

Public Document Pack  
SOUTHEND-ON-SEA CITY COUNCIL

**The Shareholder Board**

**Date: Tuesday, 27th February, 2024**

**Time: 5.00 pm**

**Place: Council Chamber - Civic Suite**

**Contact: Rob Harris**

**Email: [committeesection@southend.gov.uk](mailto:committeesection@southend.gov.uk)**

**A G E N D A**

- 1 Apologies for absence**
- 2 Declarations of Interest**
- 3 Minutes of the meeting held on 16th October 2023 (Pages 3 - 6)**
- 4 Vecteo Financial Position Statement (At transfer date May 2023) (Pages 7 - 12)**  
Report of Executive Director (Finance and Resources)
- 5 Porters Place Southend LLP Update (Pages 13 - 32)**  
Report of Executive Director (Environment and Place)
- 6 Southend-on-Sea Forum Management Company Reports for Financial Years 2022 and 2023 (Pages 33 - 78)**  
Joint report of Executive Director (Finance and Resources) and Executive Director (Adults and Communities)
- 7 Governance Arrangements - Future Work Programme (Pages 79 - 82)**  
Report of Executive Director (Finance and Resources)
- 8 Date of next meeting**  
To be confirmed for July 2024

**Chair & Members:**

Cllr P Collins, Cllr T Cox (Chair), Cllr L Burton, Cllr M Davidson (Vice-Chair), Cllr K Buck, Cllr M Terry, Cllr D Cowan and Cllr I Gilbert

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# Public Document Pack

## SOUTHEND-ON-SEA CITY COUNCIL

### Meeting of The Shareholder Board

Date: Monday, 16th October, 2023

Place: MS Teams

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**Present:** Councillor T Cox (Chair)  
Councillors M Davidson (Vice-Chair), P Collins, L Burton, K Buck,  
M Terry, D Cowan and I Gilbert

**In Attendance:** J Chesterton, G Halksworth, D Lyons, S Unsworth, P Little, P  
Thompson, B Gallacher, R Eastwood and M Gatrell.

**Start/End Time:** 6.30 pm - 9.00 pm

#### **22 Apologies for absence**

There were no apologies for absence at this meeting.

#### **23 Declarations of Interest**

The following declarations of interest were made:

(a) Councillor Buck (Minutes 25 and 26 – South Essex Homes Ltd Receipt of Accounts and Review of Business Plan) – Council appointed Board Member on South Essex Homes (withdrew).

(b) Councillor Davidson (Minutes 25 and 26 – South Essex Homes Ltd Receipt of Accounts and Review of Business Plan) – Council appointed Board Member on South Essex Homes (withdrew).

(c) Councillor Terry (Minutes 25 and 26 – South Essex Homes Ltd Receipt of Accounts and Review of Business Plan) – Council appointed Board Member on South Essex Homes (withdrew).

#### **24 Minutes of the meeting held on 14th August 2023**

Resolved:

That the Minutes of the Meeting held on 14<sup>th</sup> August 2023 be confirmed as a correct record.

#### **25 South Essex Homes Limited - Receipt of Accounts 2022/23**

The Board considered a report of the Executive Director (Finance and Resources) presenting the consolidated financial statements 2022/23 for South Essex Homes Ltd.

The Board asked a series of questions which were responded to by officers and representatives from South Essex Homes.

Resolved:

That the South Essex Homes Ltd financial statement for 2022/23, be noted.

## **26 South Essex Homes Limited - Review of Business Plan**

The Board considered a report of the Executive Director (Finance and Resources) presenting an update on the South Essex Homes Ltd Business Plan.

The Board asked a series of questions which were responded to by officers and representatives from South Essex Homes.

Resolved:

That the South Essex Homes Business Plan for 2023 to 2026 and associated Action Plan, be noted.

## **27 Southend Care Limited - Receipt of Accounts 2022/23**

The Board considered a report of the Executive Director (Finance and Resources) presenting the financial statements of Southend Care Ltd for year ended 31 March 2023, together with the report of their auditors.

The Board asked a series of questions which were responded to by officers and representatives of Southend Care Ltd.

Resolved:

1. That the financial statements of Southend Care Limited for the year ended 31 March 2023, together with the report of the auditors, be noted.

2. That it be noted that whilst these Accounts have been audited and are presented as final, the External Auditors are waiting on final sign off of intercompany balances with Southend-on-Sea City Council (SCC) and will be completed as part of SCC's remaining 2022/23 close down arrangements. It is not expected that this will change any of the Statements laid out in the submitted report and appendices. If any changes are made, then these will be brought to a future meeting of the Shareholder Board for disclosure and further update.

## **28 Southend Care Limited - Review of Business Plan**

The Board considered a report of the Executive Director (Finance and Resources) presenting the Southend Care Ltd Business Plan for review.

The Board asked a series of questions which were responded to by officers and representatives from Southend Care Ltd.

The Board reviewed the Business Plan and suggested that a further iteration of the business plan was submitted presenting the options and the models of delivery to address the financial challenges for Southend Care Ltd. The report should also include the potential commercial opportunities and implications for future service delivery.

Resolved:

That the Southend Care Ltd Business Plan for 2022/23 and forecast to 2026/27 be reviewed and a report be brought back to a Special meeting of the Shareholder

Board (date to be advised) setting out the options, models of delivery, the commercial opportunities and the implications on the delivery of the service.

**29 Governance Arrangements - Future Work Plan**

The Board considered a report of the Executive Director (Finance and Resources) presenting the proposed work programme for the Shareholder Board.

Resolved:

That the work programme for the Shareholder Board, subject to the inclusion of the review of Southend Care Ltd Business Plan (as per the recommendation in Minute 28 above), be approved.

**30 Date of next meeting - 17th February 2024**

Resolved:

That it be noted that the next meeting of the Shareholder Board will be held on 17<sup>th</sup> February 2024 and a special meeting will be convened for end of November / beginning of December 2023 to consider the Southend Care Ltd Business Plan.

**Chair:** \_\_\_\_\_

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<b>Title:</b>	<b>Vecteo Financial Position Statement (At transfer date May 2023)</b>
<b>Meeting:</b>	Shareholder Board
<b>Date:</b>	27 February 2024
<b>Classification:</b>	Part 1
<b>Policy Context:</b>	Compliance
<b>Key Decision:</b>	No
<b>Report Author:</b>	Joe Chesterton, Executive Director Finance & Resources (S151 Officer)

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## **1. Executive Summary**

- 1.1. To provide the Shareholder Board with a statement of the financial position of Vecteo at May 2023, when the Company became a wholly owned 100% subsidiary of the City Council. To seek approval to revising the financial reporting timeframes to align with the City Council if agreement to the request is confirmed by Companies House.

