospital. This vital support demonstrates Helpline's wider benefit across the whole health and care provision and we were delighted to be awarded the new contract.

Mark Shorter, Head of Transformation, Suffolk and North East Essex Integrated Care Board, said: "We are delighted to commission Helpline 24/7 which, over many years, has demonstrated its capability to deliver an excellent falls pick-up service. The further benefit of identifying support for people who may need extra help to remain independent, will help to improve and maintain the wellbeing of those who might otherwise be facing an uncertain future. We also expect this new contract to help ease the pressure on emergency ambulance teams through reduced callouts and subsequent hospital admissions."

During the last year the team has answered over 40,000 calls from our customers and on average has physically responded to customers where they have fallen across North Essex within 45 minutes.



COLCHESTER FIBRE

Colchester Fibre was set up in March 2022 to marketise and commercialise the fibre optic and telecommunications assets built during 2019-22 by Colchester Amphora Trading as part of the Government-funded Local Full Fibre Networks Fund (LFFN).

In the LFFN programme Colchester was selected as one of a small number of cities in the UK, to prototype public-private partnerships in accelerating the roll-out of modern, future-proof telecommunications. Some £3.3m of Government funding was secured by Colchester Amphora to create a local authority-led digital business, to take the lead in securing ongoing investment for the improvement of Colchester's digital infrastructure.

The LFFN programme delivered core fibre distribution networks across much of urban Colchester, with the network continuing to expand and now stretching from Stanway to the University, and from the Northern Gateway to Friday Wood. It is one of the largest municipally owned telecommunications infrastructures in the country and has received recognition from the Department of Culture, Media and Sports (DCMS) as a successful example of public-private partnership in driving digital infrastructure improvements. It is an enormously powerful infrastructure capable of growing to provide services to tens of thousands of users, and has its own, direct, high-capacity links to Telehouse, the UK's main internet exchange in Docklands, London.

Colchester Fibre sells wholesale and retail fibre services to a wide range of customers and operates the infrastructure on behalf of other service providers wishing to sell services to customers over the LFFN-built network. The network infrastructure further underpins the City's CCTV infrastructure and the successful Helpline



CCTV

business as it evolves to a fully digital platform. One of the highlights of the year's installations was the bringing of full-fibre connectivity to Colchester Castle, Hollytrees Museum and across Castle Park, delivering hugely improved connectivity for residents and visitors alike. A challenging programme involving works in an Ancient Scheduled Monument, Colchester Fibre worked closely with Historic England to ensure full compliance with all archaeological requirements.

In the last year, almost another £20m in investment was secured from VXFiber, one of Sweden's largest fibre optic network builders, to expand fibre availability across selected parts of Colchester. Some 8000 properties across Shrub End and Berechurch, and a further 2750 in Wivenhoe, now have access to the benefits of full-fibre services. Hundreds of residential customers signed up during the year, in addition to a large number of city centre businesses, including the Mercury Theatre and all of the Council's major sites. At the time of print, Colchester Fibre was preparing to provide services to its first customers outside Colchester, in Ipswich, Braintree and Harlow.

In the coming year, Colchester Fibre will be overseeing the deployment of Colchester's first private 5G network, enabling an exciting Virtual Reality tourism experience at key city centre sites. It is also participating in the construction of the Digital Working Hub on the site of the former bus depot on Queen Street, which will showcase the best-use examples of fibre technology, private 5G, and Virtual Reality technologies.

The City Centre CCTV network is an important surveillance system designed to monitor and enhance security in the City Centre. It consists of a network of strategically placed cameras that capture video footage of public areas, streets, and key locations within the City Centre.

The purpose of this CCTV system is to deter crime, assist in the detection and prevention of offences, and provide a safer environment for residents, visitors, and businesses.

Some of the key features and aspects of the City Centre CCTV network include:

- 1. Camera Coverage:** The network ensures comprehensive coverage of the City Centre, including high-traffic areas, public spaces, transportation hubs, and key landmarks
- 2. Monitoring and Control Room:** The CCTV system is monitored from a centralised control room staffed by trained operators who actively observe the footage, respond to incidents, and coordinate with relevant authorities if required
- 3. Integration with Other Systems:** One really important aspect of our system is the ability to share information with Essex Police when they are responding to emergencies within the City Centre, with the ability to relay live images direct to the force control room and attending officers

- 4. Compliance and Privacy:** The operation of the CCTV network adheres to relevant privacy laws and regulations to ensure the protection of individuals' privacy rights. Appropriate measures are implemented to secure the data and control access to the system
- 5. Maintenance and Upgrades:** Regular maintenance and timely upgrades are performed to ensure optimal performance of the CCTV system. This includes equipment checks, camera calibration, software updates, and replacing faulty components

Overall, the City Centre CCTV network serves as a crucial tool in maintaining security, deterring criminal activities, and providing a safer environment for everyone in the City.

During the year, the team recorded 2,426 incidents, up 108 incidents on last year, which resulted in 238 arrests, up 15 on last year, demonstrating the benefits of the improved digital system.



COLCHESTER AMPHORA HOMES LTD PERFORMANCE REVIEW 2022/23



EVENTS & WEDDINGS

The year 2022/23 saw the events industry and in particular Colchester Events continue their upward trajectory following the challenges of the past 3 years, bouncing back with energy and vigor to further develop and establish the event programme in Colchester, Essex and beyond.

Despite extensive competition in the marketplace, both the number of events and those attending them increased from the previous year, more than 944 events and 203,936 attendees across Colchester venues alone.

In the year when Colchester became a City, headline events were well attended and helped boost its profile, of the Borough, in particular Westlife and Simply Red at Castle Park and the hosting of The Women's Tour in June for a second consecutive year attracted thousands of visitors and wide media coverage, helping to promote Colchester nationally as a place to live, work and visit.

Colchester Events was also successful in its inaugural season working with Maldon District Council, delivering events in partnership with the neighboring authorities and generating substantial external income into the business.

Sellout shows at Charter Hall included Jack Whitehall and Sarah Millican to name but two. The venue hosted its first ever, two, back-to-back performances in one evening resulting in the highest grossing comedy show for the venue.

The Ticket continued to be a 'go to' publication for what was happening in Colchester, both in physical



and online formats. Two editions, in May and October, assisted in raising the profile of the City and its entertainment programme.

The 'Enlightened' Christmas light trail premiered in Castle Park and ensured open air event attendee numbers eclipsed previous years.

The delivery of bars services continued to grow with all services across Charter Hall and Town Hall being undertaken internally to maximise financial return with cashless operations.

Existing strong connections with 'Our Colchester' were built upon by delivering both the Business Awards and Christmas Light Switch On.

The Events and Weddings team continued to see strong growth from enquiries to planned events. As the financial year ended, the reality of challenges in the forthcoming year became apparent and so external partner relationships and joined up working came to the forefront.

CATL's events continue to trade successfully under three principal banners: Colchester Events, Colchester Venues and Colchester Weddings.



Colchester Amphora Homes (CAHL) is a housing development company established to deliver new high quality affordable and private homes for the people of Colchester and the surrounding area.

Following completion of the Creffield Villas development last year; a prestigious Victorian property in Lexden, Colchester, which saw the building converted into six luxury apartments, two of which now provide much needed social housing, with a further 2, new three-bedroom family houses constructed within the grounds. These high-quality properties marked the first of CAHL's developments to have reached the market. Marketing is continuing to deliver the sale of the one remaining apartment.

At Colchester Northern Gateway – South, CAHL is seeking to deliver up to 350 new homes, which include 30% affordable housing, all to be connected to the low carbon district heat network delivered by the Group. Following on from the successful outline planning granted in December 2022, CAHL is working to support the authority to deliver an appropriate strategy for the residential parcels of the project.



During Q1 2023 CAHL commenced a strategic review of the business and completed a stage 1 strategic land review of the CCC portfolio which whilst in its early stages, looks to bring forward several large new potential projects for CCC with a target to undertake a submission response to the call for sites in the new Local Plan later in 2023.

CAHL has supported CCC in an Intelligent Client capacity, assisting with the private purchase of two new sites for their portfolio in Colchester, on Military Road and in Blackheath.

Construction also completed on the redevelopment of a former residential property at Military Rd, Colchester where CAHL project managed the build of six one and two-bedroom apartments, plus two new two-bedroom houses. The project, which yielded 100% affordable units for social housing, completed in September 2022.

Redevelopment of the former garage sites in Colchester continued at Buffett Way and Scarfe Way, with works completing in January 2023. The transformation of these sites into two and three-bedroom homes, all built to the Government's Future Homes Standards, is increasing the supply of affordable rented homes in the city, supporting the council's efforts to tackle local housing need.

With continued focus on improving the availability of homes for private sale and affordable rent for local people, CAHL worked closely with the City Council to identify a third phase of garage sites suitable for development. Following local consultations, planning permission was achieved in July 2022 for five sites across the city: Cross Cottages, Boxted; Hedge Drive, Shrub End; and Prospero Close, Veronica Walk and Wheeler Close in Greenstead. Together these will yield a further 23 properties for social housing with anticipated completion in 2024.

COLCHESTER AMPHORA ENERGY LTD PERFORMANCE REVIEW 2022/23

Colchester Amphora Energy (CAEL) develops and implements low carbon energy projects and provides energy consultancy in North Essex, primarily to Colchester City Council working with its Sustainability and Climate Challenge groups and advising on energy aspects of development projects.

During 2022/23 work has continued on the delivery of the Council's flagship project to install a low carbon District Heat Network at Colchester Northern Gateway with completion of the detailed design in preparation of the installation go ahead, when land sales have progressed sufficiently to confirm an 'anchor load' for heat supply sales.

This innovative scheme will provide a low carbon heat solution to residents, businesses and other commercial users. The project will deliver 5.5 GWhrs of heat a year, of which in the region of 75% of hot water for heating and washing will be generated by the heat pump. It is the first of its kind to be used on this scale in the UK, using a confined chalk aquifer, and is a key element in meeting the Council's climate change ambitions.

Development of a microgrid project at the Northern Gateway with solar PV and battery storage has progressed with tendering and contracting a consultant to provide further development services including outline design, planning and financial modelling. This potential project will provide the development with electricity generated from its own 6 MW PV solar farm and battery storage to help reduce the development's carbon footprint ahead of the National Grid's decarbonisation. This will also create an income stream for the Council and potentially lower prices for those in the microgrid.

CAEL continues to explore new areas of business, working with the Council to look at new energy projects to meet its 2030 carbon targets.



LOOKING ahead



This and previous annual reports have reflected how much has been achieved by Amphora in recent years, which is testament to the skills and commitment of the staff who work for the companies.

Looking forward, there is a need to take account of changes in the external environment in which the City Council as our shareholder, and the Amphora group of companies themselves, operate. The wider economic climate over recent times has been characterised by rising costs and interest rates and softer property values. Residents of Colchester have been impacted by the 'cost of living' crisis and many have turned to

the Council for help and assistance, particularly those who are struggling to find homes in which they can afford to live. This has placed added strain on the City Council's resources at a time when its own costs have been impacted by raising energy prices and wider cost pressures. All this impacts on the Council's ability to accommodate risk and Amphora as a group of wholly owned Local Authority Trading Companies must adjust to respond to this.

Therefore, Amphora together with the Council, are actively reviewing the future strategy for each of the companies and this may result in some changes to their operation.

This review is a focus on the delivery of the Council's strategic objectives and how best these can be achieved. This may lead to some adjustments to the way in which the skills within Amphora are deployed but we can look forward with confidence and enthusiasm, based on the agility and ingenuity already demonstrated by our staff.

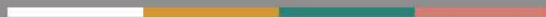
Richard Carr

Managing Director (Interim)





Colchester
COMMERCIAL HOLDINGS



www.colchesteramphora.com

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Directors' Report and Consolidated Financial Statements

For the Year Ended 31 March 2023

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Directors' Report and Consolidated Financial Statements For the Year Ended 31 March 2023

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COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Officers and Professional Advisers For the Year Ended 31 March 2023

Company registration number 10798878

The board of directors

M Goss (Resigned 14 June 2023)
M Warnes
P Smith (Resigned 31 January 2023)
M Leatherdale (Resigned 8 June 2022)
L Tate (Resigned 14 June 2023)
P Coleman (Appointed 8 June 2022 –
resigned 14 June 2023)
S McCarthy (Appointed 15 June 2023)
V Moffat (Appointed 14 June 2023)
R Mannion (Appointed 31 July 2023)
D Willetts (Appointed 12 June 2023 –
resigned 26 June 2023)

Company secretary

P Smith (Resigned 2 August 2022)
A Gough (Appointed 15 March 2022 –
resigned 16 May 2022)
R Bell (Appointed 2 August 2022)

Registered office

Rowan House
33 Sheepen Road
Colchester
CO3 3WG

Current auditor

SB Audit LLP
Chartered Accountants &
Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Bankers

Lloyds TSB Bank Plc
27 High Street
Colchester
CO1 1DU
United Kingdom

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Directors' Report For the Year Ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

RESULTS AND DIVIDENDS

The group's loss for the period, after taxation, amounted to £138,732 (2022: Profit £267,847).

Dividends of £Nil (2022: £172,000) were proposed during the year and are to be paid to Colchester City Council.

PRINCIPAL ACTIVITIES

The principal activity of this company is to be the holding company for three subsidiaries to enable profits to be made which can be directed straight back into the Council for the benefit of the people of Colchester.

The principal activities of the subsidiary companies are to be as set out below:

Colchester Amphora Homes Limited	-	Housing development company
Colchester Amphora Trading Limited	-	Management of trading businesses
Colchester Amphora Energy Limited	-	Provision of energy services

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In the year to 31 March 2023 the risks to the company based upon its activities to that date were not considered significant in nature. A risk register has been developed and is reviewed at Board level on a regular basis.

DIRECTORS AND THEIR INTERESTS

The directors set out in the table below have held office during the whole of the year from 1 April 2022 to 31 March 2023 unless otherwise stated. None of the directors held any interests in the share capital of the company.

M Goss (Resigned 14 June 2023)
M Warnes
P Smith (Resigned 31 January 2023)
M Leatherdale (Resigned 8 June 2022)
L Tate (Resigned 14 June 2023)
P Coleman (Appointed 8 June 2022 – resigned 14 June 2023)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Our auditors Scrutton Bland LLP transferred their audit registration and therefore that part of their business to a newly incorporated limited liability partnership, SB Audit LLP, on 1 April 2023. Accordingly, Scrutton Bland LLP formally resigned as the Company's auditor with the directors duly appointing SB Audit LLP to fill the vacancy arising.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Directors' Report For the Year Ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and parent company financial statements for each financial period. Under that law the directors have elected to prepare group and parent company financial statements in accordance with UK adopted International Accounting Standards (IASs) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are adequate to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the directors have taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Approved by the board on 6 November 2023 and signed on its behalf by

M Warnes
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

For the Year Ended 31 March 2023

OPINION

We have audited the financial statements of Colchester Commercial (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, the Consolidated Statement of other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards (IASs).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted IASs; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

For the Year Ended 31 March 2023

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

For the Year Ended 31 March 2023

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), inspection of the company's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the group is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: corporate governance, consumer contracts, health and safety, anti-bribery and corruption, human rights and employment law, GDPR, The Building Act 1984, The Building Regulations 2010 and RICS. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

For the Year Ended 31 March 2023

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the group complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims, inspection of any relevant legal documentation, review of board minutes, testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Timothy O'Connor (Senior Statutory Auditor)

For and on behalf of:

SB Audit LLP
Chartered Accountants & Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date:

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Consolidated Income Statement For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Revenue	3	5,161,194	6,350,052
Inventory costs		303,946	1,436,102
Own work capitalised		-	(91,096)
Raw materials and consumables		407,864	1,035,599
Staff costs	5	2,586,189	2,399,732
Other expenses		2,028,777	1,278,594
Other operating income		-	(19,352)
OPERATING (LOSS)/PROFIT		(165,582)	310,473
Income from Investments	7	48,634	604
(LOSS)/PROFIT BEFORE TAX		(116,948)	311,077
Income tax expense	8	21,784	43,230
(LOSS)/PROFIT FOR THE YEAR		(138,732)	267,847

Total comprehensive income is equal to the profit after tax in both the current and preceding year.

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Consolidated Statement of Changes in Equity For the Year Ended 31 March 2023

	Issued Capital £	Retained earnings £	Total Equity £
At 1 April 2021	1,580,001	145,842	1,725,843
Profit for the year	-	267,847	267,847
Dividends	-	(172,000)	(172,000)
Balance at 31 March 2022	<u>1,580,001</u>	<u>241,689</u>	<u>1,821,690</u>
At 1 April 2022	1,580,001	241,689	1,821,690
Loss for the year	-	(138,732)	(138,732)
Balance at 31 March 2023	<u>1,580,001</u>	<u>102,957</u>	<u>1,682,958</u>

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Company Statement of Changes in Equity For the Year Ended 31 March 2023

	Issued Capital £	Retained earnings £	Total Equity £
At 1 April 2021	1,580,001	5,247	1,585,248
Profit for the year	-	172,147	172,147
Dividends	-	(172,000)	(172,000)
Balance at 31 March 2022	<u>1,580,001</u>	<u>5,394</u>	<u>1,585,395</u>
At 1 April 2022	1,580,001	5,394	1,585,395
Profit for the year	-	-	-
Balance at 31 March 2023	<u>1,580,001</u>	<u>5,394</u>	<u>1,585,395</u>

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Consolidated Statement of Financial Position As at 31 March 2023

	Notes	2023 £	2022 £
NON CURRENT ASSETS			
Property, plant and equipment	9	<u>1,254,124</u>	<u>1,165,315</u>
		1,254,124	1,165,315
CURRENT ASSETS			
Inventory	11	329,964	633,910
Trade and other receivables	12	645,379	710,300
Cash and cash equivalents	13	<u>2,476,489</u>	<u>2,021,012</u>
		3,541,832	3,365,222
TOTAL ASSETS		<u>4,705,956</u>	<u>4,530,537</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	14	1,580,001	1,580,001
Retained profits		<u>102,957</u>	<u>241,689</u>
TOTAL EQUITY		<u>1,682,958</u>	<u>1,821,690</u>
NON CURRENT LIABILITIES			
Other payables	19	-	1,300,000
Deferred tax liabilities	15	<u>20,064</u>	<u>-</u>
		20,064	1,300,000
CURRENT LIABILITIES			
Taxation payable		-	57,247
Trade and other payables	16	<u>3,002,934</u>	<u>1,351,600</u>
		3,002,934	1,408,847
TOTAL LIABILITIES		<u>3,022,998</u>	<u>2,708,847</u>
TOTAL EQUITY AND LIABILITIES		<u>4,705,956</u>	<u>4,530,537</u>

Approved by the Board on 6 November 2023 and signed on its behalf by

M Warnes
Director

Company registration number: 10798878

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Company Statement of Financial Position As at 31 March 2023

	Notes	2023 £	2022 £
NON CURRENT ASSETS			
Fixed asset investments	10	<u>1,580,003</u>	<u>1,580,003</u>
		1,580,003	1,580,003
CURRENT ASSETS			
Trade and other receivables	12	<u>315,782</u>	<u>411,734</u>
Cash and cash equivalents	13	<u>293,128</u>	<u>166,237</u>
		608,910	577,971
TOTAL ASSETS		<u>2,188,913</u>	<u>2,157,974</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	14	<u>1,580,001</u>	<u>1,580,001</u>
Retained profits		<u>5,394</u>	<u>5,394</u>
TOTAL EQUITY		<u>1,585,395</u>	<u>1,585,395</u>
CURRENT LIABILITIES			
Trade and other payables	16	<u>603,518</u>	<u>572,579</u>
		603,518	572,579
TOTAL LIABILITIES		<u>603,518</u>	<u>572,579</u>
TOTAL EQUITY AND LIABILITIES		<u>2,188,913</u>	<u>2,157,974</u>

The Company's profit for the year was £Nil (2022: £172,147). The Company has taken advantage of section 408 of the Companies Act not to include its individual statement of comprehensive income.

Approved by the Board on 6 November 2023 and signed on its behalf by

M Warnes

Director

Company registration number: 10798878

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Consolidated Statement of Cash Flows For the Year Ended 31 March 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(116,948)	311,077
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Interest paid	135	97
Taxation expense	(1,720)	(43,230)
Interest received	(48,634)	(604)
Depreciation	2,906	-
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS	(164,261)	267,340
MOVEMENT IN WORKING CAPITAL		
Decrease in inventory	303,946	1,436,102
Decrease/(Increase) in trade and other receivables	64,921	(485,094)
Increase/(Decrease) in trade and other payables	151,334	(1,353,591)
Increase/(decrease) in taxation payable	1,572	(16,407)
INCREASE/(DECREASE) IN WORKING CAPITAL	521,773	(418,990)
CASH FLOWS USED IN OTHER OPERATING ACTIVITIES		
Income taxes paid	(58,819)	-
CASH FLOWS USED IN OTHER OPERATING ACTIVITIES	(58,819)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	298,693	(151,650)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire property, plant and equipment	(91,715)	(91,096)
Interest paid	(135)	(97)
Interest received	48,634	604
Dividends paid	-	(172,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(43,216)	(262,589)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	200,000	300,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	200,000	300,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	455,477	(114,239)
Cash and cash equivalents as at 1 April 2022	2,021,012	2,135,251
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2023	2,476,489	2,021,012

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Company Statement of Cash Flows For the Year Ended 31 March 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	-	172,147
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Interest paid	135	97
Interest received	(9,017)	(111)
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS	(8,882)	172,133
INCREASE IN WORKING CAPITAL		
Decrease/(Increase) in trade and other receivables	95,952	(92,299)
Increase in trade and other payables	30,939	220,973
Increase in taxation payable	-	(148)
INCREASE IN WORKING CAPITAL	126,891	128,526
NET CASH FLOWS FROM OPERATING ACTIVITIES	118,009	300,659
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest paid	(135)	(97)
Interest received	9,017	111
Dividends paid	-	(172,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	8,882	(171,986)
NET INCREASE IN CASH AND CASH EQUIVALENTS	126,891	128,673
Cash and cash equivalents as at 1 April 2022	166,237	37,564
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2023	293,128	166,237

The notes on pages 15 to 26 form part of these financial statements.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The group's and parent company's financial statements for the year were authorised for issue on 6 November 2023 and the group's and parent company's statements of financial position signed on the Board's behalf by Martyn Warnes (Director). Colchester Commercial (Holdings) Limited is a limited company incorporated and domiciled in England & Wales.

The group's and parent company's financial statements have been prepared in accordance with UK adopted International Accounting Standards (IASs) and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the group are set out in note 2.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are presented in sterling, are rounded to the nearest £1 and have been prepared under the historical cost basis. Sterling is also regarded as the functional currency of the group.

Basis of consolidation

The financial statements consolidate the accounts of Colchester Commercial (Holdings) Limited and all of its subsidiary undertakings.

Going concern

The directors have prepared cashflow forecasts which anticipate that the group will be able to continue to meet its liabilities as they fall due and the directors are satisfied that the group has adequate resources to continue in operational existence for the foreseeable future, and for a period of at least 12 months from the date of approving these financial statements. If required the group will be supported by Colchester City Council. For this reason the directors adopt the going concern basis in preparing the accounts.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company. The annual contributions payable are charged to the income statement when they fall due.

Pension costs – local government pension scheme

Colchester Commercial (Holdings) Limited is also an admitted body of the Local Government Pension Scheme administered by Essex County Council. The assets belonging to the pension scheme are held and administered independently by Essex County Council.

Under a deed of variation dated 26 March 2020, the assets and liabilities attributable to the fund are to be retained by Colchester City Council. Only the contributions payable to the scheme are to be recognised as an expense of the company.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the basis:

Plant and machinery 4-5 years straight line.

No depreciation is charged on assets in the course of construction.

Investments

Fixed assets investments are stated at cost less provision for impairment.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Provisions

Provisions are recognised when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the date of the statement of financial position.

Standards that have been issued but not yet effective

The below accounting standards have been issued but are not yet effective. The initial application of these standards is not expected to affect the financial statements.

- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments to defer the effective date of the January 2020 amendments (effective for periods commencing on or after 1 January 2023).
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments to help distinguish between accounting estimates and accounting policies (effective for periods commencing on or after 1 January 2023).

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Standards that have been issued but not yet effective (continued)

- IAS 12 Income Taxes – Amendments regarding the clarification of the deferred tax treatment on transactions such as leases and decommissioning obligations (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities as current or non-current (effective for periods commencing on or after 1 January 2023).
- IAS1 Presentation of financial statements – Amendments regarding non-current liabilities with covenants (effective for periods commencing on or after 1 January 2024).
- IFRS 16 Leases – Amendment regarding liability in a sale and leaseback (effective for periods commencing on or after 1 January 2024).

Judgements in applying accounting estimates and key sources of estimation uncertainty

The preparation of the financial statements requires the Company's directors to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

3. REVENUE

	2023 £	2022 £
Sale of goods	444,782	2,177,000
Sale of services	2,039,726	1,775,242
Management fee	2,676,686	2,397,810
	<u>5,161,194</u>	<u>6,350,052</u>

4. OPERATING (LOSS)/PROFIT

Operating profit is stated after charging the following:

	2023 £	2022 £
Auditor's remuneration - audit services	5,375	3,750
Auditor's remuneration - non-audit services	5,500	5,000
Auditor's remuneration in respect of subsidiaries	47,500	27,692
	<u>58,375</u>	<u>36,442</u>
Depreciation	<u>2,906</u>	<u>-</u>

5. EMPLOYEE EXPENSES

	2023 £	2022 £
Wages and salaries	2,162,842	2,011,103
Defined contribution pension cost	169,016	173,837
Defined benefit pension cost	-	5,841
Social security costs	217,897	188,400
Other staff costs	36,434	20,551
	<u>2,586,189</u>	<u>2,399,732</u>

The average monthly number of employees during the year was made up as follows:

	2023 No.	2022 No.
Management and administration	96	90
Technical and contract	33	43
	<u>129</u>	<u>133</u>

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

6. DIRECTORS' EMOLUMENTS

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Emoluments	<u>251,269</u>	<u>30,411</u>	<u>251,269</u>	<u>30,411</u>

The highest paid director received remuneration of £128,173 (2022: £30,411).

7. INCOME FROM INVESTMENTS

	2023 £	2022 £
Interest receivable	<u>48,634</u>	<u>604</u>

8. TAXATION

Components of tax expense

	2023 £	2022 £
Current tax expense		
Current tax charge	148	57,250
Adjustment for previous years under/(over) provision	1,572	(14,020)
Deferred tax charge	20,064	-
Tax expense reported in income statement	<u>21,784</u>	<u>43,230</u>

Reconciliation of tax charge to accounting profit

	2023 £	2022 £
Tax at the domestic tax rate of 19%	(22,220)	59,105
Adjustment for previous years under/(over) provision	1,572	(14,020)
Other factors effecting tax expense	42,432	(1,855)
Tax expense using effective rate	<u>21,784</u>	<u>43,230</u>

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

9. PROPERTY, PLANT AND EQUIPMENT

Group	Plant & machinery £	Energy Plant £	Total £
Cost			
At 1 April 2022	-	1,165,315	1,165,315
Additions	91,715	-	91,715
At 31 March 2023	<u>91,715</u>	<u>1,165,315</u>	<u>1,257,030</u>
Depreciation			
At 1 April 2022	-	-	-
Charge for the year	2,906	-	2,906
At 31 March 2023	<u>2,906</u>	<u>-</u>	<u>2,906</u>
Net book value			
At 31 March 2023	<u>88,809</u>	<u>1,165,315</u>	<u>1,254,124</u>
At 31 March 2022	<u>-</u>	<u>1,165,315</u>	<u>1,165,315</u>

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

10. FIXED ASSET INVESTMENTS

The company acquired the entire share capital of its three subsidiary companies for £1,580,003. The following are subsidiary undertakings of the company:

	Country of Incorporation	Class of shares	Holding	Principal Activity
Colchester Amphora Trading Limited	England	Ordinary	100%	Deliver a range of direct commercial trading services and professional property and business services
Colchester Amphora Homes Limited	England	Ordinary	100%	Provide high quality new homes
Colchester Amphora Energy Limited	England	Ordinary	100%	Provision of Energy services

The aggregate of the share capital and reserves as at 31 March 2023 and of the profit / (loss) for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/ (loss) £
Colchester Amphora Trading Limited	1,465,324	808,314
Colchester Amphora Homes Limited	722,282	(510,375)
Colchester Amphora Energy Limited	(510,040)	(436,671)

11. INVENTORIES

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Stock	19,964	23,706	-	-
Work in progress	310,000	610,204	-	-
	329,964	633,910	-	-

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Receivable from trade customers	542,955	458,903	9,100	-
Receivable from related party	41,254	27,687	306,682	411,734
Other receivables	2,571	-	-	-
Prepayments and accrued income	58,599	223,710	-	-
	<u>645,379</u>	<u>710,300</u>	<u>315,782</u>	<u>411,734</u>

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Cash and cash equivalents	<u>2,476,489</u>	<u>2,021,012</u>	<u>293,128</u>	<u>166,237</u>

14. SHARE CAPITAL

Authorised share capital

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,580,001</u>	<u>1,580,001</u>	<u>1,580,001</u>	<u>1,580,001</u>

Issued share capital

	2023		2022	
	No.	£	No.	£
Issued				
Ordinary shares of £1 each	<u>1,580,001</u>	<u>1,580,001</u>	<u>1,580,001</u>	<u>1,580,001</u>

One share was issued at par at the time of incorporation and remains unpaid. All issued share capital is classified as equity.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

15. DEFERRED TAX

	<i>Consolidated statement of financial position</i>		<i>Consolidated income statement</i>	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax liability	20,064	-	20,064	-

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Payable to trade suppliers	18,240	1,545	-	-
Other taxation and social security	229,661	133,013	30,614	29,406
Other payables	7,091	11,849	6,462	10,582
Payable to related parties	1,524,801	172,000	192,874	172,000
Accruals and deferred income	1,223,141	1,033,193	373,568	360,591
	3,002,934	1,351,600	603,518	572,579

17. FINANCIAL INSTRUMENTS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Financial assets				
Financial assets measured at amortised cost	586,781	486,590	315,782	411,734
Financial liabilities				
Financial liabilities measured at amortised cost	2,773,272	2,518,587	572,904	371,173

Financial assets measured at amortised cost comprise receivables from trade customers, receivables from related parties and other receivables (note 12).

Financial liabilities measured at amortised cost comprise trade payables, amounts payable to related parties, other payables and accruals (note 16).

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

18. RESERVES

Called-up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents the company's accumulated profits which are available for distribution to the members.

19. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate and ultimate parent company is Colchester City Council.

During the year, Colchester Commercial (Holdings) Limited received £1,940,900 (2022: £1,873,740) in management fees from Colchester City Council and incurred expenses of £655,285 (2022: £655,286) with Colchester City Council. At the year end the company owed Colchester City Council £Nil in dividends (2022: £172,000). At the year end the company was owed £9,100 from Colchester City Council (2022: £1) and owed £327,643, included within accruals (2022: £328,936). Within the consolidated current liabilities is an other payables balance of £1,500,000 due within one year (2022: £nil due within one year) owed to Colchester City Council. Within the consolidated non-current liabilities is an other payables balance of £Nil due in greater than one year (2022: £1,300,000 due in greater than one year) owed to Colchester City Council.

Colchester Amphora Trading Limited

During the year, Colchester Commercial (Holdings) Limited received £778,047 (2022: £583,079) in income from Colchester Amphora Trading Limited and incurred expenses to the amount of £1,719,219 (2022: £1,581,241). At the year end the company owed £143,269 (2022: £1) to Colchester Amphora Trading Limited and was owed £223,929 (2022: £251,911).

At the year end Colchester Commercial (Holdings) Limited was owed £Nil (2022: £172,000) in dividends from Colchester Amphora Trading Limited.

Colchester Amphora Homes Limited

At the year end Colchester Commercial (Holdings) Limited owed £24,802 (2022: £1) to Colchester Amphora Homes Limited. During the year, Colchester Commercial (Holdings) Limited received £97,580 (2022: £119,539) in income from Colchester Amphora Homes Limited. At the year end Colchester Commercial (Holdings) Limited was owed £Nil (2022: £79,911) by Colchester Amphora Homes Limited.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

19. RELATED PARTY TRANSACTIONS (CONTINUED)

Colchester Amphora Energy Limited

At the year end Colchester Commercial (Holdings) Limited owed £1 (2022: £1) to Colchester Amphora Energy Limited. During the year, Colchester Commercial (Holdings) Limited received £82,942 (2022: £104,901) in income from Colchester Amphora Energy Limited. At the year end Colchester Commercial (Holdings) Limited was owed £57,942 (2022: £79,911) by Colchester Amphora Energy Limited.

Key Management personnel compensation

The total remuneration paid to key management personnel during the year was £646,374 across the group (2022: £489,015).

20. DIVIDENDS

	2023 £	2022 £
Declared during the year		
Equity dividends declared on ordinary shares	-	<u>172,000</u>

The dividends per share for the year amounted to £Nil (2022: £0.11) and are to be paid to Colchester City Council.

21. POST BALANCE SHEET EVENTS

In September 2023, in light of ongoing and unavoidable project delays, the Board began considering the option of placing Colchester Amphora Homes Limited into dormancy until these projects can progress.

As of the date of approval of these financial statements, this remains the preferred course of action. However, the necessary due diligence work required for a firm decision has not been completed.

Upon reviewing the £1.5 million investment in Colchester Amphora Homes Limited, the Board is content this was not impaired at 31 March 2023 and should remain at that level on the basis it aligns with the plans for future profits that were in place as of 31 March 2023.

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
REVENUE		
Management fee	1,940,900	1,874,740
Recharge of service costs to subsidiaries	958,023	807,519
Dividend from subsidiaries	-	172,000
Apprenticeship levy	3,600	4,400
Total Revenue	2,902,523	2,858,659
STAFF COSTS		
Wages and salaries	60,753	296,454
Social security costs	9,393	33,878
Pension costs	21,414	13,306
Defined benefit pension contributions	-	5,841
Directors' remuneration	251,269	27,528
Directors' social security costs	32,754	2,883
	375,583	379,890
OTHER EXPENSES		
Travelling, hotel and subsistence	21	21
Staff welfare	33	336
Office expenses	-	-
Auditors' fees: audit	11,000	7,500
Advisory costs	1,543	1,542
Legal and professional fees	638	459
General expenses	111,010	53,049
Insurance	2,044	1,294
Subscriptions and publications	71	77
Group fees	2,374,504	2,236,527
Apprenticeship Levy	34,810	5,979
	2,535,674	2,306,784

COLCHESTER COMMERCIAL (HOLDINGS) LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
Financial costs		
Bank charges	135	97
	<u>135</u>	<u>97</u>
Operating (loss)/profit	(8,869)	171,888
OTHER NON OPERATING ITEMS		
Bank interest receivable	9,017	111
Other non operating items	9,017	111
	<u>9,017</u>	<u>111</u>
Profit before tax	148	171,999
INCOME TAX EXPENSE		
CURRENT		
Current income tax expense	-	-
Adjustment in respect of previous year	(148)	148
Income tax expense	(148)	148
	<u>(148)</u>	<u>148</u>
Profit attributable to equity holders	-	172,147
	<u>-</u>	<u>172,147</u>

COLCHESTER AMPHORA TRADING LIMITED

Directors' Report and Financial Statements

For the Year Ended 31 March 2023

COLCHESTER AMPHORA TRADING LIMITED

Directors' Report and Financial Statements For the Year Ended 31 March 2023

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The following pages do not form part of the financial statements

Detailed income statement	22 to 24
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COLCHESTER AMPHORA TRADING LIMITED

Officers and Professional Advisers For the Year Ended 31 March 2023

Company registration number	10799072
The board of directors	P Smith (Resigned 31 January 2023) D Gascoyne (Resigned 21 October 2022) R Bell (Appointed 9 December 2022) A Wilson (Appointed 1 January 2023)
Company secretary	P Smith (Resigned 2 August 2022) R Bell (Appointed 2 August 2022)
Registered office	Rowan House 33 Sheepen Road Colchester CO3 3WG
Current auditor	SB Audit LLP Chartered Accountants & Statutory Auditor 820 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
Bankers	Lloyds TSB Bank Plc 27 High Street Colchester CO1 1DU United Kingdom

COLCHESTER AMPHORA TRADING LIMITED

Directors' Report For the Year Ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

RESULTS AND DIVIDENDS

The company's profit for the period, after taxation, amounted to £808,314 (2022: £624,617).

Particulars of dividends are detailed in note 8 to the financial statements.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the business is to manage a range of trading businesses on a direct commercial basis.

FUTURE DEVELOPMENTS

The company provides a range of core professional services to the Council and, will, in time, to other organisations and businesses in relation to property, estate management, economic regeneration and commercial development.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In the year to 31 March 2023 the risks to the company based upon its activities were not considered significant in nature. A risk register has been developed and is reviewed at Board level on a regular basis. Each project within the company also has its own risk register which is reviewed and managed by programme and project managers.

DIRECTORS AND THEIR INTERESTS

The directors set out in the table below have held office during the whole of the year from 1 April 2022 to 31 March 2023 unless otherwise stated. None of the directors held any interests in the share capital of the company.

P Smith	(Resigned 31 January 2023)
D Gascoyne	(Resigned 21 October 2022)
R Bell	(Appointed 9 December 2022)
A Wilson	(Appointed 1 January 2023)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Our auditors Scrutton Bland LLP transferred their audit registration and therefore that part of their business to a newly incorporated limited liability partnership, SB Audit LLP, on 1 April 2023. Accordingly, Scrutton Bland LLP formally resigned as the Company's auditor with the directors duly appointing SB Audit LLP to fill the vacancy arising.