## **2. Recommendations**

**That Shareholder Board endorse the following recommendations to Cabinet:**

- 2.1. Give approval to officers to make a request to Companies House to align Vecteo's financial year-end with the City Council's. If the request is unsuccessful delegate authority to secure a compliant alternative financial reporting and auditing arrangement of the Company to the Executive Director Finance & Resources and the Leader of the Council.
- 2.2. Note the financial position of Vecteo at May 2023, endorse the proposal to harmonise the financial trading years of the Company in line with the City Council and to support the intention to have an independent audit of the Company for a revised trading year ending 31<sup>st</sup> March 2024.

## **3. Background**

- 3.1. Members will be aware that the City Council acquired 100% interest in LHCS & Southend Travel Partnership (trading as Vecteo) in May 2023. The financial

position of Vecteo as at the transfer date of May 2023 is attached at **Appendix 1** for information.

- 3.2. When Vecteo was operating as part of the Joint Venture – it's financial trading years ran from 1<sup>st</sup> September to 31<sup>st</sup> August, with the Shareholder's Board support and if agreement can be secured from Companies House, it is now proposed to change the Company's trading years to align with the City Council's core business.
- 3.3. In reality during the requested transitional arrangement the financial reporting period will cover 19 months (1<sup>st</sup> September 2022 to 31<sup>st</sup> March 2024), if agreement can be reached with Companies House. It will then return to the more traditional financial year term of 1<sup>st</sup> April to 31<sup>st</sup> March, starting with 2024/25.
- 3.4. With regards to gaining independent reassurance of the financial performance and reporting of Vecteo we have considered the following options.
  - Group Consolidation – for 2022/23 the materiality threshold for Southend-on-Sea City Council's group accounts was set by Deloitte at £9.1M. It is our expectation that KPMG will set a similar threshold for the City Council's group accounts for 2023/24. Given that Vecteo's expenditure is estimated to be less than half of this level – it would not be appropriate to consolidate their figures into the City Council's group accounts in 2023/24, given the forecasted level of materiality.
  - Independent Audit – to provide reassurance and to comply with Companies House guidance and requirements we are recommending that External Auditors are instructed to carry out this work for the financial period ending 31<sup>st</sup> March 2024. This will also enable the annual filing and submission through to Companies House (which is required within 9 months of the trading year-end). These audited accounts will be presented to the Shareholder before submission.

#### **4. Reasons for Decisions**

- 4.1. To provide Shareholder Board with independent reassurance of the financial performance of Vecteo and to seek harmonisation of financial trading years in line with the core business of the City Council.

#### **5. Other Options**

- 5.1. This report sets out the most sensible and pragmatic way forward for financial reporting and auditing arrangements for Vecteo if agreement to the proposal can be secured from Companies House.



## **6. Financial Implications**

- 6.1. As specified within the report and appendix 1. There will be a cost to securing an appropriate external audit of Vecteo for financial reporting period to 31<sup>st</sup> March 2024 and this will be charged to the Company.

## **7. Legal Implications**

- 7.1. Full compliance with Companies House requirements and appropriate accounting codes of practice guidance will be provided.

## **8. Carbon Impact**

- 8.1. None arising from this report.

## **9. Equalities**

- 9.1. None arising from this report.

## **10. Consultation**

- 10.1. None arising from this report.

## **11. Appendices**

- 11.1. Appendix 1 – Vecteo Financial Position Statement at end of May 2023

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## Appendix 1 - Vecteo Financial Position Statement at End of May 2023

	* 31st August 2022 £	* + 9 months to End of May
		Income 3,122,111
		Expenditure (3,286,839)
		Profit and (loss) (164,728)
<b>Total Cumulative Profit and (Loss)</b>	<b>(75,390)</b>	<b>(240,118)</b>

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Key notes

**\* 31st August 2022** Reflects the Externally auditted set of Accounts and as filed on Companies House

**\* + 9 months to End of May 2023** Includes the negotiated settlement exit fee with previous partner's London Hire Community Service (LHCS)

Southend City Council also holds a cash loan to Vecteo of £392,000

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<b>Title:</b>	<b>Porters Place Southend-on-Sea LLP Update</b>
<b>Meeting:</b>	Shareholder Board
<b>Date:</b>	27 February 2024
<b>Classification:</b>	Part 1
<b>Policy Context:</b>	Compliance
<b>Key Decision:</b>	No
<b>Report Author:</b>	Alan Richards - Executive Director for Environment and Place

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## **1. Executive Summary**

- 1.1. To update on the current and future administrative arrangements for Porters Place Southend-on-Sea LLP and to ensure that the company meets the necessary compliance requirements now that Sanctuary / Swan BQ are no longer involved.
- 1.2. Most significantly, to consider a recommendation to bring Southend Housing Ltd alongside the Council itself as the other LLP Partner, a situation which must be resolved before 27 May 2024 for compliance reasons.

## **2. Recommendations**

### **It is recommended that Shareholder Board:**

- 2.1. Agree that Southend Housing Ltd be incorporated as the Council's LLP Partner in Porters Place Southend-on-Sea LLP.
- 2.2. Agree that all the necessary administrative arrangements to formalise the above in paragraph 2.1 before the 27 May 2024 deadline, and the future compliance matters set out in paragraph 7.1 of this report, are delegated to the Executive Directors for Finance & Resources and Environment & Place and in the event of any conflict of interest arising, to another Executive Director for the Council.
- 2.3. Note that the South East Local Enterprise Partnership funding of £4.2m has now been fully drawn down and paid in to Porters Place Southend-on-Sea LLP's recently set up bank account and this payment settles the loan outstanding to the Council. All remaining funds in the previous bank account controlled by Swan BQ have now also been transferred to the new account.

- 2.4. To delegate authority to the Chief Executive to confirm existing, change, or make new appointments to Southend Housing Ltd and/or Porters Place Southend-on-Sea LLP.

### 3. Background Information

- 3.1. Porters Place Southend-on-Sea LLP<sup>1</sup> (“**The LLP**”), Company number OC427026, was constituted and registered during the procurement process through which Southend-on-Sea City Council (“**the Council**”) partnered with Swan Housing Association (“**Swan HA**”) with the shared intention to deliver the Better Queensway development.
- 3.2. A Limited Liability Partnership (LLP) must have at least two members, and at least two must be 'designated' members. In the case of this LLP, Swan HA established Swan BQ as a subsidiary company to enter into the LLP. The Council and Swan BQ were the two founding members of The LLP and were both designated members. Designated members, in the LLP context, are the equivalent of company directors in limited companies (and do not have to be natural persons).
- 3.3. Following a negative judgement from the Regulator of Social Housing, Swan HA entered into discussions, initially with Orbit Group and later with Sanctuary Housing Association (“**SHA**”). SHA completed a merger with Swan in early 2023 but later confirmed to the Council that it would not continue with the Better Queensway project, instead focusing its efforts on investment and commitment to existing homes and communities and focus on the delivery of schemes where construction has already started.
- 3.4. Sanctuary, via Swan BQ, exited the LLP on 28th November 2023 leaving the Council as the sole member of the LLP. This situation is permitted to continue for a maximum of 6 months at which point, either the LLP must be wound up, or a new designated member must be incorporated. This must therefore be done and notified to Companies House before close of business Monday 27th May 2024.
- 3.5. It is recommended that the Council keeps all options open in relation to the future development of the Better Queensway project. The Council has continuously demonstrated to external funders and residents that there is still a strong commitment to delivering Better Queensway, but that the Swan proposals must be revisited, and alternative development arrangements explored and agreed.
- 3.6. The most pragmatic way of maintaining the LLP and all the intellectual property which it owns relating to the huge amount of work done to date, is to insert one of the Council’s other companies into the LLP as the other designated member. The most logical option is to use Southend Housing Ltd (company number 10181058) to do this. This would mean that the Council

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<sup>1</sup> Limited Liability Partnership (LLP)

controls 100% of both partners in the LLP and therefore also has complete control over the LLP. The LLP structure and intellectual property is also retained as the Council moves into alternative delivery models which helps to keep all possible options open.

- 3.7. Through dialogue with Sharpe Pritchard, it is recommended that the Council owns 99.9% of the LLP and Southend Housing Ltd. owns 0.1% to ensure that the LLP remains as tax efficient as possible in the interim period until a new longer-term partner, or partners can be secured to support the Council in the delivery of development at Better Queensway.
- 3.8. It is further recommended that because these arrangements are essentially administrative at this point in time and due to the need to have these arrangements in place before 27<sup>th</sup> May 2024, the completion of the necessary arrangements to achieve this are delegated to the Executive Directors for Finance and Resources and Environment and Place to complete.

#### **4. Reasons for Decisions**

- 4.1. The recommendations, including the use of Southend Housing Ltd and the delegation to Executive Directors are made to ensure the LLP's compliance with company legislation with regard for the need for the Council to be joined by an LLP partner within 6 months of Sanctuary's exit to ensure that all options for future arrangements remain open to the Council into the future.

#### **5. Other Options**

- 5.1. The Council could opt to wind up the LLP however in order to do this, another designated member would need to be incorporated first in any event and any winding up would take significantly longer than the 27 May 2024 deadline. There may also be issues with the number of assignments of intellectual property rights available.
- 5.2. The Council could use an alternative Council owned company to partner the Council in the LLP. As the ownership stake is minimal, the purpose of Southend Housing Ltd is the closest match the Council has to this sort of activity and the company is already active this would seem to be the simplest and most logical match.
- 5.3. The Council could look to procure a new partner straight away however this would not be achievable within the timescale required and this option is not excluded by following the recommendations made, in fact preserving the LLP now leaves all options open for future partner procurement of the whole or, more likely, parts of Better Queensway.

## **6. Financial Implications**

- 6.1. Swan BQ is no longer part of the LLP. The original bank account of the LLP was being accessed and managed by staff at Swan BQ. This has now been closed and the fund transferred to a new LLP bank account which can be accessed and managed by staff at the Council. The SELEP £4.2m funding had been paid by SELEP to the Council and has now all been paid onwards to the LLP to help manage its financial position. The LLP has used these monies to pay off the majority of the loan that it had outstanding with the Council.
- 6.2. The LLP unaudited accounts up to 31 March 2023 have been submitted to Companies House and are attached at Appendix 1 for the information of the Shareholder Board. These accounts were developed principally by Sanctuary's finance team prior to being handed over hence why they have been submitted in an unaudited form; waiting for an external audit to be completed would have delayed the Sanctuary transition arrangements by an unknown but significant length of time.
- 6.3. The accounting work for The LLP will be undertaken by the Council's finance team for the 2023/4 accounts and until further notice.
- 6.4. There are no financial implications directly and immediately related to the recommendations in this report.

## **7. Legal Implications**

- 7.1. The designated members of any LLP have various compliance issues which need to be met, which are similar to those required of company directors. Specifically, designated members must:
  - register the LLP at Companies House (this was done at the time of incorporation)
  - appoint an auditor - if one is needed
  - prepare and sign the accounts
  - deliver the accounts to Companies House
  - notify Companies House of any membership changes, or of a change to the registered office address or name of the LLP
  - prepare, sign and deliver the annual return to Companies House
  - act on behalf of the LLP if it is wound up and dissolved
- 7.2. Designated members are legally accountable if they fail to carry out their duties properly.
- 7.3. The recommendations and specifically the delegations identified will enable the relevant Executive Directors to facilitate the relevant changes.



- 7.4. Whenever a public body adjusts its ownership interest in a corporate entity, the impact on decision making and corporate governance should be a key consideration. The LLP structure affords a helpful degree of flexibility in this regard. Under the previous arrangements with Swan BQ, the LLP agreement set out that the day-to-day operation of the LLP was delegated to a management board composed of two Council representatives and two Swan representatives. The dissolution of the partnership with Swan ended the LLP agreement and, with it, the management board. It is advantageous from a governance perspective that a new management board be created under the terms of a simple replacement LLP agreement (the parties to which will be the Council and Southend Housing Ltd). Such an arrangement will enable appointed Council officers to discharge the administrative arrangements that form the basis of the recommendations set out in this report. Decisions relating to the overall strategic direction of the LLP will remain those of the Council and Southend Housing Ltd as LLP members, thus ensuring the Council retains ultimate control.
- 7.5. Unlike company directors, members of a management board are not subject to specific statutory duties and are not, at law, required to act in its best interests (i.e. they can consider the interests of other bodies, including the body that appoints them (in this case, the Council) provided there is an agreement that says that they can). The required behaviours of the management board will be set out explicitly in the LLP agreement, which is a document over which the Council will have overall control. This is helpful from a conflict of interest perspective as it means that the individuals appointed to the management board can freely execute their administrative duties in the best interests of the Council.
- 7.6. The directors of Southend Housing Ltd (being the Executive Director of Finance and Resources and the Council as a body corporate) are subject to a more rigid statutory governance regime that requires directors to act in the best interests of the company. This requirement often presents governance challenges to local authorities as conflicts of interest can easily arise, but in this case the Council can take comfort from the fact that, as a wholly owned subsidiary of the Council, it has been established to fulfil the Council's own objectives. Where the Council's objectives are aligned with those of the company (which in this case they will be, evidenced by board minutes of Southend Housing Ltd executed at the time it takes the membership interest) then the directors will not find themselves in a position where they breach their statutory duties to the company.
- 7.7. The legal and governance arrangements can therefore be managed effectively within a prescribed regime over which the Council has overall control.