COLCHESTER AMPHORA TRADING LIMITED

Directors' Report For the Year Ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted International Accounting Standards (IASs) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the directors have taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Approved by the board on 6 November 2023 and signed on its behalf by

R Bell
Director

COLCHESTER AMPHORA TRADING LIMITED

Independent Auditors Report For the Year Ended 31 March 2023

OPINION

We have audited the financial statements of Colchester Amphora Trading Limited ('the company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income (Including the Income Statement), the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards (IASs).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted IASs; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSION RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

COLCHESTER AMPHORA TRADING LIMITED

Independent Auditors Report For the Year Ended 31 March 2023

OTHER INFORMATION

The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

COLCHESTER AMPHORA TRADING LIMITED

Independent Auditors Report For the Year Ended 31 March 2023

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), inspection of the company's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: corporate governance, consumer contracts, health and safety, anti-bribery and corruption, human rights and employment law, GDPR and RICS. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

COLCHESTER AMPHORA TRADING LIMITED

Independent Auditors Report For the Year Ended 31 March 2023

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the company complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims, inspection of any relevant legal documentation, review of board minutes, testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Timothy O'Connor (Senior Statutory Auditor)
For and on behalf of:

SB Audit LLP
Chartered Accountants & Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date:

COLCHESTER AMPHORA TRADING LIMITED

Statement of Comprehensive Income (Including the Income Statement) For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Revenue	3	4,795,447	3,698,465
Changes in inventories		3,742	6,050
Consumables used		388,345	356,390
Staff costs	5	2,024,312	1,822,884
Other expenses		1,576,889	864,498
OPERATING PROFIT	4	802,159	648,643
Interest income		27,791	-
Grant income	6	-	19,352
PROFIT BEFORE TAX		829,950	667,995
Taxation	7	21,636	43,378
PROFIT FOR THE YEAR		808,314	624,617
PROFIT ATTRIBUTABLE TO EQUITY HOLDER		808,314	624,617

The notes on pages 12 to 21 form part of these financial statements.

COLCHESTER AMPHORA TRADING LIMITED

Statement of Changes in Equity For the Year Ended 31 March 2023

	Issued Capital £	Retained earnings £	Total Equity £
At 1 April 2021	1	204,392	204,393
Profit for the year	-	624,617	624,617
Dividends	-	(172,000)	(172,000)
Balance at 31 March 2022	<u>1</u>	<u>657,009</u>	<u>657,010</u>
At 1 April 2022	1	657,009	657,010
Profit for the year	-	808,314	808,314
Balance at 31 March 2023	<u>1</u>	<u>1,465,323</u>	<u>1,465,324</u>

The notes on pages 12 to 21 form part of these financial statements.

COLCHESTER AMPHORA TRADING LIMITED

Statement of Financial Position As at 31 March 2023

	Notes	2023 £	2022 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	88,809	-
CURRENT ASSETS			
Inventories	10	19,964	23,706
Trade and other receivables	11	735,723	512,632
Cash and cash equivalents	12	1,667,875	996,990
		<u>2,423,562</u>	<u>1,533,328</u>
TOTAL ASSETS		<u>2,512,371</u>	<u>1,533,328</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	13	1	1
Retained profits		1,465,323	657,009
TOTAL EQUITY		<u>1,465,324</u>	<u>657,010</u>
NON CURRENT LIABILITIES			
Deferred tax liabilities	14	20,064	-
		<u>20,064</u>	-
CURRENT LIABILITIES			
Taxation payable		-	57,247
Trade and other payables	15	1,026,983	819,071
		<u>1,026,983</u>	<u>876,318</u>
TOTAL LIABILITIES		<u>1,047,047</u>	<u>876,318</u>
TOTAL EQUITY AND LIABILITIES		<u>2,512,371</u>	<u>1,533,328</u>

Approved by the Board on 6 November 2023 and signed on its behalf by

R Bell
Director

Company registration number: 10799072

The notes on pages 12 to 21 form part of these financial statements.

COLCHESTER AMPHORA TRADING LIMITED

Statement of Cash Flows For the Year Ended 31 March 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	829,950	667,995
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Depreciation	2,906	-
Interest received	(27,791)	-
Taxation expense	-	(43,378)
ADJUSTMENTS TO RECONCILE PROFIT FROM OPERATIONS	<u>(24,885)</u>	<u>(43,378)</u>
DECREASE IN WORKING CAPITAL		
Decrease in inventories	3,742	6,050
Increase in trade and other receivables	(223,091)	(296,478)
Increase/(Decrease) in trade and other payables	207,912	(312,132)
(Decrease) in tax payable	(58,819)	(16,259)
DECREASE IN WORKING CAPITAL	<u>(70,256)</u>	<u>(618,819)</u>
CASH FLOWS FROM OPERATING ACTIVITIES	<u>734,809</u>	<u>5,798</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>734,809</u>	<u>5,798</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	27,791	-
Additions to property, plant and equipment	(91,715)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(63,924)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>670,885</u>	<u>5,798</u>
Cash and cash equivalents as at 1 April 2022	<u>996,990</u>	<u>991,192</u>
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2023	<u><u>1,667,875</u></u>	<u><u>996,990</u></u>

The notes on pages 12 to 21 form part of these financial statements.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The company's financial statements for the year were authorised for issue on 6 November 2023 and the statement of financial position signed on the board's behalf by R Bell (Director). Colchester Amphora Trading Limited is a limited company incorporated and domiciled in England & Wales.

The company's financial statements have been prepared in accordance with UK adopted International Accounting Standards (IASs) and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

The company's immediate parent undertaking, Colchester Commercial (Holdings) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Colchester Commercial (Holdings) Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are presented in sterling, are rounded to the nearest £1 and have been prepared under the historical cost basis. Sterling is also considered to be the functional currency of the Company.

Going concern

The directors have prepared cashflow forecasts which anticipate that the company will be able to continue to meet its liabilities as they fall due and the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future, and for a period of at least 12 months from the date of approving these financial statements. If required the company will be supported by Colchester City Council. For this reason the directors adopt the going concern basis in preparing the accounts.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

Taxation

The tax expense represents the sum of tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Pension costs

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company. The annual contributions payable are charged to the income statement when they fall due.

Pension costs – local government pension scheme

Colchester Amphora Trading Limited is also an admitted body of the Local Government Pension Scheme administered by Essex County Council. The assets belonging to the pension scheme are held and administered independently by Essex County Council.

Under a deed of variation dated 26 March 2020, the assets and liabilities attributable to the fund are to be retained by Colchester City Council. Only the contributions payable to the scheme are to be recognised as an expense of the company.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the basis:

Helpline equipment	5 years straight line
Fibre equipment	4 years straight line.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the date of the statement of financial position.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognised as expenses the related costs for which the grants are intended to compensate

Standards that have been issued but not yet effective

The below accounting standards have been issued but are not yet effective. The initial application of these standards is not expected to affect the financial statements.

- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments to defer the effective date of the January 2020 amendments (effective for periods commencing on or after 1 January 2023).
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments to help distinguish between accounting estimates and accounting policies (effective for periods commencing on or after 1 January 2023).
- IAS 12 Income Taxes – Amendments regarding the clarification of the deferred tax treatment on transactions such as leases and decommissioning obligations (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities as current or non-current (effective for periods commencing on or after 1 January 2024).
- IAS 1 Presentation of financial statements – Amendments regarding non-current liabilities with covenants (effective for periods commencing on or after 1 January 2024).
- IFRS 16 Leases – Amendment regarding liability in sale and leaseback (effective for periods commencing on or after 1 January 2024).

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the Company's directors to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

3. REVENUE

	2023 £	2022 £
Sale of goods	444,782	222,884
Sale of services	2,631,446	1,894,340
Management fee	1,719,219	1,581,241
	<u>4,795,447</u>	<u>3,698,465</u>

4. OPERATING PROFIT

Operating profit is stated after charging the following:

	2023 £	2022 £
Auditor's remuneration - audit services	22,750	10,950
Auditor's remuneration - non-audit services	2,750	-
	<u>25,500</u>	<u>10,950</u>
Depreciation	<u>2,906</u>	<u>-</u>

5. EMPLOYEE EXPENSES

	2023 £	2022 £
Wages and salaries	1,691,022	1,515,604
Pension cost	140,575	153,849
Social security costs	156,320	132,880
Other staff costs	36,395	20,551
	<u>2,024,312</u>	<u>1,822,884</u>

The average monthly number of employees during the year was made up as follows:

	2023 No.	2022 No.
Management and Administration	87	80
Technical	33	43
	<u>120</u>	<u>123</u>

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

6. GRANT INCOME	2023	2022
	£	£
Government grants receivable	<u>-</u>	<u>19,352</u>
7. TAXATION		
Components of tax expense	2023	2022
	£	£
Current tax expense		
Current tax charge	-	57,250
Deferred tax charge	20,064	-
Under/(Over) provision in respect of previous year	1,572	(13,872)
Taxation expense reported in income statement	<u>21,636</u>	<u>43,378</u>
Reconciliation of tax charge to accounting profit	2023	2022
	£	£
Tax at the domestic tax rate of 19%	157,691	142,102
Group relief	(135,589)	(82,998)
Under/(Over) provision in respect of previous year	1,572	(13,872)
Other differences leading to a (decrease)/increase in the tax charge	(2,038)	(1,854)
Tax expense using effective rate	<u>21,636</u>	<u>43,378</u>
8. DIVIDENDS	2023	2022
	£	£
Declared during the year		
Equity dividends declared on ordinary shares	<u>-</u>	<u>172,000</u>

The dividend per share for the year amounted to £Nil (2022: £172,000) and is to be paid to Colchester Commercial Holdings Limited.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

9. Property, plant and equipment

	Helpline equipment £	Fibre equipment £	Total £
Cost			
Additions	68,465	23,250	91,715
At 31 March 2023	<u>68,465</u>	<u>23,250</u>	<u>91,715</u>
Depreciation			
Charge for the year	-	2,906	2,906
At 31 March 2023	<u>-</u>	<u>2,906</u>	<u>2,906</u>
Net Book Value			
At 31 March 2023	<u>68,465</u>	<u>20,344</u>	<u>88,809</u>

10. INVENTORIES

	2023 £	2022 £
Stock	<u>19,964</u>	<u>23,706</u>

11. TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Receivable from trade customers	533,855	458,903
Receivable from parent company	143,269	1
Prepayments and accrued income	58,599	53,728
	<u>735,723</u>	<u>512,632</u>

12. CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank	<u>1,667,875</u>	<u>996,990</u>

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

13. SHARE CAPITAL

Authorised share capital

	2023		2022	
	No.	£	No.	£
1 ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Issued share capital

	2023		2022	
	No.	£	No.	£
Issued and unpaid				
1 ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

All issued share capital is classified as equity.

14. DEFERRED TAX

	<i>Statement of financial position</i>		<i>Income statement</i>	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax liability	<u>20,064</u>	<u>-</u>	<u>20,064</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	2023	2022
	£	£
Accelerated capital allowances	22,202	-
Movement in pension resulting in a change in taxation	(2,138)	-
	<u>20,064</u>	<u>-</u>

15. TRADE AND OTHER PAYABLES

	2023	2022
	£	£
Payable to trade suppliers	18,240	1,545
Other payables	628	1,267
Other taxation and social security	173,633	80,526
Payable to related parties	223,929	251,911
Accruals and deferred income	610,553	483,822
	<u>1,026,983</u>	<u>819,071</u>

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

16. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>677,124</u>	<u>458,904</u>
Financial liabilities		
Financial liabilities at amortised cost	<u>853,350</u>	<u>738,611</u>

Financial assets measured at amortised cost comprise receivables from trade customers and related parties and other receivables (note 11).

Financial liabilities measured at amortised cost comprise amounts payable to trade suppliers, other payables, amounts payable to related parties, accruals and deferred income (note 15).

17. RESERVES

Called-up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents the company's accumulated profits which are available for distribution to the members.

COLCHESTER AMPHORA TRADING LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

18. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate parent company is Colchester Commercial (Holdings) Limited, a company registered in England and Wales, and the ultimate parent entity is Colchester City Council.

Colchester City Council

During the year, Colchester Amphora Trading Limited received £727,983 (2022: £352,757) in fees from Colchester City Council. Colchester Amphora Trading Limited purchased services from Colchester City Council amounting to £503,168 (2022: £105,144). At the year end, the company was owed £280,146 (2022: £196,079) from Colchester City Council and owed £Nil (2022: £5,336).

Colchester Commercial (Holdings) Limited

During the year Colchester Amphora Trading Limited received management fees of £1,719,219 (2022: £1,581,241) from Colchester Commercial (Holdings) Limited. Colchester Amphora Trading Limited incurred expenditure of £778,047 (2022: £583,079) with Colchester Commercial (Holdings) Limited.

At the year end, Colchester Amphora Trading Limited owed £223,929 (2022: £251,911) to and was owed £143,269 (2022: £1) from Colchester Commercial (Holdings) Limited.

At the year end Colchester Amphora Trading Limited owed £Nil (2022: £172,000) in respect of dividends payable to Colchester Commercial (Holdings) Limited.

Key Management personnel compensation

The total remuneration paid to key management personnel during the year was £219,830 (2022: £144,304).

COLCHESTER AMPHORA TRADING LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
REVENUE		
Events	1,211,061	855,032
Helpline	940,609	915,810
Management fee	1,719,219	1,581,241
Other	595,320	346,382
Fibre, Project Management and Professional Fee income	329,238	-
Total Revenue	<u>4,795,447</u>	<u>3,698,465</u>
INVENTORY COSTS		
Opening stock	23,706	29,756
Purchases	388,345	356,390
Closing inventory	(19,964)	(23,706)
Cost of Inventories	<u>392,087</u>	<u>362,440</u>
STAFF COSTS		
Wages and salaries	1,691,022	1,515,604
Social security costs	156,320	132,880
Post employment expense for defined contribution plans	140,575	153,849
Other staff costs	36,395	20,551
	<u>2,024,312</u>	<u>1,822,884</u>

COLCHESTER AMPHORA TRADING LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023	2022
	£	£
OTHER EXPENSES		
Security	29,472	15,918
Transport	18,260	18,336
Travelling, hotel and subsistence	1,156	992
Office expenses	13,124	3,487
Light and heat	4,460	3,943
Telephone and communications	12,646	10,677
Auditors' fees: audit	34,752	10,950
Auditors' fees: non audit services	-	-
Advertising	23,479	34,230
Subcontractors	504,278	111,041
Bank charges	56,460	33,349
General expenses	400	(1,182)
Legal and professional	(1,092)	1,442
Consultancy	15,475	399
Provision for bad debt	512	1,706
Licences	13,308	8,900
Subscriptions and publications	7,113	4,000
IT	12,133	23,231
Management charges	778,047	583,079
Depreciation	2,906	-
Ground rent and leases	50,000	-
	<u>1,576,889</u>	<u>864,498</u>

COLCHESTER AMPHORA TRADING LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
Operating profit	802,159	648,643
OTHER NON OPERATING ITEMS		
Bank interest receivable	27,791	-
Grant income receivable	-	19,352
Other non operating items	27,791	19,352
Profit before tax	829,950	667,995
INCOME TAX EXPENSE		
CURRENT		
Current income tax expense	-	57,250
Under/(Over) provision in respect of previous year	1,572	(13,872)
	1,572	43,378
Deferred tax expense	20,064	-
Income tax expense	21,636	43,378
Profit attributable to equity holders	808,314	624,617

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report and Financial Statements

For the Year Ended 31 March 2023

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report and Financial Statements For the Year Ended 31 March 2023

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COLCHESTER AMPHORA HOMES LIMITED

Officers and Professional Advisers For the Year Ended 31 March 2023

Company registration number 10799097

The board of directors

P Smith	(Resigned 31 January 2023)
P Sullivan	(Resigned 1 August 2022)
R Bell	(Appointed 9 December 2022)
A Wilson	(Appointed 1 January 2023)

Company secretary

P Smith	(Resigned 2 August 2022)
R Bell	(Appointed 2 August 2022)

Registered office

Rowan House
33 Sheepen Road
Colchester
CO3 3WG

Current auditor

SB Audit LLP
Chartered Accountants &
Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Bankers

Lloyds TSB Bank Plc
27 High Street
Colchester
CO1 1DU
United Kingdom

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report For the Year Ended 31 March 2023

The directors presents their report and financial statements for the year ended 31 March 2023.

RESULTS AND DIVIDENDS

The company's loss for the period, after taxation, amounted to £510,375 (2022: £203,547).

There were no dividends proposed or paid during the period.

PRINCIPAL ACTIVITY

The principal activity of the business is as a housing development company established to provide a local solution to the provision of high quality new homes for sale and rent. It is designed to help stimulate house building and bring innovation into the construction sector, whilst increasing the number of affordable homes delivered and providing a commercial return to the council.

FUTURE DEVELOPMENTS

The company is working closely with its shareholder, Colchester City Council, to identify sites to be investigated with a view to continuing the pipeline of housing developments.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In the year to 31 March 2023 the risks to the company based upon its activities to that date were not considered significant in nature. A risk register has been developed and will be reviewed at Board level on a regular basis. Each project within the company will also have its own risk registers which will be reviewed and managed by programme and project managers.

DIRECTORS AND THEIR INTERESTS

The directors set out in the table below have held office during the whole of the year to 31 March 2023 unless otherwise stated. The directors held no interests in the share capital of the company.

P Smith	(Resigned 31 January 2023)
P Sullivan	(Resigned 1 August 2022)
R Bell	(Appointed 9 December 2022)
A Wilson	(Appointed 1 January 2023)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Our auditors Scrutton Bland LLP transferred their audit registration and therefore that part of their business to a newly incorporated limited liability partnership, SB Audit LLP, on 1 April 2023. Accordingly, Scrutton Bland LLP formally resigned as the Company's auditor with the directors duly appointing SB Audit LLP to fill the vacancy arising.

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report For the Year Ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Accounting Standards (IASs) as adopted by the United Kingdom and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the directors have taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Approved by the board on 6 November 2023 and signed on its behalf by

R Bell
Director

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2023

OPINION

We have audited the financial statements of Colchester Amphora Homes Limited ('the company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income (Including the Income Statement), the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards (IASs) as adopted by the United Kingdom.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with IASs as adopted by the United Kingdom; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSION RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2023

OTHER INFORMATION

The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2023

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), inspection of the company's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, The Building Act 1984, The Building Regulations 2010, anti-bribery and corruption, human rights and employment law, GDPR. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2023

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the company complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims, inspection of any relevant legal documentation, review of board minutes, testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Timothy O'Connor (Senior Statutory Auditor)

For and on behalf of:

SB Audit LLP
Chartered Accountants & Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date:

COLCHESTER AMPHORA HOMES LIMITED

Statement of Comprehensive Income (Including the Income Statement) For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Revenue	3	133,518	2,306,099
Changes in inventories		300,204	1,430,052
Raw materials and consumables used		19,519	679,209
Staff costs	5	106,815	123,350
Other expenses		228,203	277,459
OPERATING LOSS	4	(521,223)	(203,971)
Income from investments	6	10,848	424
LOSS BEFORE TAX		(510,375)	(203,547)
Income tax	7	-	-
LOSS FOR THE YEAR		(510,375)	(203,547)
LOSS ATTRIBUTABLE TO EQUITY HOLDERS		(510,375)	(203,547)

Total comprehensive income is equal to the loss after tax in both the current and preceding year.