**8. Carbon Impact**

8.1. None arising from this report.

**9. Equalities**

9.1. None arising from this report.

**10. Consultation**

10.1. None arising from this report.

**11. Appendices**

**Appendix 1 – Porters Place Southend-on-Sea LLP unaudited accounts to 31 March 2023 - [application-pdf](#)**

**12. Background Papers/links:**

Porters Place Southend-on-Sea LLP: [PORTERS PLACE SOUTHEND-ON-SEA LLP people - Find and update company information - GOV.UK \(company-information.service.gov.uk\)](#)

Southend Housing Ltd: [SOUTHEND HOUSING LTD overview - Find and update company information - GOV.UK \(company-information.service.gov.uk\)](#)

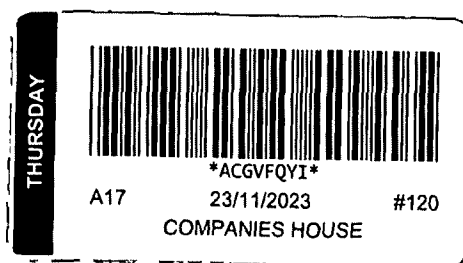
Limited Liability Partnership Registration No: OC427026



# Porters Place Southend-on-Sea LLP

Unaudited Annual Report and Financial Statements

Year ended 31 March 2023



Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Contents of the Annual Report

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## Legal and Administrative Details

Designated Members	Southend on Sea City Council Swan BQ Limited
Registered office	Sanctuary House Chamber Court Worcester Worcestershire WR1 3ZQ
Solicitor	Devonshires Solicitors LLP 30 Finsbury Circus London EC2M 7DT
Banker	Royal Bank of Scotland plc 29 East Walk Basildon Essex SS14 1HD
Limited Liability Partnership Registration No	OC427026

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Members' Report

The Members present their report and unaudited financial statements on Porters Place Southend-on-Sea LLP (the "Partnership") for the year ended 31 March 2023

The Partnership is a joint venture whose Designated Members are Swan BQ Limited and Southend-on-Sea City Council. The relevant percentages of each Member's interest are 50% respectively. Control is exercised pursuant to a Limited Liability Partnership Agreement dated 24 April 2019. The Partnership is for a fixed 30-year term.

### Principal Activity

The principal activity of the Partnership is that of property development and the provision of new neighbourhood facilities at a development formerly known as the Queensway estate, Southend, Essex.

### Results

The Partnership has recorded a loss of £1,280,000 in 2023 (2022: £18,448,000 loss).

### Basis of Preparation of the Financial Statements

The financial statements have been prepared on a basis other than a going concern. Accordingly, appropriate adjustments have been made to the financial statements. Details of matters relevant to the Members' assessment of the application of the going concern basis, plus appropriate adjustments made are given in note 2 to the financial statements.

### Members' Responsibilities Statement

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) require the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the Members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the 2008 Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023


## Members' Report (continued)

### Disclosure of information

The members are responsible for the integrity of the corporate and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdiction.

*In preparing this report, the Members have taken advantage of the small LLPs exemption in Part 5 of the 2008 Regulations.*

Approved by the Board of Members and signed on their behalf by

DocuSigned by  
  
78FF810BD499420

Alan Richards  
For Southend on Sea City Council  
Designated Member  
Date

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Statement of Comprehensive Income

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
		£'000	£'000
Administrative expenses		(76)	(45)
Write off of work in progress		(984)	(7,367)
<b>Operating loss</b>	7	<b>(1,060)</b>	<b>(7,412)</b>
Finance income	8a	-	1,430
Finance costs	8b	(220)	(12,466)
<b>Loss on ordinary activities before members' remuneration and profit shares</b>		<b>(1,280)</b>	<b>(18,448)</b>
Members' remuneration charged as an expense		-	-
<b>Total Comprehensive Income for the year</b>		<b>(1,280)</b>	<b>(18,448)</b>

There were no gains or losses in either year other than those included in the Statement of Comprehensive Income above

The notes on pages 6 to 12 form part of these financial statements

## Reconciliation of Members' Interests

	Members' capital (classified as equity)	Other reserves	Total	Members' capital (classified as debt)	Other amounts	Total	Total Members' Interests
Balance at 31 March 2021	-	10,907	10,907	1,095	-	1,095	12,002
Loss for the financial year	-	(18,448)	(18,448)	-	-	-	(18,448)
Introduced by members	-	-	-	2,230	-	2,230	2,230
<b>Balance at 31 March 2022</b>	<b>-</b>	<b>(7,541)</b>	<b>(7,541)</b>	<b>3,325</b>	<b>-</b>	<b>3,325</b>	<b>(4,216)</b>
Loss for the financial year	-	(1,280)	(1,280)	-	-	-	(1,280)
Introduced by members	-	-	-	450	-	450	450
<b>Balance at 31 March 2023</b>	<b>-</b>	<b>(8,821)</b>	<b>(8,821)</b>	<b>3,775</b>	<b>-</b>	<b>3,775</b>	<b>(5,046)</b>



Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Statement of Financial Position

	Notes	2023 £'000	2022 £'000
<b>Current assets</b>			
Work in progress	9	-	-
Debtors amounts receivable in less than one year	10	3,850	116
Debtors amounts receivable greater than one year	10	-	-
Cash at bank and in hand		10	22
		<u>3,860</u>	<u>138</u>
<b>Creditors amounts falling due within one year</b>	11	<u>(8,906)</u>	<u>(4,354)</u>
<b>Net current (liabilities)/assets attributable to members</b>		<u>(5,046)</u>	<u>(4,216)</u>
<b>Creditors amounts due after more than one year</b>	12	-	-
<b>Net (liabilities)/assets</b>		<u>(5,046)</u>	<u>(4,216)</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members after more than one year</b>			
Members' capital classified as debt	13	3,775	3,325
<b>Members' other interests</b>			
Other reserves		(8,821)	(7,541)
		<u>(5,046)</u>	<u>(4,216)</u>
<b>Total Members' interests</b>			
Loans and other debts due to members		3,775	3,325
Members' other interests		(8,821)	(7,541)
		<u>(5,046)</u>	<u>(4,216)</u>

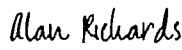
The notes on pages 6 to 12 form part of these financial statements

For the year ended 31 March 2023, the partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small LLPs

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime and in accordance with the provisions of FRS 102 Section 1A - small entities

These financial statements were approved and authorised for issue by the Members on agd  
were signed on its behalf by

DocuSigned by  
  
78FF810BD499420

Alan Richards  
For Southend on Sea City Council  
Designated member

Limited Liability Partnership Registration Number OC427026

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements

### 1. Partnership Information

The financial statements for Porters Place Southend-on-Sea LLP for the year ended 31 March 2023 were authorised for issue by the Board of Members on *Porters Place Southend-on-Sea LLP is incorporated and domiciled in England and Wales*. The average number of members in the year was two.