The notes on pages 12 to 19 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Changes in Equity For the Year Ended 31 March 2023

	Issued capital £	Retained earnings £	Total equity £
At 1 April 2021	1,500,001	(63,797)	1,436,204
Loss for the year	-	(203,547)	(203,547)
Balance at 31 March 2022	<u>1,500,001</u>	<u>(267,344)</u>	<u>1,232,657</u>
At 1 April 2022	1,500,001	(267,344)	1,232,657
Loss for the year	-	(510,375)	(510,375)
Balance at 31 March 2023	<u>1,500,001</u>	<u>(777,719)</u>	<u>722,282</u>

The notes on pages 12 to 19 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Financial Position As at 31 March 2023

	Notes	2023 £	2022 £
ASSETS			
CURRENT ASSETS			
Inventories	8	310,000	610,204
Trade and other receivables	9	24,802	1
Cash	10	434,502	779,451
TOTAL ASSETS		769,304	1,389,656
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	11	1,500,001	1,500,001
Retained losses		(777,719)	(267,344)
TOTAL EQUITY		722,282	1,232,657
CURRENT LIABILITIES			
Trade and other payables	12	47,022	156,999
TOTAL LIABILITIES		47,022	156,999
TOTAL EQUITY AND LIABILITIES		769,304	1,389,656

Approved by the Board on 6 November 2023 and signed on its behalf by

R Bell
Director

Company registration number: 10799097

The notes on pages 12 to 19 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Cash Flows For the Year Ended 31 March 2023

	2023	2022
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss after tax	(510,375)	(203,547)
NON-CASH ADJUSTMENTS		
Impairment of inventory	306,665	-
DECREASE IN WORKING CAPITAL		
(Increase)/decrease in inventory	(6,461)	1,430,052
(Increase)/decrease in trade and other receivables	(24,801)	63,211
Decrease in trade and other payables	(109,977)	(1,557,253)
DECREASE IN WORKING CAPITAL	<u>(141,239)</u>	<u>(63,990)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>(344,949)</u>	<u>(267,537)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(344,949)	(267,537)
Cash and cash equivalents as at 1 April 2022	779,451	1,046,988
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2023	<u>434,502</u>	<u>779,451</u>

The notes on pages 12 to 19 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The company's financial statements for the year were authorised for issue on 6 November 2023 and the statement of financial position signed on the Board's behalf by Rachel Bell (Director). Colchester Amphora Homes Limited is a limited company incorporated and domiciled in England & Wales.

The company's financial statements have been prepared in accordance with International Accounting Standards (IASs) as adopted by the United Kingdom and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

The company's immediate parent undertaking, Colchester Commercial (Holdings) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Colchester Commercial (Holdings) Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are presented in sterling, are rounded to the nearest £1 and have been prepared under the historical cost basis. Sterling is also considered to be the functional currency of the Company.

Going concern

The directors have prepared cashflow forecasts which anticipate that the company will be able to continue to meet its liabilities as they fall due and the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future, and for a period of at least 12 months from the date of approving these financial statements. If required the company will be supported by Colchester City Council. For this reason the directors adopt the going concern basis in preparing the accounts.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company. The annual contributions payable are charged to the income statement when they fall due.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Standards that have been issued but not yet effective

The below accounting standards have been issued but are not yet effective. The initial application of these standards is not expected to affect the financial statements.

- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments to defer the effective date of the January 2020 amendments (effective for periods commencing on or after 1 January 2023).

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments to help distinguish between accounting estimates and accounting policies (effective for periods commencing on or after 1 January 2023).
- IAS 12 Income Taxes – Amendments regarding the clarification of the deferred tax treatment on transactions such as leases and decommissioning obligations (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities as current or non-current (effective for periods commencing on or after 1 January 2024).
- IAS 1 Presentation of financial statements – Amendments regarding non-current liabilities with covenants (effective for periods commencing on or after 1 January 2024).
- IFRS 16 Leases – Amendment regarding liability in a sale and leaseback (effective for periods commencing on or after 1 January 2024).

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

3. REVENUE

	2023 £	2022 £
Housing sales	-	2,177,000
Other	133,518	24,099
Management fee	-	105,000
	<u>133,518</u>	<u>2,306,099</u>

4. OPERATING LOSS

Operating loss is stated after charging the following:

	2023 £	2022 £
Auditor's remuneration – audit services	8,250	6,350
Auditor's remuneration – non-audit services	2,750	1,250
	<u>11,000</u>	<u>7,600</u>

5. EMPLOYEE EXPENSES

	2023 £	2022 £
Wages and salaries	92,073	108,680
Post employment expense for defined contribution plans	3,681	3,493
Social security costs	11,022	11,177
Other costs	39	-
	<u>106,815</u>	<u>123,350</u>

The average monthly number of employees during the year was made up as follows:

	2023 No.	2022 No.
Administration	<u>2</u>	<u>2</u>

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

6. INCOME FROM INVESTMENTS

	2023 £	2022 £
Bank interest receivable	<u>10,848</u>	<u>424</u>

7. TAXATION

An amount of £nil has been recognised in the year (2022: £nil).

8. INVENTORIES

	Housing £
Cost	
At 1 April 2022	610,204
Additions	6,461
Impairment	<u>(306,665)</u>
At 31 March 2023	<u>310,000</u>

9. TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Receivable from related parties	<u>24,802</u>	<u>1</u>
	<u>24,802</u>	<u>1</u>

10. CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank	<u>434,502</u>	<u>779,451</u>

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

11. SHARE CAPITAL

Authorised share capital

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,500,001</u>	<u>1,500,001</u>	<u>1,500,001</u>	<u>1,500,001</u>

Issued share capital

	2023		2022	
	No.	£	No.	£
Issued				
Ordinary shares of £1 each	<u>1,500,001</u>	<u>1,500,001</u>	<u>1,500,001</u>	<u>1,500,001</u>

One share was issued at par at the time of incorporation and remains unpaid. A further 1,500,000 shares were issued at par during the year ended 31 March 2020 and are fully paid. All issued share capital is classed as equity.

12. TRADE AND OTHER PAYABLES

	2023	2022
	£	£
Payable to related parties	-	79,911
Other taxation and social security	24,088	20,988
Accruals and deferred income	22,934	56,100
	<u>47,022</u>	<u>156,999</u>

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

13. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>24,802</u>	<u>1</u>
Financial liabilities		
Financial liabilities at amortised cost	<u>22,934</u>	<u>136,011</u>

Financial assets measured at amortised cost comprise receivables from related parties (note 9).

Financial liabilities measured at amortised cost comprise amounts payable to related parties and accruals (note 12).

14. RESERVES

Called-up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents the company's accumulated reserves which are available for distribution to the members.

15. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate parent company is Colchester Commercial (Holdings) Limited, a company registered in England and Wales, and the ultimate parent company is Colchester City Council.

Colchester City Council

During the year, Colchester Amphora Homes Limited received £133,518 (2022: £129,099) in income from Colchester City Council and no expenses (2022: £Nil) were incurred with Colchester City Council.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

15. RELATED PARTY TRANSACTIONS (continued)

Colchester Commercial (Holdings) Limited

During the first year of incorporation, Colchester Commercial (Holdings) Limited purchased £1 of share capital in Colchester Amphora Homes Limited and subscribed for a further 1,500,000 shares of £1 each during the year ended 31 March 2020. During the year, Colchester Amphora Homes Limited made purchases of £97,580 (2022: £119,539) from Colchester Commercial (Holdings) Limited. At the year end the company owed Colchester Commercial (Holdings) Limited £Nil (2022: £79,911) and was owed £24,802 (2022: £1).

Key Management personnel compensation

The total remuneration paid to key management personnel during the year was £91,721 (2022: £99,745).

COLCHESTER AMPHORA HOMES LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
REVENUE		
Housing sales	-	2,177,000
Management fee	-	105,000
Other	133,518	24,099
Total Revenue	133,518	2,306,099
INVENTORY COSTS		
Opening inventory	610,204	2,040,256
Closing inventory	(310,000)	(610,204)
Cost of Inventories	300,204	1,430,052
RAW MATERIALS AND CONSUMABLES		
Building materials and fees	19,519	679,209
	19,519	679,209
STAFF COSTS		
Wages and salaries	92,073	108,680
Social security costs	11,022	11,177
Post employment expense for defined contribution plans	3,681	3,493
Private health insurance costs	39	-
	106,815	123,350

COLCHESTER AMPHORA HOMES LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
OTHER EXPENSES		
Electricity	920	421
Auditors' fees: audit	9,625	6,350
Auditors' fees: other services	2,000	1,250
General expenses	(1,334)	1,620
Subscriptions and publications	25	24
Overheads	97,580	119,539
Motor running costs	383	246
Insurance	-	5,000
Architect fees	-	2,250
Acoustic Consultants	-	2,210
Bank charges and interest	123	58,434
Consultancy	116,685	39,072
Council tax	1,689	2,034
Survey fees	-	1,731
Professional and advisory fees	-	37,278
Repairs and maintenance	507	-
	<u>228,203</u>	<u>277,459</u>
Operating loss	(521,223)	(203,971)
OTHER NON OPERATING ITEMS		
Bank interest receivable	10,848	424
Other non operating items	<u>10,848</u>	<u>424</u>
Loss before tax	(510,375)	(203,547)
Income tax	-	-
Loss attributable to equity holders	<u>(510,375)</u>	<u>(203,547)</u>

COLCHESTER AMPHORA ENERGY LIMITED

Directors' Report and Financial Statements

For the Year Ended 31 March 2023

COLCHESTER AMPHORA ENERGY LIMITED

Directors' Report and Financial Statements For the Year Ended 31 March 2023

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Detailed income statement	19 to 20

COLCHESTER AMPHORA ENERGY LIMITED

Officers and Professional Advisers For the Year Ended 31 March 2023

Company registration number	10799250
The board of directors	P Smith (Resigned 31 January 2023) R Hull (Appointed 23 May 2022) A Wilson (Appointed 1 January 2023)
Company secretary	P Smith (Resigned 2 August 2022) R Bell (Appointed 2 August 2022)
Registered office	Rowan House 33 Sheepen Road Colchester CO3 3WG
Current auditor	SB Audit LLP Chartered Accountants & Statutory Auditor 820 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
Bankers	Lloyds TSB Bank Plc 27 High Street Colchester CO1 1DU United Kingdom

COLCHESTER AMPHORA ENERGY LIMITED

Directors' Report For the Year Ended 31 March 2023

The directors present their report and financial statements for the year ended 31 March 2023.

RESULTS AND DIVIDENDS

The company's loss for the year, after taxation, amounted to £436,671 (2022 : £153,370).

There were no dividends proposed or paid during the year.

PRINCIPAL ACTIVITY

The principal activity of the company is to provide a range of energy services.

FUTURE DEVELOPMENTS

The intention is for the company to be placed into a dormant state in 2023/24 until such time as it can fulfil its purpose.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In the year to 31 March 2023 the risks to the company based upon its activities to that date were not considered significant in nature. A risk register has been developed and is reviewed at Board level on a regular basis. Each project within the company also has its own risk register which is reviewed and managed by programme and project managers.

DIRECTORS AND THEIR INTERESTS

The directors set out in the table below have held office during the whole of the year to 31 March 2023 unless otherwise stated. None of the directors held any interests in the share capital of the company.

P Smith	(Resigned 31 January 2023)
R Hull	(Appointed 23 May 2022)
A Wilson	(Appointed 1 January 2023)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Our auditors Scrutton Bland LLP transferred their audit registration and therefore that part of their business to a newly incorporated limited liability partnership, SB Audit LLP, on 1 April 2023. Accordingly, Scrutton Bland LLP formally resigned as the Company's auditor with the directors duly appointing SB Audit LLP to fill the vacancy arising.

COLCHESTER AMPHORA ENERGY LIMITED

Directors' Report For the Year Ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Accounting Standards (IASs) as adopted by the United Kingdom and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the directors have taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Approved by the board on 6 November 2023 and signed on its behalf by

A Wilson
Director

COLCHESTER AMPHORA ENERGY LIMITED

Independent Auditors Report to the members of Colchester Amphora Energy Limited For the Year Ended 31 March 2023

OPINION

We have audited the financial statements of Colchester Amphora Energy Limited ('the company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income (Including the Income Statement), the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards (IASs) as adopted by the United Kingdom.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the period then ended;
- have been properly prepared in accordance with IASs as adopted by the United Kingdom; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSION RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

COLCHESTER AMPHORA ENERGY LIMITED

Independent Auditors Report to the members of Colchester Amphora Energy Limited For the Year Ended 31 March 2023

OTHER INFORMATION

The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

COLCHESTER AMPHORA ENERGY LIMITED

Independent Auditors Report to the members of Colchester Amphora Energy Limited For the Year Ended 31 March 2023

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), inspection of the company's regulatory and legal correspondence and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and corruption, human rights and employment law, GDPR. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

COLCHESTER AMPHORA ENERGY LIMITED

Independent Auditors Report to the members of Colchester Amphora Energy Limited For the Year Ended 31 March 2023

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the company complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims, inspection of any relevant legal documentation, review of board minutes, testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Timothy O'Connor (Senior Statutory Auditor)

For and on behalf of:

SB Audit LLP
Chartered Accountants & Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date:

COLCHESTER AMPHORA ENERGY LIMITED

Statement of Comprehensive Income (Including the Income Statement) For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Revenue	3	6,948	47,589
Own work capitalised		-	(91,096)
Staff costs	5	79,479	73,608
Other expenses		<u>365,118</u>	<u>218,516</u>
OPERATING LOSS	4	(437,649)	(153,439)
Income from investments	6	<u>978</u>	<u>69</u>
LOSS BEFORE TAX		(436,671)	(153,370)
Income tax	7	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		<u>(436,671)</u>	<u>(153,370)</u>

Total comprehensive income is equal to the loss after tax in both the current and preceding year.

The notes on pages 12 to 18 form part of these financial statements.

COLCHESTER AMPHORA ENERGY LIMITED

Statement of Changes in Equity For the Year Ended 31 March 2023

	Issued capital £	Retained earnings £	Total equity £
At 1 April 2021	80,001	-	80,001
Loss for the year	-	(153,370)	(153,370)
Balance at 31 March 2022	<u>80,001</u>	<u>(153,370)</u>	<u>(73,369)</u>
	Issued capital £	Retained earnings £	Total equity £
At 1 April 2022	80,001	(153,370)	(73,369)
Loss for the year	-	(436,671)	(436,671)
Balance at 31 March 2023	<u>80,001</u>	<u>(590,041)</u>	<u>(510,040)</u>

The notes on pages 12 to 18 form part of these financial statements.

COLCHESTER AMPHORA ENERGY LIMITED

Statement of Financial Position As at 31 March 2023

	Notes	2023 £	2022 £
NON CURRENT ASSETS			
Property, plant and equipment	8	1,165,315	1,165,315
CURRENT ASSETS			
Trade and other receivables	9	19,025	197,670
Cash	10	80,984	78,334
		<u>100,009</u>	<u>276,004</u>
TOTAL ASSETS		<u>1,265,324</u>	<u>1,441,319</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	11	80,001	80,001
Retained losses		(590,041)	(153,370)
TOTAL EQUITY		<u>(510,040)</u>	<u>(73,369)</u>
NON CURRENT LIABILITIES			
Other payables	15	-	1,300,000
CURRENT LIABILITIES			
Trade and other payables	12	1,775,364	214,688
TOTAL LIABILITIES		<u>1,775,364</u>	<u>1,514,688</u>
TOTAL EQUITY AND LIABILITIES		<u>1,265,324</u>	<u>1,441,319</u>

Approved by the Board on 6 November 2023 and signed on its behalf by

A Wilson
Director

Company registration number: 10799250

The notes on pages 12 to 18 form part of these financial statements.

COLCHESTER AMPHORA ENERGY LIMITED

Statement of Cash Flows For the Year Ended 31 March 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(436,671)	(153,370)
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Interest receivable	(978)	-
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	(437,649)	(153,370)
INCREASE/(DECREASE) IN WORKING CAPITAL		
Decrease/(increase) in trade and other receivables	178,645	(160,438)
Increase in trade and other payables	60,676	123,731
INCREASE/(DECREASE) IN WORKING CAPITAL	239,321	(36,707)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(198,328)	(190,077)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	-	(91,096)
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	(91,096)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	200,000	300,000
Interest received	978	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	200,978	300,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,650	18,827
Cash and cash equivalents as at 1 April 2022	78,334	59,507
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2023	80,984	78,334

The notes on pages 12 to 18 form part of these financial statements.

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The company's financial statements for the year were authorised for issue on 6 November 2023 and the statement of financial position signed on the Board's behalf by Alistair Wilson (Director). Colchester Amphora Energy Limited is a limited company incorporated and domiciled in England & Wales.

The company's financial statements have been prepared in accordance with International Accounting Standards (IASs) as adopted by the United Kingdom and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

The company's immediate parent undertaking, Colchester Commercial (Holdings) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Colchester Commercial (Holdings) Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are presented in sterling, are rounded to the nearest £1 and have been prepared under the historical cost basis. Sterling is also regarded as the functional currency of the Company.

Going concern

The company's primary objective of establishing a heat network has been hindered by circumstances beyond its control. Consequently, at the time of approving the financial statements, the Directors have reached an agreement to transfer the company's assets to its ultimate parent company, Colchester City Council. The intention of the Directors' is for the company to be placed into a dormant state in 2023/24 until such time as it can fulfil its purpose.

The financial statements do not include any provision for costs of hibernating the business, except to the extent that the costs were committed at the balance sheet date. If required the company will be supported by Colchester City Council. For this reason the directors adopt the going concern basis in preparing the accounts.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company. The annual contributions payable are charged to the income statement when they fall due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. No depreciation is charged on assets in the course of construction.

The assets' residual values and useful lives are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Standards that have been issued but not yet effective

The below accounting standards have been issued but are not yet effective. The initial application of these standards is not expected to affect the financial statements.

- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities (effective for periods commencing on or after 1 January 2023).

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

2. ACCOUNTING POLICIES (continued)

- IAS 1 Presentation of financial statements – Amendments to defer the effective date of the January 2020 amendments (effective for periods commencing on or after 1 January 2023).
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments to help distinguish between accounting estimates and accounting policies (effective for periods commencing on or after 1 January 2023).
- IAS 12 Income Taxes – Amendments regarding the clarification of the deferred tax treatment on transactions such as leases and decommissioning obligations (effective for periods commencing on or after 1 January 2023).
- IAS 1 Presentation of financial statements – Amendments regarding the classification of liabilities as current or non-current (effective for periods commencing on or after 1 January 2024).
- IAS1 Presentation of financial statements – Amendments regarding non-current liabilities with covenants (effective for periods commencing on or after 1 January 2024).
- IFRS 16 Leases – Amendment regarding liability in a sale and leaseback (effective for periods commencing on or after 1 January 2024).

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

3. REVENUE

	2023 £	2022 £
Other services	6,948	47,482
Grants	-	107
	<u>6,948</u>	<u>47,589</u>

4. OPERATING LOSS

Operating loss is stated after charging the following:

	2023 £	2022 £
Auditor's remuneration – audit services	11,125	6,350
Auditor's remuneration – non-audit services	1,375	2,500
	<u>12,500</u>	<u>8,850</u>

5. EMPLOYEE EXPENSES

	2023 £	2022 £
Wages and salaries	67,725	62,837
Post employment expense for defined contribution plans	3,346	3,189
Social security costs	8,408	7,582
	<u>79,479</u>	<u>73,608</u>

The average monthly number of employees during the year was made up as follows:

	2023 No.	2022 No.
Administration	<u>1</u>	<u>1</u>

6. INCOME FROM INVESTMENTS

	2023 £	2022 £
Interest receivable	<u>978</u>	<u>69</u>

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

7. TAXATION

No corporation tax was payable in respect of the results for the year (2022: £Nil).