### 2. Basis of Preparation

The financial statements, incorporating the financial statements of the Partnership, have been prepared under the historical cost convention unless specified within these accounting policies. The financial statements have been prepared in accordance with the provisions applicable to partnerships subject to the small LLPS regime and in accordance with the provisions of FRS 102 Section 1A - small entities, The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, December 2018.

In preparing the financial statements, the Members have taken advantage of the following disclosure exemptions available under the small LLPs regime:

- The requirement to prepare a cash flow statement, and
- Financial instruments disclosures

#### Basis of Preparation of the Financial Statements

For the purposes of assessing the appropriateness of preparing the Partnership's accounts on a going concern basis, the Members have considered the funding arrangements, financial forecasts and other aspects of its financial position in the period to November 2024.

On 8 February 2023 Swan Housing Association joined Sanctuary Housing Association as a subsidiary. At the date of approval of these financial statements, Sanctuary had confirmed its intention to withdraw involvement from the Better Queensway Project so that it can prioritise investment and commitment to existing homes and communities and focus on the delivery of schemes where construction has already started. Southend-on-Sea City Council remains fully committed to the Better Queensway regeneration scheme for the benefit of the residents of the estate and will now explore alternative options to progress the scheme. Therefore, the Partnership is going to come to an end in the near future and the Members have chosen to adopt a non-going concern basis of accounting in preparing the financial statements. Accordingly, appropriate adjustments have been made to the financial statements to prepare them on a basis other than a going concern.

Adjustments made include:

- a) Impairment of work in progress down to recoverable value less costs to sell as at the date of approval of these financial statements, rather than the value as at 31 March 2023. This is a departure from the standard rules set out in the requirements of FRS 102 due to the financial statements being prepared on a non-going concern basis.
- b) Reclassification of all non-current loans and grant liabilities to current liabilities.
- c) The value of the Junior Loan Facility has been adjusted to the amounts repayable as at the balance sheet date, rather than fair value.

No provision has been made for the estimated costs of liquidation of the Partnership as a decision to liquidate has not yet been made by the Members.

### 3. Significant judgements and estimates

The preparation of the Partnership's financial statements in conformity with FRS 102 requires the Members to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the significant management judgements made in applying the accounting policies of the Partnership that have the most significant effect on the financial statements:

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

### *Classification of loans*

The Partnership's loans are required to be classified as either basic or non-basic financial instruments in accordance with the conditions set out under FRS102 section 11.9

The interest rate on the Junior Loan Facilities is reset annually based on the 11 ½ to 12 year Public Works Loan Board rate. This is judged to create leverage and, therefore, the loan is not considered to meet the basic condition in FRS 102 11.9 (a)(ii)

Furthermore, it has been determined that the loans were at a below market rate of interest (as at the date of issue). A derivative asset and capital contribution of £11,538k was recognised for the difference arising on initial recognition, based on the discounting of the loan commitment to present value using a market rate of interest. The balance relating to the loan with Swan Housing Association Limited has been treated as a capital contribution, even though it is not a member of the Partnership. This is due to the fact that management consider that the Partnership only obtained the below market rate of interest on the loan as a result of Swan Housing Association being the parent company of Swan BQ Limited and, therefore, it is in substance a transaction with a member.

As at the financial year end, the fair value of the derivative asset balance has been adjusted in line with expected cash flows associated with these financial statements being prepared on a non-going concern basis as detailed in note 2.

### *Estimation uncertainty*

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liability, income and expenses is provided below. Actual results may be substantially different.

### *Fair value measurement*

Fair value measurements were applied to the derivative asset and loan amounts due on the Junior Loan Facilities with Swan Housing Association Limited and Southend on Sea City Council. The total fair value of the derivative asset at inception of the loan agreements was £11,538k and £nil as at 31 March 2023 (2022: £nil). The fair value of the loan is the repayable amount of £7,550,000 as at the balance sheet date (2022: £6,650,000), this is based on the loan recognised as being imminently repayable in line with the financial statements being prepared on a non-going concern basis.

Management utilises the services of a specialist third party treasury advisor to calculate the fair value of its financial instruments. The valuation techniques used involve developing estimates and assumptions consistent with how market participants would price the instrument or asset. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices.

### *Work in progress*

The assessment that work in progress is carried at the lower of cost or net realisable value. Management assesses the net realisable value of schemes using publicly available information and forecasts an overall profit for the scheme after allowing for all further costs of completion and subsequent disposal of the housing properties. However, given the status of these accounts being prepared on a non-going concern basis, work in progress is revalued based on its fair value less costs to sell.

## 4. Principal Accounting Policies

### *Expenditure*

Net operating expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms.

### *Finance income and costs*

Finance income and costs relate to the fair value movement in financial instruments and Junior Loan interest, which is charged to profit and loss during the year.

### *VAT*

The Partnership is registered for VAT and consequently its expenditure on taxable activities is shown exclusive of VAT.

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

### Work in progress

Work in progress consists of costs and capitalised interest incurred on the regeneration project. As at the financial year end, the work in progress balance has been impaired down to its recoverable value less costs to sell as detailed in note 2.

### Trade creditors

Trade creditors on normal terms are not interest bearing and are stated at amortised cost.

### Government grants

Government grants include grants receivable from the Homes England. Capital grants received are accounted for under the accruals method within creditors and recognised in income as properties are sold. Grants relating to revenue are recognised as income over the same period as the expenditure to which they relate once reasonable assurance has been gained that any conditions associated with the grant have been met.

### Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised cost model.

Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to profit or loss.

Where loans are determined to be issued at a below market rate of interest, a derivative asset is recognised for the difference arising on initial recognition, based on the discounting of the loans to present value using a market rate of interest. The corresponding credit is recognised as a capital contribution where the loan is either with a member or is determined to be in substance a transaction with a member. At each year end, the derivative asset is revalued to fair value, with the movements posted to profit or loss.

### Members' drawings and allocation of profits

It is the Members' intention over the lifetime of the joint venture established through the LLP that they shall share in the Net Profits generated by the joint venture equally. Drawings are treated as payments on account of profit allocation and are only repayable to the LLP in so far as there are insufficient profits to allocate against such drawings. Any drawings in excess of total profits allocated would be included within 'amounts due from members' within debtors.