8. PROPERTY, PLANT AND EQUIPMENT

	Energy Plant £
Cost	
At 1 April 2022 and 31 March 2023	1,165,315

9. TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Receivable from related parties	16,454	27,688
Prepayments and accrued income	-	169,982
Other debtors	2,571	-
	19,025	197,670

10. CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank	80,984	78,334

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

11. SHARE CAPITAL

Authorised share capital

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>80,001</u>	<u>80,001</u>	<u>80,001</u>	<u>80,001</u>

Issued share capital

	2023		2022	
	No.	£	No.	£
Issued				
Ordinary shares of £1 each	<u>80,001</u>	<u>80,001</u>	<u>80,001</u>	<u>80,001</u>

One share was issued at par at the time of incorporation and remains unpaid. A further 80,000 shares were issued at par during the year ended 31 March 2020 and are fully paid. All issued share capital is classified as equity.

12. TRADE AND OTHER PAYABLES

	2023	2022
	£	£
Payable to related parties	1,557,952	79,911
Other taxation and social security	1,326	2,093
Accruals and deferred income	<u>216,086</u>	<u>132,684</u>
	<u>1,775,364</u>	<u>214,688</u>

13. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>19,025</u>	<u>27,688</u>
Financial liabilities		
Financial liabilities at amortised cost	<u>1,774,038</u>	<u>1,512,595</u>

Financial assets measured at amortised cost comprise amounts receivable from related parties and other debtors (note 9).

Financial liabilities measured at amortised cost comprise trade payables, amounts payable to related parties and accruals (notes 12 and 15).

COLCHESTER AMPHORA ENERGY LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2023

14. RESERVES

Called-up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents the company's accumulated profits which are available for distribution to the members.

15. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate parent company is Colchester Commercial (Holdings) Limited, a company registered in England and Wales, and the ultimate parent company is Colchester City Council.

Colchester City Council

During the year, Colchester Amphora Energy Limited received £6,948 (2022: £47,482) in other income from Colchester City Council. At the year end the company owed Colchester City Council £1,699,634 (2022: £1,414,739) and was owed £16,453 (2022: £15,484). This is a loan that is due within one year (2022: £1,300,000 due after one year).

Colchester Commercial (Holdings) Limited

During the first year of incorporation, Colchester Commercial (Holdings) Limited purchased £1 of share capital in Colchester Amphora Energy Limited and subscribed for a further 80,000 shares of £1 each during the year ended 31 March 2020.

During the year, Colchester Amphora Energy Limited made purchases of £82,942 (2022: £104,901) from Colchester Commercial (Holdings) Limited. At the year end date, the company owed £57,952 (2022: £79,911) to Colchester Commercial (Holdings) Limited.

Key Management Personnel Compensation

The total remuneration paid to key management personnel during the year was £69,487 (2022: £64,267).

COLCHESTER AMPHORA ENERGY LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
REVENUE		
Other	6,948	47,589
Total Revenue	6,948	47,589
OWN WORK CAPITALISED		
Staff costs	-	34,539
Borrowing costs	-	48,854
Other costs	-	7,703
	-	91,096
STAFF COSTS		
Wages and salaries	67,725	62,837
Social security costs	8,408	7,582
Post employment expense for defined contribution plans	3,346	3,189
	79,479	73,608
OTHER EXPENSES		
Auditors' fees: audit	9,750	6,350
Auditors' fees: other services	2,750	2,500
Bank charges and interest	110	84
Purchases	26,640	132,276
Overheads	16,181	27,810
Hotel and travel	-	-
Legal and professional costs	-	-
Subscriptions and publications	1,108	642
Borrowing costs	84,895	48,854
Equipment	165,732	-
Management charges	57,952	-
	365,118	218,516

COLCHESTER AMPHORA ENERGY LIMITED

Detailed Income Statement For the Year Ended 31 March 2023

	2023 £	2022 £
Operating loss	(437,649)	(153,439)
Bank interest receivable	<u>978</u>	<u>69</u>
Other non operating items	978	69
Loss before tax	(436,671)	(153,370)
INCOME TAX EXPENSE		
Adjustments in respect of previous period	<u>-</u>	<u>-</u>
Loss after tax	<u>(436,671)</u>	<u>(153,370)</u>

CCHL Group

Period to 30 September 2023

Group	Full Year Budget £'s	YTD Budget £'s	YTD Actual £'s	YTD Variance B/(W) £'s	Full Year Forecast £'s	Full Year Variance B/(W) £'s
Income	7,144,927	3,780,273	3,688,872	(91,400)	7,017,505	(127,422)
Expenditure	(7,046,137)	(3,440,008)	(3,455,322)	(15,313)	(6,908,098)	138,040
	98,790	340,264	233,550	(106,714)	109,407	10,617
Profit before Tax	98,790	340,264	233,550	(106,714)	109,407	10,617
Tax	24,698	64,650	44,375	(20,276)	20,787	2,017
Net Profit available for Dividends	74,093	275,614	189,176	(86,438)	88,620	8,600

CCHL Group

Period to 30 September 2023

CCHL	Full Year Budget £'s	YTD Budget £'s	YTD Actual £'s	YTD Variance B/(W) £'s	Full Year Forecast £'s	Full Year Variance B/(W) £'s
Income	2,591,724	1,295,862	1,317,455	21,593	2,573,004	(18,720)
Expenditure	(2,591,724)	(1,295,862)	(1,277,142)	18,720	(2,573,005)	18,720
	0	0	40,313	40,313	(0)	(0)

CAHL	Full Year Budget £'s	YTD Budget £'s	YTD Actual £'s	YTD Variance B/(W) £'s	Full Year Forecast £'s	Full Year Variance B/(W) £'s
Income	135,500	67,750	44,773	(22,977)	117,240	(18,260)
Expenditure	(265,417)	(132,709)	(135,806)	(3,098)	(256,914)	8,503
	(129,917)	(64,959)	(91,033)	(26,075)	(139,674)	(9,757)

CAEL	Full Year Budget £'s	YTD Budget £'s	YTD Actual £'s	YTD Variance B/(W) £'s	Full Year Forecast £'s	Full Year Variance B/(W) £'s
Income	0	0	23,891	23,891	24,731	24,731
Expenditure	0	0	(10,170)	(10,170)	(10,170)	(10,170)
	0	0	13,721	13,721	14,561	14,561

CATL	Full Year Budget £'s	YTD Budget £'s	YTD Actual £'s	YTD Variance B/(W) £'s	Full Year Forecast £'s	Full Year Variance B/(W) £'s
Income	4,417,703	2,416,660	2,302,753	(113,907)	4,302,530	(115,173)
Expenditure	(4,188,996)	(2,011,438)	(2,032,203)	(20,765)	(4,068,008)	120,988
	228,707	405,223	270,550	(134,672)	234,522	5,815

CCHL Group
Period to 30 September 2023

- The Group has achieved a pre-tax surplus of £233k for the first half of the year, which is below the budget of £340k. The difference is largely due to the timing of Helpline income, which is invoiced in April, but the costs are spread across the year. The forecast pre-tax surplus for the year is £109k.
- The overall group forecast as at 30 September 2023 shows a net profit for the year of £88k being available for dividend. This is a £8k favourable variance compared to the budget for the year.

28 November 2023

Report of	The Section 151 Officer	Author	Chris Hartgrove (chris.hartgrove@colchester.gov.uk)
Title	Quarter 2 Budget Monitoring Report 2023/24		
Wards affected	Not applicable		

1. Executive Summary

- 1.1 This report sets out the 2023/24 General Fund and Housing Revenue Account positions, for both revenue and capital, as of 30th September 2023 (“Quarter 2”).
- 1.2 In terms of General Fund revenue expenditure – at the Quarter 2 stage – a budget overspend of £1.447 million is forecast, with projected net expenditure of £26.663 million compared to an updated budget provision of £25.216 million.
- 1.3 As with 2022/23, the budget is being delivered against a challenging economic background that is creating multiple, unforeseen, pressures on the budget. The peak in inflation and higher interest rates are both continuing for far longer than was predicted by the Treasury at the time the budget was set. This is resulting in higher costs, but also lower income from some services as disposable incomes are reduced as resident’s adjust their spending patterns. Additionally, the squeeze on incomes and higher housing costs is resulting in higher demands for some Council services, such as Homelessness. With both the cost of delivery and demand increasing, whilst at the same time income decreases, it is the Council’s budget that is squeezed in the middle.
- 1.4 Consequently, the net revenue Expenditure position reflects a Service overspend of £3.266 million. Notable items include:
 - A net budget pressure of £860,000 on Homelessness/Temporary Accommodation compared against the original budget of £533,000, resulting in a forecast net spend of £1.393 million. This is part of a national trend, with statistics released by the Government confirming that Homelessness was up by 5.7% across England in the period January to March 2023, compared to the corresponding period in 2022. The Homelessness service is managed by Colchester Borough Homes (CBH) on behalf of the Council. The Council’s Senior Team are working with Senior Managers from CBH to identify actions to mitigate this overspend and to develop solutions to the wider housing pressures facing Colchester; and
 - An income shortfall of £551,000 on the Garden Waste Collection service is also anticipated, with technical accounting rules preventing anticipated cash receipts in the first (calendar) quarter of 2024 being credited in full in the financial year; this has a one-off impact in 2023/24.
- 1.5 In contrast, the overspend on Services is offset by an underspend of £1.819 million on Capital Financing costs, due to the combined impact of a continued increase in interest rates and the completion of an internal review of Capital Financing costs.

- 1.6 Members should note that the realisation of embedded savings targets within the 2023/24 revenue budget is also proving very challenging, most notably a targeted recruitment freeze with an assumed yield of £0.5 million; additional measures have now been introduced by senior management entailing a more stringent recruitment freeze, with a view to getting as close as possible to the target over the remainder of the financial year.
- 1.7 As with 2022/23, the Staff Pay Settlement for 2023/24 represents a further substantial risk. The projections contained in this report assume that the in-built 4.0% uplift will be sufficient, but at the time of reporting, the Council's Local Pay Offer of £1,500 for all grades (£1,000 consolidated + £500 unconsolidated), representing an increase of 7.7% for the lowest paid staff, has been rejected. Unison have balloted members on strike action and the ballot is scheduled to close on 16th November 2023. This remains a threat until a local agreement is reached. The national offer of £1,925 (consolidated) has been accepted by unions; its implementation at Colchester would lead to an additional cost pressure of circa £600,000.
- 1.8 The revenue Funding position for Quarter 2 is mixed. The Council is to receive £204,000 in Revenue Support Grant (RSG) that was not included in the original budget assumption, but the anticipated Contribution from Reserves is £1.232 million higher as a consequence of the £1.447 million overspend described above.
- 1.9 Some of the pressures identified here are one-off, whilst others are likely to continue into future years. In this context, Senior Officers, working with Portfolio Holders, are taking, or are developing, a range of mitigating actions. This includes:
- *Rolled Forward Budgets (Short-Term)* – unspent revenue budgets for 2022/23 that were rolled forward at the end of the financial year (and held in the Future Budget Reserve) have been reviewed in the light of updated circumstances. This is reflected in the overall spending forecast and has released funds of £663,100 within the Reserve which are now available to partially absorb some of the remaining forecast overspend and provide a stronger Balance Sheet from which to develop the 2024/25 Budget; and
 - *Transformation Programme (Medium and Long-Term)* – added emphasis has now been placed on the Programme in order to deliver efficiencies that will help offset the Council's longer-term spending pressures.
- 1.10 A balanced position on the Housing Revenue Account (HRA) is projected at the Quarter 2 stage. An anticipated shortfall on income from Rent and Service Charges of £85,000, is to be offset by a reduced Contribution to Capital of the same amount. If a balanced position is achieved, the HRA Balance would remain unchanged at £4.582 million (above the £1.6 million contingency requirement assumed in the HRA Business Plan).
- 1.11 Spending on the General Fund Capital Programme in the first 6 months has been relatively subdued at £4.644 million, with a forecast outturn of £18.706 million, which – if this materialises – would lead to an underspend of £66.833 million. The underspend partly reflects the pause in significant elements of delivery whilst affordability and viability were reassessed as part of the wider Capital Programme review, although the most significant individual item relates to loan advances of £26.70 million to the Council's new Housing Company; these are not now expected to materialise in 2023/24 and the delay is associated with the review of Amphora activities.

1.12 And finally, and by way of added context, the Council is operating in a volatile environment which is having significant and unpredictable financial impacts on the budget. This can be demonstrated through the variances highlighted within this report; some of these are predictable but vary from original assumptions and some have been unexpected. However, those risks are recognised through the Council's risk identification and mitigation strategy and through maintaining adequate reserves and balances.

2. Recommended Decisions

2.1 The General Fund revenue position at the end of Quarter 2 (30th September 2023) for 2023/24, including actions being undertaken or proposed to ameliorate the position, where significant variances have been identified, be noted (***including Appendices A, B and C***).

2.2 The General Fund capital position at the end of Quarter 2 (30th September 2023) for 2023/24 be noted (***including Appendix D***); and

2.3 The Housing Revenue Account revenue position at the end of Quarter 2 (30th September 2023) for 2023/24, including actions proposed to ameliorate the position, where significant variances have been identified, be noted.

3. Reason for Recommended Decision

3.1 This report facilitates the scrutiny of the Council's financial position for 2023/24.

4. Alternative Options

4.1 None.

5. Background and Introduction

- 5.1 The Housing Revenue Account budgets for 2023/24 (Revenue and Capital) were approved by Cabinet on 25th January 2023.
- 5.2 The General Fund budget for 2023/24 (Revenue only) was subsequently approved by full Council on 22nd February 2023. A decision on an updated General Fund Capital budget for 2023/24 was deferred pending the outcome of an internal review of the Capital Programme. The delivery of the previously approved Programme has continued in 2023/24, with unspent balances from 2022/23 rolling forward as planned.
- 5.3 This report updates the Governance & Audit Committee on how the Council's services have performed against approved budgets in the first six months of 2023/24 (Quarter 2), and projects forward to the anticipated outturn for the end of the financial year.

6. General Fund Revenue Budget

Net Expenditure

- 6.1 The General Fund net expenditure position for 2023/24, at the Quarter 2 stage – summarised by service area – is presented in **Appendix A**. The headline is a forecast budget overspend of £1.447 million, with projected net expenditure of £26.663 million against an updated budget provision of £25.216 million. The table below summarises the position by service area.

General Fund Net Expenditure 2023/24 (Quarter 2)					
Service Area	Budget 2023/24 (Council 22/02/23)	YTD Budget Moves (@ Q2)	Updated Budget 2023/24	Q2 Forecast (Net)	Variance
	£000's	£000's	£000's	£000's	£000's
Corporate & Democratic Core	(33)	(20)	(53)	(19)	34
Senior Leadership Board (SLB)	2,071	(214)	1,857	1,698	(159)
Modern City Services	7,084	130	7,214	8,068	854
Corporate Services	6,094	791	6,885	7,974	1,089
Enjoy Colchester	1,410	5	1,415	1,399	(16)
Place and Prosperity	513	491	1,004	1,458	454
Transformation & Business Improvement	2,500	377	2,877	2,978	101
Housing and Wellbeing	1,724	(29)	1,695	2,604	909
Total Service Budgets	21,363	1,531	22,894	26,160	3,266
HRA/NEPP Recharges	(3,594)	0	(3,594)	(3,594)	0
Financing Costs	3,879	0	3,879	2,060	(1,819)
Unallocated/Corporate/Technical	3,087	(1,050)	2,037	2,037	0
Totals (Net Expenditure)	24,735	481	25,216	26,663	1,447

6.2 Full details of the underlying variances in the table above can be found in **Appendix A** (Summary) and **Appendix B** (Analysis). The most notable variances – by service area level – compared to the updated budget in the table above are as follows:

- **Corporate Services including CDC (£1.123 million forecast Overspend)** – the single largest item here relates to the Amphora dividend, with a £289,000 shortfall predicted. Across the whole of Corporate Services there is a forecast overspend of £187,000 on Employee costs as vacant posts have not met the expectations assumed in the savings target for Vacancies and the Recruitment Freeze. Within Governance, an overspend of £194,000 is forecast at this stage which relates to increased Insurance Premiums due to insurance market conditions.
- **Housing & Wellbeing (£0.909 million forecast Overspend)** – the most significant factor in the overall forecast overspend relates to a budget pressure of £860,000 on the Housing service, which reflects the exceptional demand on the Homelessness/Temporary Accommodation budget, which is currently a nationwide issue.
- **Modern City Services (£0.854 million forecast Overspend)** – a forecast budget pressure of £522,000 on the Neighbourhood Services budget is the headline behind the overall forecast overspend, with an anticipated income shortfall of £551,000 from the Garden Waste Collection service being the single largest factor. Although the rollout of the new chargeable service is expected to generate substantial cash receipts from customer subscriptions in early 2024 as expected, the technical accounting rules require the income to be matched against the service provided, resulting in the bulk of those receipts being credited to 2024/25, rather than the current financial year.
- **Place & Prosperity (£0.454 million forecast Overspend)** – there is a forecast budget pressure of £177,000 in the Car Parking service which relates to overspends on banking/income processing charges and Parking Strategy work, alongside a £45,000 shortfall in income. In addition, the Planning service is experiencing a shortfall in income of £132,000, which is outweighing anticipated staff savings and other operational costs of £59,000. And finally, across the whole of Place & Prosperity, there is forecast overspend of £122,000 on Employee costs as vacant posts have not met the expectations assumed in the savings target for Vacancies and the Recruitment Freeze; and
- **Financing Costs (£1.819 million forecast Underspend)** – a forecast underspend (or budget surplus) is anticipated on (net) Financing Costs of £1.819 million; this is due to the combined impact of higher than assumed interest rates and a further internal review of Capital Financing costs for Quarter 2. The most notable variance is on Interest Payable (£1,222,000), with the impact of loan repayments outweighing additional – more recent – Capital Programme commitments. Interest Receivable is also exceeding budget expectations (£584,000). Minimum Revenue Provision (MRP) costs are very close to budget at £2.740million (with a variance of just £13,000).

Funding

- 6.3 The General Fund funding position for 2023/24, at the Quarter 2 stage is summarised in the table below.

General Fund Funding 2023/24 (Quarter 2)					
Description	Budget 2023/24 (Council 22/02/23)	YTD Budget Moves (@ Q2)	Updated Budget 2023/24	Q2 Forecast (Net)	Variance
	£000's	£000's	£000's	£000's	£000's
Council Tax	(13,936)	0	(13,936)	(13,936)	0
Business Rates	(6,456)	0	(6,456)	(6,467)	(11)
Collection Fund Adj. (C. Tax & NNDR)	323	0	323	323	0
Revenue Support Grant	0	0	0	(204)	(204)
New Homes Bonus (NHB)	(576)	0	(576)	(576)	0
2023/24 Services Grant	(175)	0	(175)	(175)	0
Funding Guarantee Allocation	(1,685)	0	(1,685)	(1,685)	0
Other Government Grants	0	0	0	0	0
Contribution to/(from) Reserves	(2,230)	(481)	(2,711)	(3,943)	(1,232)
Total Funding	(24,735)	(481)	(25,216)	(26,663)	(1,447)

- 6.4 The funding position for the General Fund in Quarter 2 is mixed. Whilst there is little variation on Local Tax (Council Tax and Business Rates) at this stage, there is some good news in the Final Local Government Settlement for 2023/24 with the Council receiving £204,000 in Revenue Support Grant; this was not included in the original budget assumption.

- 6.5 However, due to the forecast overspend of £1.447 million summarised in Paragraph 6.1 above, the anticipated net Contribution *from* Reserves is significantly higher (by £1.232 million) than assumed in the updated budget.

General Fund Reserves

- 6.6 A (net) Contribution of £2.230 *from* Reserves was assumed in the Budget adopted by Full Council in February 2023. The table below summarises progress against that assumption at the Quarter 2 stage, projecting forwards to the year end and the updated (net) Contribution from Reserves of £3.943 million as presented in the table above in Paragraph 6.3.

Contributions to/(from) General Fund Reserves 2023/24 (Q2 Forecast)			
Reserve	Agreed/ Planned 2023/24 (Feb 2023)	Q2 Forecast 2023/24	Description
	£000's	£000's	
General Fund Reserve	0	(83)	Unplanned contribution <i>from</i> Reserve reflecting impact of forecast Budget Overspend (Note – adopted contingency balance is £2.160 million for 2023/24).
Future Budget Reserve	(900)	(1,075)*	General contribution <i>from</i> Reserve to support Budget.
Repairs & Renewals Fund	(800)	(538)	General contribution <i>from</i> Reserve to support Budget.
Pension Fund Deficit Reserve	(557)	(557)	Contribution <i>from</i> Reserve to fund (3-year) advance payment to Essex Pension Fund (£836k), minus annual contribution <i>to</i> Reserve (£279k).
Business Rates Reserve	(323)	(323)	General contribution <i>from</i> Reserve to match fund Collection Fund (Council Tax & NDR) deficit contributions.
Revenue Grants Unapplied	(200)	(1,327)	Contribution <i>from</i> Reserve releasing Flexible Homelessness Grant funding.
Strategic Plan Delivery Reserve	550	0	Planned contribution <i>to</i> Reserve of £550k to fund corporate priorities (funded from additional Leisure Services income, following change in VAT treatment). Now taken from reserve and applied to service budgets in Q2 (per Cabinet approval 8th March 2023).
Revolving Investment Fund Reserve	0	(40)	General contribution <i>from</i> Reserve re capital support provided by Finance Team (funded from NHB).
Net Use of General Fund Reserves	(2,230)	(3,943)	

*Contribution reduced by £0.663 million following review of Rolled Forward budgets from 2022/23 (see Para 1.9 above).

- 6.7 Due to internal resourcing constraints and the impact of (national) delays in the external audit process, the Council's Balance Sheet position for 31st March 2023 has not been finalised at the time of preparing this report. It is now anticipated that the Statement of Accounts for 2022/23 (including the finalised Balance Sheet position) will be published in December 2023. This will allow the accurate presentation of the opening balances on General Fund Reserves, as well as the estimated closing balances implicit in the projections above. This will appear in the Quarter 3 report.

6.8 It should also be noted that the Council adopted a minimum contingency balance (within the General Fund Reserve) of £2.160 million in setting the budget for 2023/24 on the basis of the Section 151 Officer's recommendation (in accordance with Section 25 of the Local Government Act 2003). The Quarter 2 forecast would result in the usage of £83,000 of that balance as presented in the table above. In the event that this materialises, there is sufficient available resources within the Future Budget Reserve to replenish the General Fund Reserve to the required minimum contingency level as recommended by the Section 151 Officer to full Council in February 2024.

7. Housing Revenue Account (HRA)

Revenue Forecast

7.1 The Housing Revenue Account (HRA) revenue position for 2023/24, at the Quarter 2 stage, is summarised in the table below. The overall forecast is £34.846 million, compared to the original Budget of £34.931 million agreed by Cabinet in January 2023.

HRA Budget 2023/24 (Quarter 2)			
Description	Budget 2023/24	Forecast Spending (31/03/24)	Variance
	£000's	£000's	£000's
EXPENDITURE			
Employees	266	266	0
Premises	9,255	9,255	0
Transport	1	1	0
Supplies & Services	1,118	1,118	0
Third Party Payments	4,898	4,898	0
Transfer Payments	128	128	0
Support Services	3,858	3,858	0
Capital Financing Costs	15,407	15,322	(85)
Total Expenditure	34,931	34,846	(85)
INCOME			
Grants & Reimbursements	(139)	(139)	0
Customer & Client Receipts	(34,529)	(34,444)	85
Income-Interest	(263)	(263)	0
Inter-Account Transfers	0	0	0
Total Income	(34,931)	(34,846)	85
HRA NET EXPENDITURE	0	0	0

7.2 The table above presents a relatively stable position on the HRA at the Quarter 2 stage. Net spending during the period April to September 2023, compared to the profiled budget, is showing a small underspend, mainly on Premises. However – as with most variances – this is thought to be due to timing differences on actual expenditure compared to profiled spending assumptions. Therefore, most subjective budget lines presented above, are expected to be on budget by the end of the financial year.

7.3 The only significant difference compared to the budget is lower than expected Revenue Contributions to Capital of £85,000 as part of overall Capital Financing Costs. The difference in substance is the balancing figure in the HRA and is due to less Rent and Service Charges anticipated from Dwellings and Garages than assumed within the Budget, which is a function of the level of Voids, Right to Buy (RTB) sales, along with the timing of acquisitions and additions.

HRA Balance

7.4 Members should note that the current HRA Business Plan includes the assumed maintenance of a minimum balance of £1.6 million in the HRA reserve; as of 31st March 2023, the balance was £4.582 million. The year end forecast balance in the table below, reflects the balanced position described above in Paragraph 7.1.

Movement on HRA Balance: Quarter 2 2023/24	
Description	£000's
HRA Balance 31st March 2023 (pre-audit)	(4,582)
2023/24 Net Expenditure Forecast Variance Q2 (Para 5.11)	0
HRA Balance 31st March 2024 (Q2 Forecast)	(4,582)

8. General Fund Capital Programme

8.1 An updated Capital Programme for 2023/24 was not adopted alongside the General Fund Revenue budget in February 2023 in accordance with normal procedure, pending an in-depth analysis of capital commitments and capital financing costs (taking account of higher inflation and borrowing costs, and significant market and supply chain uncertainty). Despite this, the Programme still had a significant range of schemes that continued into 2023/24. This Quarter 1 update therefore focuses on those schemes and is summarised, at a service level, in the table below. A more detailed analysis, at a scheme level, is included in **Appendix D**.

8.2 The pre-approved Programme budget for 2023/24 totals £85.494 million, including unspent balances of £59.542 million rolled forward from 2022/23. Spending in the first 6 months has been relatively subdued at £4.644 million, with a forecast outturn of £18.706 million, which, if this materialises, would lead to an underspend of £66.833 million.

Pre-Approved General Fund Capital Programme 2023/24 (Quarter 2)							
Description	Rolled Fwd. from 2022/23	2023/24 Allocation	Updated Budget 2023/24	Spending (@ 30 Sept. 2023)	Remaining Budget (@ 30 Sept. 2023)	Forecast Spending (31/03/24)	Variance (Under) / Over
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Corporate Services	33,520	0	33,520	0	33,520	0	(33,520)
Economic Growth*	12,565	13,786	26,351	3,295	23,016	12,932	(13,379)
Health Partnerships & Wellbeing	1,742	427	2,169	181	1,988	361	(1,808)
Museums, Culture & Tourism**	17	0	17	17	84	35	(67)
Neighbourhood Services	1,487	0	1,487	(2)	1,489	66	(1,421)
Sport & Leisure	441	0	441	316	125	356	(85)
Strategic Housing (GF)	4,701	1,452	6,153	641	5,513	1,050	(5,103)
Sustainability	5,069	10,287	15,356	195	15,160	3,906	(11,450)
Total Expenditure	59,542	25,952	85,494	4,644	80,895	18,706	(66,833)
<i>Capital Financing:</i>							
Capital Grants	18,189	11,565	29,754	2,992	26,808	13,925	(15,875)
S106 Receipts	680	0	680	229	451	603	(77)
Capital Receipts	277	0	277	15	262	50	(227)
Revenue Contributions	191	0	191	0	191	382	191
Borrowing	40,205	14,387	54,592	1,409	53,183	3,746	(50,845)
Total Financing	59,542	25,952	85,494	4,644	80,895	18,706	(66,833)

Note – Net Rolled Forward Budget adjustments of £45,000 compared to Q1 following subsequent release of 2022/23 Capital Outturn - Multi Use Community Centre* (-£40,000) and Mercury Theatre** (£85,000).

8.3 There are four dominant areas of underspending/slippage on the General Fund Capital Programme at the Quarter 2 stage:

- **Corporate Services (£33.520 million forecast Underspend)** – the most significant item here relates to loan advances of £26.70 million to the Council's new Housing Company; these are not now expected to materialise in 2023/24 and the delay is associated with the review of Amphora activities.

- **Sustainability (£11.450 million forecast Underspend)** – there are two significant schemes driving the underspend:
 - CNG Solar Micro Grid - this scheme explores the development of a micro grid at the Northern Gateway and has a total budget of £5.70 million for 2023/24. The forecast outturn is £0.40 million, which – if this materialises – would lead to an underspend of £5.30 million at year end. The scheme is in the early development stage including design and relevant planning consents. The scheme is being considered for extension, subject to a further business case, to include further Solar AA panels and battery storage which would add a further £6.5 million to the overall scheme budget if approved; and
 - Colchester Northern Gateway Heat Network – the budget allocation for this scheme in 2023/24 was £6.355 million. Forecast spending is now £1.80 million, which if this materialises – would lead to an underspend of £4.555 million. The project is currently on hold as costs have increased with inflation. It is now anticipated that construction will not begin start until the latter part of 2024/25 at the earliest.
- **Economic Growth (£13.379 million Underspend)** – the most significant area of underspending relates to schemes associated with the Town Deal project. The overall project has a budget of £19.09 million, with forecast spending of £8.2 million this year; if this materialises, it will lead to an underspend of £10.89 million. Two schemes – with combined budgets of £1.73 million (Balkerne Gate Phase 2 + Kerbles & Green Streets) – are currently on hold pending further review. The Multi-Use Community Hub scheme has a budget of £5.78 million with forecast spending of £0.12, leading to an underspend of £5.66 million; and
- **Strategic Housing (£5.103 million Underspend)** the underspend relates to the provision of Disabled Facilities Grants (DFG). The Council receives a grant in the region of £1.4 million annually, but actual spending is subject to the volume of applications received, approved, and then processed; any remaining grant held is carried forward.

9. HRA Capital Programme

- 9.1 Cabinet approved a total 5-year HRA Capital Programme of £191.403 million, which included expenditure of £34.668 million for 2023/24 at its meeting on 25th January 2023. The delivery of the Programme is shared with Colchester Borough Homes (CBH) under hybrid arrangements covering “Decent Homes”, and the acquisition and building of Council homes.
- 9.2 At the time of preparing this report, officers from the Council and CBC are reviewing the Programme to establish the in-depth position for 2023/24. A full update will be included within the Quarter 3 report.

10. Equality, Diversity and Human Rights implications

10.1 None.

11. Standard References

11.1 There are no special references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications.

11.2 Management Accounts 2023/24 (Month 6).

12. Environmental and Sustainability Implications

12.1 None.

13. Appendices

13.1 General Fund Revenue Budget 2023/24 (Quarter 2 Variance Summary) - **Appendix A**

13.2 General Fund Revenue Budget 2023/24 (Quarter 2 Variance Analysis) - **Appendix B**

13.3 General Fund Revenue Budget 2023/24 (Quarter 2 Subjective Analysis) - **Appendix C**

13.4 General Fund Capital Programme 2023/24 (Quarter 2 Forecast) - **Appendix D**

General Fund Revenue Budget 2023/24**Variance Summary (Quarter 2)**

Service Area	Variances to Date			Forecast Variances		
	Spend	Income	Net	Spend	Income	Net
	£'000	£'000	£'000	£'000	£'000	£'000
Corporate & Democratic Core	(124)	(101)	(225)	34	-	34
Sub-Total	(124)	(101)	(225)	34	-	34
Senior Leadership Board						
Senior Leadership Board	(55)	64	9	(122)	-	(122)
Communications	(38)	(29)	(67)	(37)	-	(37)
Sub-Total	(93)	35	(58)	(159)	-	(159)
Modern City Services						
Head of Public Protection	40	-	40	56	-	56
Food & Safety	(5)	18	13	51	22	73
Licensing, Community Safety & Safeguarding	(16)	(30)	(46)	-	(1)	(1)
Environmental Health Services	5	(2)	3	6	2	8
Building Control	(59)	135	76	(120)	249	129
Head of Neighbourhood Services	(23)	(4)	(27)	70	(3)	67
Neighbourhood Services	(45)	(78)	(123)	104	418	522
Sub-Total	(103)	39	(64)	167	687	854
Corporate Services						
Service Director Finance	-	-	-	-	-	-
Financial Management	(89)	43	(46)	-	-	-
Corporate Asset Management	(195)	19	(176)	100	-	100
Commercial & Investment	275	(215)	60	(899)	1,112	213
Client-Commercial Company	(175)	(15)	(190)	-	289	289
Head of Operational Finance	(12)	-	(12)	66	-	66
Operational Finance Services	32	3	35	6	(1)	5
Local Taxation & NNDR	(21)	(63)	(84)	-	(88)	(88)
Benefits & Technical	42	(33)	9	25	18	43
Contact & Support Centre	(18)	7	(11)	11	-	11
Household Support Grants	-	-	-	-	-	-
Head of Governance	27	-	27	55	-	55
Governance	813	26	839	262	-	262
Head of People	53	(2)	51	71	-	71
People	(7)	(8)	(15)	15	47	62
Sub-Total	725	(238)	487	(288)	1,377	1,089

Service Area		Variances to Date			Forecast Variances		
		Spend	Income	Net	Spend	Income	Net
		£'000	£'000	£'000	£'000	£'000	£'000
Enjoy Colchester							
	Sport and Leisure	130	(122)	8	11	(10)	1
	Cultural Services	(4)	1	(3)	(1)	4	3
	Colchester Museum	1	(32)	(31)	-	(20)	(20)
	Sub-Total	127	(153)	(26)	10	(26)	(16)
Place & Prosperity							
	Head of Economic Growth	1	-	1	5	-	5
	Economic Growth	53	-	53	(5)	-	(5)
	Head of Sustainability	(8)	-	(8)	(5)	-	(5)
	Sustainability & Climate Change	79	3	82	2	-	2
	Parks and Open Spaces	(120)	36	(84)	37	27	64
	Parking	34	29	63	132	45	177
	Head of Planning	34	-	34	158	-	158
	Place Strategy	22	(1)	21	(15)	-	(15)
	Planning	(26)	132	106	(59)	132	73
	Garden Communities	-	-	-	-	-	-
	Sub-Total	69	199	268	250	204	454
Transformation and Business Improvement							
	Director - ICT and Transformation	(10)	-	(10)	64	-	64
	ICT and Digital Systems	(1)	104	103	(62)	-	(62)
	Land Charges	(6)	39	33	19	80	99
	Sub-Total	(17)	143	126	21	80	101
Housing & Wellbeing							
	Head of Strategic Housing	(2)	-	(2)	-	-	-
	Housing	1,537	(709)	828	860	-	860
	Private Sector Housing & Healthy Homes	(35)	39	4	(42)	55	13
	Head of Health Partnerships & Wellbeing	(2)	-	(2)	-	-	-
	Community Partnerships & Wellbeing	(53)	-	(53)	(43)	-	(43)
	Bereavement Services	(112)	137	25	(44)	123	79
	Sub-Total	1,333	(533)	800	731	178	909
	Service Totals	1,917	(609)	1,308	766	2,500	3,266

General Fund Revenue Budget 2023/24**Variance Analysis (Quarter 2)**

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Senior Leadership Board				
Senior Leadership Board	(122)	-	(122)	Underspends across consultancy and employee costs due to vacant posts and changes since the Senior Leadership Board restructure (9%).
Communications	(37)	-	(37)	Underspends across employee costs due to vacant posts (6.6%) offsetting unbudgeted software licence for cost of living dataset in the Research and Behaviour Change Team (100%)
Modern City Services				
Head of Public Protection	56	-	56	£56k vacancy factor target yet to be achieved although £50k of salary was already removed from the base budget from service restructuring.
Food and Safety	51	22	73	Employees forecast underspend of £46k (16%) is a mixture of staff underspend (£35.6k), additional agency costs following FSA Audit recommendations (£75k), and market forces supplement payments (£6k) with no budgets. Further pressure on digital inspections of £5k. Shortfall in income of £22k (100%) on advice and food hygiene courses due to lack of capacity to deliver.
Licensing, Community Safety & Safeguarding	-	(1)	(1)	Small gain from DEFRA - Taxi Database payment (£600).
Environmental Health Services	6	2	8	Salaries savings of £14k is offsetting £15k market forces supplement payments (1%). £5k (5%) overspend is a mixture of increase in pesticides costs and increase costs for bed bug cases / number of visits required per case. This has an impact on the income generation too, forecasting £2k (3%) shortfall.

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Building Control	(120)	249	129	Forecasting overall salaries underspend of £120k (26%) due to 5 vacant posts. This is a mixture of core staff underspend (£317k), agency staff costs (£200k) and market forces supplement payments (£3k) with no budget. Income shortfall forecast - £249k (44%).
Head of Neighbourhood Services	70	(3)	67	Employee overspends are forecast due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze.
Neighbourhood Services	104	418	522	£271k employee overspend is forecast to maintain key waste services in line with demand (5.94%). Due to lower prices than expected a £205k underspend is forecast on fuel (24.79%). Following global market fluctuations and a contract re tender £412k more income derived from the sale of recyclable materials (92.13%) and a £52k overspend on associated contractor costs are forecast (8.16%). A £551k shortfall on Garden Waste Collection income is forecast due to accounting rules which require income to be reported in the financial year that matches the year of delivery of the service, the shortfall is expected to catch-up in 2024/25 (84.77%). A £229k shortfall on recycling equipment due introducing the service later than anticipated (97.45%).
Corporate Services (incl. CDC)				
Corporate and Democratic Core	34	-	34	Forecast overspend on banking transaction charges due to saving target that will not be achieved and overspend (12%), small overspend on subscriptions (12%) partially offset by small underspend from Parish Grants (3%).

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Corporate Asset Management	100	-	100	There is £100k forecast overspend due to unplanned works mainly based around the Leisure World site including Charter Hall roof c75k and the Flume Tower c£25k, although these figures are still estimates and may yet change once insurance claim has been confirmed. Town Hall ongoing investigations into the Moot Hall ceiling damage has meant that £150k is committed to be spent on initial works but one-off funding has been identified for this. No other pressures have yet been identified although Rowan House has recently re-opened, and expenditure will be closely monitored.
Commercial and Investment	(899)	1,112	213	The are two main cost pressures identified to date which are firstly the potential demolition of barns on Cuckoo Farm/North site (c£100k) that may happen prior to year-end. The other £113k relates to a net income pressure as a result of a small delay expected in the completion of the Turnstone site for 2023/24. The variations on both expenditure and income relate to some operational costs not being incurred until early 2024.
Client – Commercial companies	-	289	289	A shortfall of dividend income for Amphora companies for 2023/24 as per their most recent forecast provided.
Head of Operational Finance	66	-	66	Employee overspends are forecast due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze.
Operational Finance Services	6	(1)	5	Forecast overspends on subscriptions £4k and software licences £1k. Additional income forecast from CBH for reimbursement of BIP costs £1k.