A Management Board meeting is held to approve any distribution of profits. The distribution of profits is at the discretion of the Management Board. Any losses are not allocated to members but must be eliminated by future profits before profit allocations recommence.

### Members' contribution

Aside from initial capital contributions, Members' contribution is via debt funding on a pari passu basis.

### Taxation

Tax to be paid on the profits arising in the LLP are a personal tax liability of the members of the LLP and therefore are not included as a tax charge or provision within these financial statements. Tax as presented within these financial statements represents tax arising from other group undertakings.

## 5. Members' remuneration

None of the Members received any remuneration (2022: £nil) or other benefits for their qualifying services to the Partnership. The Partnership did not provide a retirement benefits scheme for its Members in the current year.

## 6. Staff numbers and costs

The Partnership had no employees during the year (2022: none).

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

### 7. Operating loss

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Operating loss is stated after charging		
Auditor's remuneration for the audit of the financial statements of the Partnership	-	(32)
	<u>          </u>	<u>          </u>

### 8. Finance income/(costs)

	2023 £'000	2022 £'000
<b>a. Finance income</b>		
Gain on the movement in fair value of financial instruments	-	1,430
	<u>          </u>	<u>          </u>
	-	1,430
	<u>          </u>	<u>          </u>
<b>b. Finance costs</b>		
Loss on the movement in fair value of financial instruments	-	(12,361)
Junior Loan Interest for the year	(219)	(104)
Bank Charges	(1)	(1)
	<u>          </u>	<u>          </u>
	(220)	(12,466)
	<u>          </u>	<u>          </u>

### 9. Work in progress

	2023 £'000	2022 £'000
Project development costs	-	-
	<u>          </u>	<u>          </u>

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

### 10. Debtors

	2023 £'000	2022 £'000
<b>Debtors within one year</b>		
VAT receivable	5	115
Receivable due from Swan BQ Limited	20	-
Accrued income	3,825	-
Prepayments	-	1
	<u>3,850</u>	<u>116</u>
<b>Due within more than year</b>		
Derivative asset measured at fair value	-	-
	<u>-</u>	<u>-</u>

### 11. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	38	461
Accruals	393	68
Junior Loan Facility at fair value from - Swan Housing Association Limited	3,775	3,325
Grant Awarded – Homes England	4,700	500
	<u>8,906</u>	<u>4,354</u>

All long term liabilities were transferred to short term at the end of the prior financial year, owing to the status on going concern. See note 12 for further details.

### 12. Creditors: amounts falling due after one year

	2023 £'000	2022 £'000
Junior Loan, Facility at fair value from - Swan Housing Association Limited	-	-
	<u>-</u>	<u>-</u>

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

The Junior Loan Facility is for £14,999,999 with accrued interest paid quarterly, from Swan Housing Association Limited, being the ultimate parent undertaking of Swan BQ Limited, a designated member of the Partnership. Maturity of the facility is the earlier of 12 months following the completion of the sale of the final residential unit, or 31 December 2034. The purpose of this facility and the Junior Loan Facility from Southend on Sea City Council (see note 13) is to fund the development at Better Queensway through the planning phase.

The interest rate on the Junior Loan Facility was initially 2.40% per annum, for the first 12 months following the first drawdown date. This is then reset annually by reference to the 11 ½ to 12 year Public Works Loan Board rate plus a margin of 0.2%. The applicable interest rate in the year was 2.49% for the period to 22 January 2023 and 4.72% from this date to the year end date.

The Junior Loan Facility is treated as a non-basic financial instrument under FRS 102 section 12, as the interest basis is not considered to meet the basic condition in FRS 102 11.9 (a)(ii).

An amount of £3,775,000 was drawn down on the loan as at 31 March 2023 (2022 £3,325,000). The fair value of the loan has been determined to be the repayable amount of £3,775,000 as at the balance sheet date (2022 £3,325,000), owing to the non-going concern basis of preparation as described in note 2.

This Junior Loan Facility is ranked equally with a similar facility from Southend on Sea City Council (see note 13) and in the event of a winding up liquidation will be ranked above all other creditors.

All long term liabilities were transferred to short term at the end of the prior financial year, owing to the status on going concern.

### 13. Members' capital classified as debt

	2023 £'000	2022 £'000
Junior Loan Facility at fair value from:		
- Southend on Sea City Council	3,775	3,325

The Junior Loan Facility is for £14,999,999 with accrued interest paid quarterly, from Southend on Sea City Council, a designated member of the Partnership. Maturity of the facility is the earlier of 12 months following the completion of the sale of the final residential unit, or 31 December 2034. The purpose of this facility and the Junior Loan Facility from Swan Housing Association Limited (see note 12) is to fund the development at Better Queensway through the planning phase.

The interest rate on the Junior Loan Facility was initially 2.40% per annum, for the first 12 months following the first drawdown date. This is then reset annually by reference to the 11 ½ to 12 year Public Works Loan Board rate plus a margin of 0.2%. The applicable interest rate in the year was 2.49% for the period to 22 January 2023 and 4.72% from this date to the year end date.

The Junior Loan Facility is assessed as a non-basic financial instrument, as the interest basis is not considered to meet the basic condition in FRS 102 11.9 (a)(ii).

An amount of £3,775,000 was drawn down on the loan as at 31 March 2023 (2022 £3,325,000). The fair value of the loan has been determined to be the repayable amount as at the balance sheet date, owing to the non-going concern basis of preparation.

This Junior Loan Facility is ranked equally with a similar facility from Swan Housing Association Limited (see note 12) and in the event of a winding up liquidation will be ranked above all other creditors.

Porters Place Southend-on-Sea LLP  
Year ended 31 March 2023

## Notes to the Financial Statements (cont)

### 14. Members' transactions

Transactions with the controlling parties during the year were as follows

	Professional Fees		Interest Paid	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Southend on Sea City Council	-	71	110	52
Swan BQ Limited	-	-	-	-
	<u>-</u>	<u>71</u>	<u>110</u>	<u>52</u>

### 15. Control

In the opinion of the members there is no ultimate controlling party, as the Members' interest of both Southend on Sea City Council and Swan BQ Limited is equal

### 16. Related parties

Swan New Homes Limited is considered to be a related party by virtue of being under the same common control as Swan BQ Limited. During the year the LLP was charged £353,855 (2022 £589,759) from Swan New Homes Limited relating to project development costs. At the 31 March 2023 there was £412,831 (2022 £58,976) due to Swan New Homes Limited.