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Local Taxation and Business Rates	-	(88)	(88)	Additional income forecast from ECC, Police and Fire £90k and unbudgeted grant income of £15k. This is partially offset by a forecast shortfall on recoverable expenses of £10k, court fees recovered £4k and a £2k shortfall on the budgeted admin grant.
Benefits and Technical	25	18	43	Overspends on consultancy £14k, postage £10k and subscriptions £1k.
Contact and Support Centre	11	-	11	£11k overspend on employee costs.
Head of Governance	55	-	55	Overspend forecast on employee costs due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze for Governance (4%).
Governance	262	-	262	£194k overspend forecast on insurance premiums due to generally increased premiums in the insurance market (18%), £11.8k on local by-elections (100%) and Hallkeeper casual costs due to extra security at committee meetings (400%).
Head of People	71	-	71	Overspend forecast on employee costs for People due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze (39%) and department training budget (384%). Unbudgeted Equality Diversity and Inclusion Specialist post shared with Colchester Borough Homes (100%) and management and consultancy costs to carry out review of pay scales (100%).

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
People	15	47	62	Overspend due to employee strain cost (100%) offset slightly by underspend across salaries (2%). Unbudgeted purchase of Wagestream system (100%). Less income forecast from staff car parking due to home working (82%) slightly offset by underspend on staff travel plan costs (50%).
Enjoy Colchester				
Sport and Leisure	11	(10)	1	Expenditure pressures have been forecast on employee costs £106k due to vacancy factor pressure of £146k for which 89% has already been off set with other savings, including energy costs as well as general supplies. An overall income improvement of £10k is forecast – most of this improvement on budget is related to Aqua Springs and Swim Course enrolments.
Cultural Services	(1)	4	3	Small underspend on core staff. Income shortfall of £4k (3.7%) from Guided Tours.
Colchester Museum	-	(20)	(20)	More income of £20k (3%) on general admissions and guided tours.
Place & Prosperity				
Head of Economic Growth	5	-	5	Overspend forecast on employee costs due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze (5%)
Economic Growth	(5)	-	(5)	Small underspend across supplies and services (1%) and employee costs (1%).
Head of Sustainability	(5)	-	(5)	Underspend across salaries due to post not currently at top of grade (4.5%).
Sustainability and Climate Change	2	-	2	Overspend forecast on employee costs due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze (0.6%).

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Parks and Open Spaces	37	27	64	A £105k overspend is forecast on river clearance works following the removal of six sunken boats (100%), this is partially offset by salary underspends (4.93%). Shortfall of income on beach hut general lettings at Mersea Island (18.70%).
Car Parking	132	45	177	Overspends forecast on banking/income processing charges £71k, management consultancy £55k, parking payment machine SIMs £7k and signs £2k with an underspend forecast on grounds maintenance of £4k. Shortfall of income for PCN's of £22k, additional income stream for events £35k, season tickets/permits £1k. These are partially offset by forecast over recoveries on pay and display income of £11k and EV income of £2k.
Head of Planning	158	-	158	Overspend forecast on employee costs due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze (100%), £74k overspend due to strain cost, offset slightly by underspend across salaries for Head of Planning and in Planning for Development Manager due to new shared Head of Planning post.
Place Strategy	(15)	-	(15)	Underspend across salaries due to vacant posts (3%). Small overspend due to increased cost of portal system (129%).
Planning	(59)	132	73	Forecast overspend on subscriptions and licences due to increase in costs (20%), underspend forecast across employee costs due to vacant posts (8%) offsetting unbudgeted consultancy costs to cover this (100%). Planning fees income forecast is £132.3k less than full year budget, this has been profiled based on the previous 3 years income trend variance (9%). This will be reviewed every month.

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Transformation and Business Improvement				
Director of ICT and Transformation	64	-	64	Overspend forecast on employee costs due budget target for vacancies and recruitment freeze, this will mostly be offset with the vacant posts below in ICT and Transformation area.
ICT and Digital Systems	(62)	-	(62)	Underspends across employee costs due to vacant posts (3%), Small Underspends on Printers and Scanners (44.38%) and on transport costs (30%).
Land Charges	19	80	99	A £26k overspend on software licences and an £80k shortfall on income (26.65%).
Housing and Wellbeing				
Housing	860	-	860	Forecast £853k overspend across homelessness due to increase in demand (42%) and in Strategic Housing Team due to not having had sufficient vacant posts yet this year to achieve the budget target for vacancies and recruitment freeze (5%).
Private Sector Housing and Healthy Homes	(42)	55	13	Salaries underspend of £42k (8%) is a mixture of savings on vacant posts, staff reduction in working hours and the addition of a new market forces supplement costs. Overall shortfall income of £55k (31%) in civil penalties, legal notices and landlord advice.
Community Partnerships and Wellbeing	(43)	-	(43)	Employees underspend of £36k (6%) due to some vacant posts and external funding. £7k (4%) underspend across supplies and services, mixture of funding underspend and IT costs.

Service Area	Variance			Comment
	Spend £'000	Income £'000	Net £'000	
Bereavement Services	(44)	123	79	Forecasting £18k (6%) staff overspend due to Bereavement manager retiring and new manager starting crossover and relocation costs. £34k (8%) underspend on grounds maintenance contract, £25k (12%) predicted underspend on utility charges. Small overspend on system maintenance due to supplier's price increase. Income shortfall of £123k (6%) mainly on cremations.
Service Totals	766	2,500	3,266	

General Fund Revenue Budget 2023/24**Subjective Analysis (Quarter 2)**

Service Area	Position to Date (Q2)			Forecast Outturn		
	Actual	Budget	Variance	Actual	Budget	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Employees	14,270	14,277	(7)	29,521	28,908	613
Premises Related	5,201	5,030	171	9,919	9,807	112
Transport Related	788	942	(154)	1,870	2,068	(198)
Supplies & Services	6,307	5,386	921	9,488	9,051	437
Third Party Payments	2,942	2,925	17	5,222	6,272	(1,050)
Transfer Payments	17,451	16,482	969	33,818	32,966	852
Capital Financing Costs	0	0	0	110	110	0
Total	46,958	45,041	1,917	89,946	89,180	766
Income						
Government Grant	(16,423)	(16,429)	6	(32,409)	(32,460)	51
Other Grants & Reimbursements	(2,301)	(2,136)	(165)	(5,600)	(5,841)	241
Customer & Client Receipts	(13,800)	(13,309)	(491)	(25,504)	(27,712)	2,208
Income-Interest	(88)	(129)	41	(273)	(273)	0
Inter Account Transfers	0	0	0	0	0	0
Total	(32,611)	(32,002)	(609)	(63,786)	(66,286)	2,500
Net Service Totals	14,347	13,039	1,308	26,160	22,894	3,266

General Fund Capital Programme 2023/24

Quarter 2 Forecast

Project Name	Rolled Fwd. from 2022/23 £000's	2023/24 Allocation £000's	Updated Budget 2023/24 £000's	Spending (@ 30/09/23) £000's	Remaining Budget (@ 30/09/23) £000's	Forecast Spending (31/03/24) £000's	Variance (Under) / Over £000's
Colchester Northern Gateway Heat Network	4,303	2,052	6,355	3	6,352	1,800	-4,555
Micro Grid/Solar Farm	0	5,700	5,700	3	5,697	400	-5,300
Sustainable Growth	376	0	376	109	267	109	-267
E Cargo	165	0	165	0	165	75	-90
Recreation Ground Old Heath	8	0	8	0	8	8	0
Garrison Gym Playground	306	0	306	0	306	306	0
Floating Pontoon Mersea	-21	35	14	-8	23	14	0
Fieldgate Quay	-144	2,500	2,356	20	2,337	1,119	-1,238
Great Tey Rec Playing field S106	76	0	76	68	7	76	0
SUSTAINABILITY	5,069	10,287	15,356	195	15,160	3,906	-11,450
CNG Wastewater Improvements Pumping Station	210	0	210	44	166	139	-71
Digital Strategy - LFFN	-77	0	-77	4	-81	4	81
CNGS - Detailed Planning	283	0	283	4	278	282	-1
CNGS - The Walk	38	0	38	2	36	2	-36
CNGS - Mains grid connection & Infrastructure	2,279	0	2,279	197	2,082	563	-1,716
Rowan House Refurbishment	-1,495	2,500	1,005	832	173	1,045	40
Economic Growth	1,237	2,500	3,737	1,083	2,654	2,034	-1,703
Greenstead Land Acquisition	2,263	0	2,263	5	2,258	2,249	-14
Balkerne Gate Phase 2	100	811	911	0	911	0	-911
Holy Trinity Square	44	780	825	-21	846	625	-200
Kerbless and Green Streets	601	224	825	-30	855	0	-825
Holy Trinity Church	322	182	504	21	484	13	-492
Jumbo	0	61	61	13	48	61	0
TD Development work and fees	143	-143	0	0	0	0	0
Improved Youth Provision (ECC)	1,226	20	1,247	1,290	-43	1,247	0
Wilson Marriage Digital skills hub	0	0	0	190	-190	190	190
5G	650	21	671	0	671	500	-171
Town Centre to Greenstead and University Cycle Path	841	-533	309	188	121	340	31
HoG - Liveable Neighbourhood	0	150	150	8	142	150	0
Multiuse Community Hub	-89	5,864	5,775	20	5,755	123	-5,652
St Nicholas Square	806	257	1,063	399	664	700	-363
Grow-on - former Queen St Bus Depot	4,129	352	4,481	129	4,352	2,000	-2,481
Town Deal	11,038	8,048	19,086	2,212	16,873	8,198	-10,888
LUF - Britannia Yard	100	850	950	0	950	800	-150
LUF - Vineyard Street	50	388	438	0	438	0	-438
LUF - St Botolphs roundabout	100	2,000	2,100	0	2,100	1,900	-200
Levelling up	250	3,238	3,488	0	3,488	2,700	-788
ECONOMIC GROWTH	12,525	13,786	26,311	3,295	23,016	12,932	-13,379
Mobile Skate Park	3	0	3	3	-1	3	1
Vineyard Car Park Lift Replacement	48	0	48	12	35	12	-35
Shrub End Depot	959	0	959	-17	977	50	-909
Light Fleet Replacement	477	0	477	0	477	0	-477
NEIGHBOURHOOD SERVICES	1,487	0	1,487	-2	1,489	66	-1,421
Colchester Charter Hall - Security	17	0	17	0	17	17	0
Mercury Theatre - Combined*	85	0	85	17	68	18	-67
MUSEUMS, CULTURE & TOURISM	102	0	102	17	85	35	-67
CNGN - Sports Park	441	0	441	316	125	356	-85
SPORT & LEISURE	441	0	441	316	125	356	-85
Cemetery Improvement works	1	0	1	1	0	1	0
Stanway Community Centre	168	17	185	177	8	185	0
Stanway Toucan Crossing	200	0	200	0	200	100	-100
St Marks Community Centre/Mill Road Rugby Club	1,365	410	1,775	4	1,772	75	-1,700
Collingwood Road Scout Hut	8	0	8	0	8	0	-8
HEALTH PARTNERSHIPS & WELLBEING	1,742	427	2,169	181	1,988	361	-1,808
Lending to new Council Housing Company	26,700	0	26,700	0	26,700	0	-26,700
Equity Investment in CCHL	5,800	0	5,800	0	5,800	0	-5,800
Facility Loan to CAEL	1,020	0	1,020	0	1,020	0	-1,020
CORPORATE SERVICES	33,520	0	33,520	0	33,520	0	-33,520
Private Sector Renewals - Loans and Grants	277	0	277	15	262	50	-227
Mandatory Disabled Facilities Grants	4,251	1,452	5,703	626	5,077	1,000	-4,703
Grants to Registered Providers (1-4-1 RTB Receipts Funded)	173	0	173	0	173	0	-173
STRATEGIC HOUSING (GF)	4,701	1,452	6,153	641	5,513	1,050	-5,103
TOTAL CAPITAL PROGRAMME - GENERAL FUND	59,588	25,952	85,540	4,644	80,895	18,706	-66,833

28 November 2023

Report of	Head of Governance and Monitoring Officer	Author	Sarah Cheek ☎ 282271
Title	Review of Polling Districts and Polling Places		
Wards affected	All		

1. Executive Summary

- 1.1 The purpose of this report is to request that the Committee recommends to Full Council that it approves the revised schedule of polling districts and polling places within the City of Colchester area.

2. Recommended Decisions

- 2.1 To recommend to Full Council that the revised schedule of polling places set out in Appendix A and the explanation of changes contained at Appendix B of this report be approved.
- 2.2 To delegate to the Returning Officer authority to approve an alternative polling place if any polling place becomes unavailable or found to be unsuitable in the run up to an election.

3. Reason for Recommended Decision

- 3.1 Consideration has been given to the suitability, accessibility, of each polling place and station and, in particular the situation of the polling station for ease and convenience to the elector.

4. Alternative Options

- 4.1 The alternative to the proposed changes is to keep the status quo until a full review of polling districts and places can be undertaken following the Electoral Review in 2026.

5. Background Information

- 5.1 The Representation of the People Act 1983 and the Electoral Administration Act 2013 require each local authority to undertake periodic reviews of polling districts and polling places for UK Parliamentary elections every five years. In accordance with these Acts, this review had to be completed by 31 January 2025. The last compulsory review took place in 2020.
- 5.2 Polling districts are geographical areas created by sub-dividing the Colchester electoral area into smaller parts for voting. Each polling district must be allocated a polling place which is a building or area in which the polling stations will be situated.

- 5.3 Although the statutory requirement is to review the polling districts and polling places used at parliamentary elections, they will also be used at Local Government elections and any future referendums. Polling district boundaries will therefore not cross existing Parliamentary constituency or Local Government ward boundaries.
- 5.4 However, due to the current electoral review being undertaken by the Local Government Boundary Commission England and their advice that it would not be appropriate to undertake a full review of polling districts at this stage the Council has not undertaken a full review of the current polling districts within the City area.
- 5.5 Following the publication by the Local Government Boundary Commission England of its final new warding pattern recommendations in 2026 a full review of the polling districts and places will be undertaken.
- 5.6 Whilst not carrying out a full review the opportunity has been taken to undertake a consultation on polling stations to ensure that the Council meets its obligation to keep these under regular review.
- 5.7 In response to the consultation and taking into account voter accessibility and venue availability the following changes to polling places have been made and which are included in the details in Appendix A and Appendix B:

Berechurch: polling place expanded to enable flexibility to use the C3 Centre as an alternative polling station to Plum Hall

Greenstead: to formalise the change of polling station from St John Ambulance to the Hythe Community Centre

Lexden and Braiswick: polling station changed to the Colchester Croquet Club from Kingswood Hoe School

Marks Tey and Layer: changed polling place to Birch and formalised the polling station from St Mary's Church Layer Breton to Birch Memorial Hall.

New Town and Christchurch: polling station changed to the Pegasus Club from Hamilton Road School

6. Equality, Diversity and Human Rights implications

- 6.1 As far as is reasonable and practicable the polling places are accessible. Where new polling places are being used, the accessibility has been assessed as being suitable.
- 6.2 Polling places will be kept under constant review and equality and accessibility considerations will form part of the process.

7. Strategic Plan implications

- 7.1 Electoral arrangements form part of the Council's governance arrangements which in turn forms parts of the Council's commitment to customer excellence which underpins the Council's Strategic Plan.

8. Consultation

- 8.1 Councillors and the public were consulted as part of a consultation which ran from 16 October 2023 until 6 November 2023 and the comments received are attached at Appendix C to this report.

9. Publicity Considerations

- 9.1 During the period of consultation, maps, current polling districts, elector numbers, and any other relevant information was available for public inspection on the Council's website.
- 9.2 The final schedule of polling districts and polling places will be published on the Council's website and will be published in the run up to an election.

10. Health and Safety and Risk Management Implications

- 10.1.1 Each polling station is risk assessed for Health and Safety purposes.

11. Financial and Environmental and Sustainability Implications

- 11.1 None identified.

Appendices

- Appendix A – Proposed schedule of Polling Districts and Polling Places.
- Appendix B – Explanation of changes to Polling Places and Polling Stations.
- Appendix C – Responses received during public consultation.