Swan Housing Association is considered to be a related party by virtue of being under the same common control as Swan BQ Limited. During the year the LLP was charged £nil (2022 £nil) from Swan Housing Association relating to audit fees paid by Swan Housing Association on behalf of the LLP, and was charged £110,000 (2022 £52,000) in interest on the Junior Loan Facility issued from Swan Housing Association. At the 31 March 2023 there was £nil (2022 £nil) due to Swan Housing Association.



<b>Title:</b>	<b>Southend-on-Sea Forum Management Company Reports for Financial Years 2022 and 2023</b>
<b>Meeting:</b>	Shareholder Board
<b>Date:</b>	27 February 2024
<b>Classification:</b>	Part 1
<b>Policy Context:</b>	Compliance
<b>Key Decision:</b>	No
<b>Executive Directors:</b>	Joe Chesterton - Executive Director Finance & Resources (S151 Officer), Mark Harvey – Executive Director Adults and Communities
<b>Report Author:</b>	Sharon Wheeler – Head of Libraries and Physical Wellbeing

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## **1. Executive Summary**

- 1.1. To update the Shareholder Board on Southend on Sea Forum Management Limited and present the audited accounts for years ending 31st July 2022 and 31st July 2023.

## **2. Recommendations**

### **It is recommended that the Shareholder Board:**

- 2.1. Note the financial performance and audited accounts of the company for the financial years to 31st July 2022 and to 31st July 2023.

## **3. Background**

- 3.1. The Forum was the country's first combined public and academic library where a local authority and higher education providers joined resources.
- 3.2. The building opened on time and on budget in Elmer Square in 2013 following a £28M capital project managed by Southend on Sea City Council's property team.

- 3.3. In addition to the combined library, the space also houses the Focal Point Gallery, a contemporary arts venue funded by SCC and the Arts Council as one of their National Portfolio Organisations.
- 3.4. Southend-on-Sea Forum Management Ltd (SoSFML) is a zero-profit joint venture between the University of Essex, Southend-on-Sea City Council (SCC) and South Essex College (SEC). It was set up to manage the property of The Forum, allowing mutual benefit through sharing of resources.
- 3.5. SoSFML functions by charging the partners three times a year in advance for expected costs, it then makes adjustments in the following invoice for any differences between expected costs and actual costs, thus at the end of the year SoSFML will always net to zero profit.
- 3.6. The financial year of SoSFML runs from 1<sup>st</sup> August to 31<sup>st</sup> July.
- 3.7. Two SCC councillors are appointed to the board through the annual appointments committee. For the periods reported, the representatives are Cllr Berry and Cllr Thompson (2022), and Cllr Jarvis and Cllr Nelson (2023).
- 3.8. The Council has the largest stake in the company and costs are attributed proportionately based upon space utilisation.
- 3.9. The board meets three times per year to agree strategic activity that involves all partners. Shared operations where representatives from each organisation contribute include an SLA for the library management, a user group, and the big screen management group.

#### **4. Reasons for Decisions**

- 4.1. The financial reporting and auditing is required by law and reporting the audited accounts to the Council's Shareholder Board is in accordance with the Council's constitution.

#### **5. Other Options**

- 5.1. The current arrangements have been in practice since 2013 and work effectively for managing the various stakeholders. An informal partnership was proposed at the outset as an alternative but was not agreed by the University of Essex.

#### **6. Financial Implications**

- 6.1. There is an agreed formula to share costs and provision is made in the annual budget cycle, no issues are reported or anticipated.

**7. Legal Implications**

7.1. None arising from this report.

**8. Carbon Impact**

8.1. None arising from this report.

**9. Equalities**

9.1. None arising from this report.

**10. Consultation**

10.1. None arising from this report.

**11. Appendices**

11.1. Appendix 1 – Directors Report and Financial Statements for the year ended 31 July 2022

11.2. Appendix 2 - Directors Report and Financial Statements for the year ended 31 July 2023

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Registered number: 07830172

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	Miss Zoe Manning Mrs Gwynneth Williams (resigned 31 July 2022) Mr Anthony McGarel Cllr Derrick Thompson Ms Catherine Jane Walsh Cllr Martin Berry
<b>Company secretary</b>	Richard Fern
<b>Registered number</b>	07830172
<b>Registered office</b>	The Forum Southend-on-Sea Elmer Square Southend-on-Sea Essex SS1 1NE
<b>Independent auditor</b>	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL
<b>Banker</b>	Lloyds Bank 27 High Street Colchester Essex CO1 1DU

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2022**

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The directors present their report and the financial statements for the year ended 31 July 2022

**Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 to 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.

**Directors**

The directors who served during the year were

Miss Zoe Manning  
Mrs Gwynneth Williams (resigned 31 July 2022)  
Mr Anthony McGareh  
Cllr Derrick Thompson  
Ms Catherine Jane Walsh  
Cllr Martin Berry

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.



SOUTHEND-ON-SEA FORUM MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2022

**Auditor**

The auditor, KPMG LLP, will not be proposed for reappointment in accordance with section 485 of the Companies Act 2006 as the audit service has been tendered and BDO LLP has been appointed for the coming financial year

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 9 December 2022 and signed on its behalf

*Zoe Manning* 9/12/22

Zoe Manning  
Director

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## SOUTHEND-ON-SEA FORUM MANAGEMENT LTD

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM MANAGEMENT LTD

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#### Opinion

We have audited the financial statements of Southend-on-Sea Forum Management Ltd ("the Company") for the year ended 31 July 2022, which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 July 2022 and of its profit for the year then ended,
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate,
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

#### Fraud and breaches of laws and regulations – ability to detect

##### Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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- Enquiring of directors and the Group Audit and Risk Management Committee, as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud
- Reading Group Board meeting minutes and Group Audit and Risk Management Committee minutes
- Using analytical procedures to identify any unusual or unexpected relationships or transactions

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition; in particular the risk that revenue is recorded in the wrong period or the risk that management may be in a position to make inappropriate accounting entries. We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of Group-wide fraud risk management controls.

We performed procedures including

- For a sample of income recognised and cash received in the period 01 July 2022 to 30 September 2022, assessing whether the income had been recognised in the appropriate accounting period
- Reviewing all journals posted across period 1-12, and those posted in "period 13" comparing the identified entries to supporting documentation via related substantive procedures

**Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

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 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.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, distributable profits 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.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on the amounts or disclosures in the financial statements. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

**Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report,
- in our opinion the information given in that report for the financial year is consistent with the financial statements, and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

**The purpose of our audit work and to whom we owe our responsibilities**

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.