Appendix A



Proposed Schedule of Polling Districts and Polling Places

Dated: Monday 16th October with revision on Wednesday 15th November

Appendix A - Proposed Schedule of Polling Districts and Polling Places

Polling District	Polling Place	Polling Station	Status
Berechurch Ward			
AA Berechurch	Berechurch & Rainsborowe Road Polling Districts	C3 Centre	Under Review
AB Willows & Monkwick	Willows & Monkwick and Barnhall Polling Districts	Thomas Lord Audley School	Status Quo
AC Mersea Road	St Margaret's Church Hall Stansted Road	St Margaret's Church Hall Stansted Road	Status Quo
AD Blackheath	Polling District of Blackheath	Orchard Baptist Church Blackheath	Status Quo
EC Cherry Trees	Sexton Close	Cherry Trees Community Hall	Status Quo
Castle Ward			
AE Jumbo	Quaker Meeting House	Quaker Meeting House	Status Quo
AF Castle	Castle Methodist Church	Castle Methodist Church	Status Quo
AG Riverside	The Celtic Rose Centre	The Celtic Rose Centre	Status Quo
AH Cowdray Avenue	Belle Vue Social Club	Belle Vue Social Club	Status Quo
Greenstead Ward			
BH Hawthorn Avenue	Greenstead Community Centre	Greenstead Community Centre	Status Quo
BI Avon Way	Greenstead Ward	Forest Road Meeting Hall	Status Quo
BJ Greenstead Road	Hythe Community Centre, Ventura Drive	Hythe Community Centre	Amend
BM Longridge	Hazelmere Junior School	Hazelmere Junior School	Status Quo
Highwoods Ward			
AN East Highwoods	Highwoods Ward	St Johns & Highwoods Community Centre	Status Quo
AO West Highwoods	Jack Andrews Drive	The Ark Church, Highwoods	Status Quo
AP Myland East	Jack Andrews Drive	The Ark Church, Highwoods	Status Quo

Appendix A - Proposed Schedule of Polling Districts and Polling Places

Polling District	Polling Place	Polling Station	Proposal
Lexden & Braiswick Ward			
AQ Trafalgar	Lexden & Braiswick and Prettygate Wards	Praiseway Church Straight Road	Status Quo
AS East Lexden	East Lexden Polling District	Colchester Croquet Club	Amend
AT Braiswick	Woods Bowling Pavilion	Woods Bowling Pavilion	Status Quo
EJ Aldham	Polling District of Aldham Village	Aldham Village Hall	Status Quo
ET Eight Ash Green	Eight Ash Green Village Hall	Eight Ash Green Village Hall	Status Quo
EU West Bergholt	Orpen Memorial Hall	Orpen Memorial Hall	Status Quo
Marks Tey & Layer Ward			
GA Birch	The Parish of Birch	Birch Memorial Hall	Status Quo
GB Layer De La Haye	Queen Elizabeth Hall New Cut	Queen Elizabeth Hall Annexe	Status Quo
GC Layer Marney	Layer Marney Polling District	Layer Marney Tower	Status Quo
GD Layer Breton	The Parish of Birch	Birch Memorial Hall	Amend
GE Messing	The Parish of Messing	Messing Village Hall	Status Quo
GF Inworth	The Parishes of Messing & Inworth	Messing Village Hall	Status Quo
GG Gt Wigborough	Peldon and the Wigboroughs Polling Districts	Peldon & Wigboroughs Community Hall	Status Quo
GH Lt Wigborough	Peldon and the Wigboroughs Polling Districts	Peldon & Wigboroughs Community Hall	Status Quo
GI Salcott	The Parish of Salcott	Salcott Old School Hall	Status Quo
GJ Virley	The Parish of Salcott	Salcott Old School Hall	Status Quo
GL West Stanway	Marks Tey & Layer Ward	Stanway Village Hall	Status Quo
GM Copford	The Parish of Copford	Copford Village Hall	Status Quo
GN Easthorpe	The Parish of Easthorpe	Easthorpe Church Hall	Status Quo
GO Marks Tey	Polling District of Marks Tey	Marks Tey Parish Hall	Status Quo

Appendix A - Proposed Schedule of Polling Districts and Polling Places

Polling District	Polling Place	Polling Station	Proposal
Mersea & Pyefleet Ward			
EO Abberton	Abberton & Langenhoe Polling District	Abberton & Langenhoe Village Hall	Status Quo
EP East Mersea	The Parish of East Mersea	East Mersea Village Hall	Status Quo
EQ Fingringhoe	The Parish of Fingringhoe	Fingringhoe Village Hall	Status Quo
ER Langenhoe	The Parish of Abberton	Abberton & Langenhoe Village Hall	Status Quo
ES Peldon	Peldon Polling District	Peldon & Wigborough Community Hall	Status Quo
EV West Mersea	The Parish of West Mersea	The Mersea Centre	Status Quo
Mile End Ward			
AU Bergholt Road	Mile End Road	Myland Parish Halls	Status Quo
AV Mile End Road	Mile End Road	Myland Parish Halls	Status Quo
AW Turner Road	Highwoods Country Park	Highwoods Country Park Visitor Centre	Status Quo
New Town & Christ Church Ward			
AI Christchurch	Christ Church	Christ Church Hall	Status Quo
AJ Hamilton Road	Hamilton Road Polling District	The Pegasus Club	Amend
AX St Johns Green	YMCA Magdalene Street	YMCA Community Hall	Status Quo
AZ Canterbury	St Stephens Church Canterbury Road	St Stephens Church Centre	Status Quo
Old Heath & The Hythe Ward			
AK Scarletts	Winsley Square Polling District	Worsnop House	Status Quo
AL Barnhall	Abbots Community Hall Ladbroke Drive	Abbots Community Hall	Status Quo
AM Old Heath	Old Heath Community Centre D'Arcy Road	Old Heath Community Centre	Status Quo
AY Hythe	Hythe Community Centre, Ventura Drive	Hythe Community Centre	Status Quo
BA Winsley Square	Worsnop House Old Heath Road	Worsnop House	Status Quo
ED Rowhedge	The Parish of Rowhedge	Rowhedge Village Hall	Status Quo

Appendix A - Proposed Schedule of Polling Districts and Polling Places

Polling District	Polling Place	Polling Station	Proposal
Prettygate Ward			
AR Home Farm	Prettygate Ward	Coco Care (Oldstone Church) Hall	Status Quo
BB East Prettygate	Plume Avenue United Reform Church	Plume Avenue United Reform Church	Status Quo
BC West Prettygate	Church of Jesus Christ of Latter Day Saints	Church of Jesus Christ of Latter Day Saints	Status Quo
BD James Carter	Straight Road Community Centre	Straight Road Community Centre	Status Quo
Rural North Ward			
EA Dedham	The Parish of Dedham	The Assembly Rooms High Street	Status Quo
EB Langham	The Parish of Langham	Langham Community Centre	Status Quo
EE Boxted	The Parish of Boxted	Boxted Village Hall	Status Quo
EF Fordham	The Parish of Fordham	Fordham Village Hall	Status Quo
EG Great Horkesley	The Parish of Great Horkesley	Great Horkesley New Village Hall	Status Quo
EH Little Horkesley	The Parish of Little Horkesley	Little Horkesley Village Hall	Status Quo
EI Wormingford	The Parish of Wormingford	Wormingford Village Hall	Status Quo
EK Chappel	The Parish of Chappel & Wakes Colne	Chappel & Wakes Colne Village Hall	Status Quo
EL Great Tey	The Parish of Great Tey	Great Tey Village Hall	Status Quo
EM Mount Bures	The Parish of Mount Bures	Mount Bures Village Hall	Status Quo
EN Wakes Colne	The Parish of Chappel & Wakes Colne	Chappel & Wakes Colne Village Hall	Status Quo
Shrub End Ward			
BE Rainsborowe Road	Shrub End Community & Sports Centre	Shrub End Community & Sports Centre	Status Quo
BF Shrub End	Shrub End Polling District	Paxman Academy	Status Quo
BG Lordswood Road	The Community Hall (Musket Club)	The Community Hall (Musket Club)	Status Quo

Appendix A - Proposed Schedule of Polling Districts and Polling Places

Polling District	Polling Place	Polling Station	Proposal
St John & St Annes Ward			
BK St Annes	St Annes Church Compton Road	St Annes Church	Status Quo
BL Churnwood	Oak Tree Community Centre	Oak Tree Community Centre	Status Quo
BN Ipswich Road	St Johns Church Community Centre	St Johns Church Community Centre	Status Quo
BO Parsons Heath	Friars Grove Primary School	Friars Grove Primary School	Status Quo
Stanway Ward			
GP Stanway	Stanway Village Hall	Stanway Village Hall	Status Quo
Tiptree Ward			
GK Tiptree Grove	Tiptree Grove Polling District	Tiptree United Reformed Church	Status Quo
GQ Tiptree Church	St Luke's Church	St Luke's Church Extension	Status Quo
GR Tiptree Heath	Tiptree Heath Primary School	Tiptree Heath Primary School	Status Quo
GS Tiptree Maypole	Tiptree Ward	St Luke's Church Extension	Status Quo
Wivenhoe Ward			
EW University	University of Essex	Student Centre University of Essex	Status Quo
EX Wivenhoe Cross	Broomgrove School	Broomgrove School	Status Quo
EY Wivenhoe Quay	William Loveless Hall	William Loveless Hall	Status Quo
EZ Broome Grove	Broomgrove School	Broomgrove School	Status Quo

Appendix B - Explanation of Proposed Changes to Polling Places and Polling Stations
Appendix B

Below is an explanation of any proposed changes to Polling Places and Polling Stations

Polling District	AA – Berechurch
Ward	Berechurch
Current Polling Station	Plum Hall Common Room, Nancy Smith Close, Berechurch Road, CO2 7QU
Background	<p>We currently use the Colchester Borough Homes site Plum Hall. With the polling station located in the Common Room. This is a small room, similar in size to the typical front room. The space of the room is limited and there is no where for the furniture to be stored elsewhere. Accessibility is less than ideal as the normal entry point goes through the communal front door of the flats, with voters then passing through a corridor on to which individual residential flat front doors open onto. There is a door out onto the patio garden but, this is not level access and it is not accessible. Parking is limited as it is a residential site. The polling station is at the northern tip of the polling district, whilst accessible from the main road it is not central.</p>
Recommendation	<p>We are pleased that we have found an alternate venue, we recommend that the C3 Centre is used as the polling station instead. This community church centred on the former garrison building by Abbey Field Medical Centre. As it serves the community and is on the same site as the medical centre it will be well known to the local community. The site is simply huge so space will not be an issue inside the building. It is accessible with level access and electric outer doors. It is also accessible in terms of being on the main road and having plenty of dedicated car parking spaces. Whilst the site is outside the confines of the polling district and the ward, the site is easily accessible for the bulk of the electorate due to the geography of the district.</p> <p>However, this polling station is still under review due to the cost of the premises. The Electoral Services Team hope to negotiate.</p> <p>The recommendation for the polling place therefore includes the polling district itself and the district that the C3 is in – to meet the requirements of the polling place definition.</p>
Proposed Polling Place	Berechurch and Rainsborowe Road Polling Districts
Proposed Polling Station	The C3 Centre, Ypres Road, Colchester CO2 7FD

Appendix B - Explanation of Proposed Changes to Polling Places and Polling Stations

Polling District	AJ - Hamilton Road
Ward	New Town & Christ Church
Current Polling Station	Hamilton Primary School, Constantine Road, CO3 3GB
Background	Whilst it is not always possible or practical, as far as possible, we avoid using any school as a polling station.
Recommendation	We are pleased that we have found an alternate venue, we recommend that the Pegasus Club on Abbey Fields is used as the polling station going forward. This venue is equally central to the bulk of the electorate within the district. It meets the main criteria in being able to offer adequate space, accessibility, facilities, and parking.
Proposed Polling Place	Hamilton Road Polling District
Proposed Polling Station	Pegasus Club, Circular Road North, CO2 7SU

Polling District	AS – East Lexden
Ward	Lexden & Braiswick
Current Polling Station	Kingswode Hoe School, 8 Sussex Road, Colchester CO3 3QJ
Background	Whilst it is not always possible or practical, as far as possible, we avoid using any school as a polling station. We had previously used Kingswode Hoe School and for one election we also used St Mary's Girls School.
Recommendation	We are pleased that we have found an alternate venue, The Colchester Croquet Club which we have used as a polling station successfully in recent years. Whilst there are some elements of the site that may not be ideal these are negated by other factors. There is not level access to the walkway that leads to the site but, the playing field allows the stepped access to be circumvented. This has been agreed by the site, Electoral Services and our Health & Safety Officer. The size of the carpark is limited, however, there is some off-road parking and the centrality of the polling station to the polling district negates some of this problem. In recent years, neither of these theoretical problems have presented any issue that has been flagged by the polling station staff or voters.
Proposed Polling Place	East Lexden Polling District
Proposed Polling Station	Colchester Croquet Club, Elianore Road, Colchester CO3 3RX

Appendix B - Explanation of Proposed Changes to Polling Places and Polling Stations

Polling District	BI – Avon Way
Ward	Greenstead
Current Polling Station	Forest Road Meeting Hall, Forest Road, CO4 3XG
Background	There are three polling stations within the site and going by the Electoral Commission's ratios for polling stations per electorate and staff there should be a fourth station, but the polling station is not suitable to allow this.
Recommendation	<p>Following the consultation period and representation from two ward councillors the decision has been taken to continue to use this premises until the full polling district and polling place review commences, following the Electoral Boundary Review. However, should there be any significant changes this will be reviewed again.</p> <p>In the meantime, we continue to use the Forest Road Meeting Hall as the polling station.</p>
Proposed Polling Place	Greenstead Ward
Proposed Polling Station	Forest Road Meeting Hall, Forest Road, CO4 3XG

Polling District	BJ – Greenstead Road
Ward	Greenstead
Current Polling Station	St John Ambulance Colchester, Greenstead Road, Colchester CO1 2SL
Background	<p>We historically used the St John Ambulance centre on Greenstead road as the polling station for this district. Whilst the venue itself was fine we were not always able to book the venue for use as a polling station. However, due to the nature of the venue's primary purpose as a provider for medical training courses it is difficult to book. Especially, for elections on short notice. This led to the need for a portacabin to be located on the Hythe Tesco Superstore carpark, which is far less than ideal.</p> <p>Considering these difficulties, we had to sort a more reliable venue. The nearest available venue was the Hythe Community Centre. This has served as an adequate polling station for this district. The accessibility, size, and parking of the venue are more than satisfactory.</p>
Recommendation	We continue to use the Hythe Community Centre as the permanent venue.
Proposed Polling Place	Hythe Community Centre, Ventura Drive
Proposed Polling Station	Hythe Community Centre, Ventura Drive, Colchester, CO1 2FG

Appendix B - Explanation of Proposed Changes to Polling Places and Polling Stations

Polling District	GD – Layer Breton
Ward	Marks Tey & Layer Ward
Current Polling Station	St Mary's Church, Layer Breton
Background	The suitability of St Mary's Church is limited. Accessibility is the main problem. This has been overcome by mitigatory measures such as the hiring of a portaloos (for the use of staff), lights and a ramp.
Recommendation	We recommend that Birch Memorial Hall is used as the polling station for the Layer Breton polling district going forward. This is a site that is fit for purpose as a polling station and can accommodate another polling station inside. This will reduce the additional cost of the measures we put in place to overcome the unsuitability of St Mary's Church as a polling station. Whilst it may be further for people to travel to vote in person, due to the rural nature of Layer Breton a large portion of voters would likely have driven to the polling station at the church as it was. We will of course write to the electors in the polling district to advise of the change and invite them to apply for a postal vote, with a letter. The change will also be flagged again on their poll cards.
Proposed Polling Place	The Parish of Birch
Proposed Polling Station	Birch Memorial Hall, Birch, Colchester CO2 0LZ

Appendix C

Below is a summary of the responses received as part of the Consultation

1. Feedback from Councillor Julie Young regards Greenstead Ward

- Greenstead is the ward with the largest electorate and the lowest turnout percentage so changes here should be given some additional scrutiny.
- Greenstead is the ward with the lowest car ownership, and this should be taken into consideration when considering the location of the polling stations.
- The Hythe community centre deters voters compared to when it was in the St Johns Ambulance station.
- The polling station should be left at Forest Road. The possibility of using Unity Primary Academy could be explored but using Greenstead Social Club is not a reasonable alternative.

2. Feedback from Councillor Tim Young regards Greenstead Ward

- Low turnout is a significant issue in Greenstead Ward and the proposed change would make it worse.
- Whilst the limitations of Forest Road Meeting Room are understood, possible adaption to make it more acceptable as a Polling Station.

3. Feedback from Councillor Sam McLean regards regarding Hamilton Road polling district

- Councillor Sam McLean commented that he was pleased to hear this and the parents of Hamilton will be too.

4. Feedback from Councillor Dave Harris regards St Margaret's Church Hall

- The front entrance is not disabled friendly. Although there is a side entrance that is. Consideration could be given to a modification at front entrance of Church with a permanent ramp.

5. Feedback from the Acting Returning Officer for Colchester

- The Acting Returning Officer for Colchester has no objections.

6. Feed back from the Acting Returning Officer for Harwich and North Essex

- The Acting Returning Officer did not foresee any objections to the recommendations.



Governance and Audit Committee

Item
10

28 November 2023

Report of	Assistant Director Corporate and Improvement Services	Author	Matthew Evans ☎ ext. 8006
Title	Work Programme 2023-2024		
Wards affected	Not applicable		

1. Executive Summary

- 1.1 This report sets out the current Work Programme 2023-2024 for the Governance and Audit Committee. This provides details of the reports that are scheduled for each meeting during the municipal year.
- 1.2 The Committee is asked to note several modifications to its work programme, as the following reports which were due to be presented at this meeting will now be presented at the meeting of the Committee on 16 January 2024:
 - Capital Expenditure Outturn 2022/2023
 - Treasury Management Outturn 2022/2023
 - Treasury Management Mid-Year Update 2023/2024
- 1.3 The 2024/2025 Budget Update will now be presented to the Budget Group and not to this Committee.
- 1.4 At the request of the Committee, the item on the Council's Housing Stock which was due to be presented at this meeting will now be presented at the meeting of the Committee on 13 December 2023.
- 1.5 The item Overview of the Council's Procurement Policy which had been due to be presented to the Committee at its meeting on 13 December 2023 will now be presented at the meeting of the Committee on 5 March 2024.

2. Recommended Decision

- 2.1 The Committee is asked to note the amended contents of the Work Programme for 2023-2024.

3. Reason for Recommended Decision

- 3.1 The Work Programme of this Committee is kept under review throughout the municipal year to ensure that business is progressed and Members have the opportunity to review upcoming agenda items.

4. Alternative Options

- 4.1 This function forms part of the Committee's Terms of Reference and, as such, no alternative options are presented.

5. Background Information

- 5.1 The Governance and Audit Committee deals with the approval of the Council's Statement of Accounts, audit, other miscellaneous regulatory matters and standards.
- 5.2 The Committee's Work Programme will evolve as the Municipal Year progresses and items of business are commenced and concluded. At each meeting the opportunity is taken for the Work Programme to be reviewed and, if necessary, amended according to current circumstances.

6. Standard References

- 6.1 There are no particular references to publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety, environmental and sustainability implications or risk management implications.

7. Strategic Plan References

- 7.1 Governance is integral to the delivery of the Strategic Plan's priorities and direction for the Borough as set out under the four themes of growth, responsibility, opportunity and wellbeing.
- 7.2 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self-governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

WORK PROGRAMME 2023-24

Governance and Audit Committee
Meeting date / Agenda items -
Governance and Audit Committee - 20 June 2023

1. Year End Internal Audit Assurance Report 2022/2023
2. Review of the Governance Framework and Draft Annual Governance Statement

Governance and Audit Committee – 01 August 2023

1. Update from the Council's external auditors, BDO.
2. Verbal update from the Council's S151 Officer with regard to the Council's statement of accounts.
3. 2022/2023 Year End Review of Risk Management

Governance and Audit Committee - 12 September 2023

1. Colchester Borough Homes Annual Report and Governance Statement
2. Revenue Monitoring Report – April to June 2023/24
3. 2022/2023 Revenue Outturn

Governance and Audit Committee - 17 October 2023

1. Local Government and Social Care Ombudsman Annual Review 2022/2023
2. Health and Safety Policy and Annual Report
3. Amphora Future Strategy
4. Proposed Hibernation of Colchester Amphora Energy Limited
5. Draft Statement of Accounts 2021/2022

Governance and Audit Committee – 28 November 2023

1. Colchester Commercial Holdings Limited – Annual Report
2. Quarter 2 Budget Monitoring Report 2023/2024
3. Polling District and Place Review

Governance and Audit Committee – 13 December 2023

1. Review of the Council’s Ethical Governance Policies
2. Annual Review of the Members’ Code of Conduct and the Council’s Localism Act “Arrangements”
3. Review of Local Code of Corporate Governance
4. Review of Member/Officer Protocol
5. Gifts and Hospitality – Review of Guidance for Councillors and Policy for Employees
6. Overview of the Council’s Housing Stock

Governance and Audit Committee - 16 January 2024

1. Interim Review of the Annual Governance Statement Action Plan
2. Risk Management Progress Report
3. Mid-Year Internal Audit Assurance Report 2023/2024
4. CCHL Half-Year Performance Report
5. Annual Review of the Council’s Companies’ Business Plans
6. Annual Review of Business Continuity
7. Polling District and Place Review results.
8. Capital Expenditure Outturn 2022/2023
9. Treasury Management Outturn 2022/2023
10. Treasury Management Mid-Year Update 2023/2024

Governance and Audit Committee - 5 March 2024

1. Internal Audit Plan 2024/2025
2. Revenue Monitoring Report – October to December
3. Capital Monitoring Report – October to December
4. Financial Monitoring Report
5. Overview of the Council’s Procurement Policy