*BS Lazarus*

Ben Lazarus (Senior statutory auditor)

for and on behalf of

**KPMG LLP**

Chartered Accountants

15 Canada Square

Canary Wharf

London, E14 5GL

Date 12 December 2022

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2022**

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	Note	2022 £	2021 £
Turnover	4	764,978	767,292
Cost of sales		(713,081)	(719,137)
<b>Gross profit</b>		<u>51,897</u>	<u>48,155</u>
Distribution costs		(1,000)	-
Administrative expenses		(50,873)	(48,155)
Other operating income		10,420	50,000
Contribution to Sinking Fund		(10,420)	(50,000)
<b>Operating profit</b>		<u>24</u>	<u>-</u>
Interest receivable and similar income		(23)	-
<b>Profit before tax</b>		<u>1</u>	<u>-</u>
<b>Profit for the financial year</b>		<u>1</u>	<u>-</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income

There was no other comprehensive income for 2022 (2021 £NIL)

The notes on pages 10 to 16 form part of these financial statements

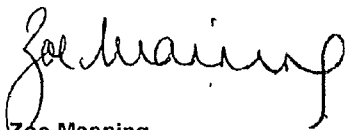
**SOUTHEND-ON-SEA FORUM-MANAGEMENT LTD**  
**REGISTERED NUMBER: 07830172**

**BALANCE SHEET**  
**AS AT 31 JULY 2022**

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors amounts falling due within one year	8	140,500	7,146
Cash at bank and in hand	9	495,600	516,616
		<u>636,100</u>	<u>523,762</u>
Creditors amounts falling due within one year	10	(385,999)	(284,082)
<b>Net current assets</b>		<u>250,101</u>	<u>239,680</u>
<b>Total assets less current liabilities</b>		<u>250,101</u>	<u>239,680</u>
<b>Net assets</b>		<u>250,101</u>	<u>239,680</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Other reserves	12	250,000	239,580
Profit and loss account	12	1	-
		<u>250,101</u>	<u>239,680</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



Zoe Manning  
 Director

The notes on pages 10 to 16 form part of these financial statements

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2022**

	Called up share capital £	Sinking Fund £	Profit and loss account £	Total equity £
<b>At 1 August 2020</b>	100	189,580	-	189,680
Total comprehensive income for the year	-	-	-	-
Transfer between other reserves	-	50,000	-	50,000
<b>Total transactions with owners</b>	-	50,000	-	50,000
<b>At 1 August 2021</b>	100	239,580	-	239,680
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1	1
<b>Total comprehensive income for the year</b>	-	-	1	1
Transfer between other reserves	-	10,420	-	10,420
<b>Total transactions with owners</b>	-	10,420	-	10,420
<b>At 31 July 2022</b>	<b>100</b>	<b>250,000</b>	<b>1</b>	<b>250,101</b>

The notes on pages 10 to 16 form part of these financial statements



**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**1. General information**

The principal activity of the company during the year was the property management of the Forum in Southend-on-Sea, which is a multi-let building  
The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Forum Southend-on-Sea, Elmer Square, Southend-on-Sea, Essex SS1 1NE

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006

The financial statements are presented in pound sterling

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3)

The following principal accounting policies have been applied

**2.2 Going concern**

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate

This is because the company is purely a cost sharing arrangement and is unlikely to ever make a profit or loss. There is a high degree of certainty over the level of income and expenses, and the two will always be equal. The company is therefore not exposed to the commercial risks arising from the Covid-19 pandemic

Additionally, University of Essex has issued a letter of financial support to ensure the company will be able to meet its liabilities as they fall due. As with any company placing reliance on other entities for support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements

**2.3 Sinking Fund**

The Sinking Fund is a ring-fenced, designated reserve which is separately invoiced to the partners to be used for significant repairs and maintenance programmes in the medium to long term. Tax is payable on any investment income received from the Sinking Fund holdings however the only investment income received on the Sinking Fund was bank interest which was already taxed at source

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**2 Accounting policies (continued)**

**2.4 Revenue**

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer,
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- the amount of revenue can be measured reliably,
- it is probable that the company will receive the consideration due under the transaction, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably,
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.6 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**2. Accounting policies (continued),**

**2.8 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.9 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

*Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.*

Investments in non-derivative instruments that are equity to the issuer are measured

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably,
- at cost less impairment for all other investments

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

company does not currently apply hedge accounting for interest rate and foreign exchange derivatives

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 8 for the net carrying amount of the debtors and associated impairment provision.

**4. Turnover**

The whole of the turnover is attributable to service charges payable to the company for the property management of the Forum.

All turnover arose within the United Kingdom.

**5. Other operating income**

	2022 £	2021 £
Other operating income	10,420	50,000
	<u>10,420</u>	<u>50,000</u>

Other operating income represents funds received by Southend-on-Sea Forum Management Limited from University of Essex, Southend-on-Sea Borough Council and South Essex College for their contribution towards the company's Sinking Fund.

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

**6. Operating profit/loss**

The operating profit/loss is stated after charging

	2022 £	2021 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	7,200	6,600
	7,200	6,600
	7,200	6,600

**7. Employees**

The Company has no employees other than the directors, who did not receive any remuneration (2021 - £NIL)

**8. Debtors**

	2022 £	2021 £
Trade debtors	140,498	-
Prepayments and accrued income	2	7,146
	140,500	7,146
	140,500	7,146

**9. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	495,600	516,616
	495,600	516,616
	495,600	516,616

£250,000.01 of the total cash balance relates to the Sinking Fund and has been ringfenced to provide for any major repair or maintenance works to the Forum that are required over a medium to long term period of time

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

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**10. Creditors. Amounts falling due within one year**

	2022 £	2021 £
Other creditors	23,608	38,239
Accruals and deferred income	362,391	245,843
	<u>385,999</u>	<u>284,082</u>

**11. Financial instruments**

	2022 £	2021 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	495,600	516,616
Financial assets that are debt instruments measured at amortised cost	140,498	7,146
	<u>636,098</u>	<u>523,762</u>
<b>Financial liabilities</b>		
Creditors Amounts Falling Due Within One Year	<u>385,999</u>	<u>284,082</u>

Financial assets measured at fair value through profit or loss comprise the company's cash balances

Financial assets measured at amortised cost comprise trade debtors, other debtors, prepayments and accrued income. These are debt instruments which are receivable within one year and are measured, initially and subsequently, at the undiscounted amount of the cash expected to be received. There is no stated interest rate attached to any of these assets.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals. These are debt instruments which are payable within one year and are measured, initially and subsequently, at the undiscounted amount of the cash expected to be paid. There is no stated interest rate attached to any of these liabilities.

**12. Reserves**

**Other reserves**

The Sinking Fund has been generated to provide for any major repair or maintenance works to the Forum that are required over a medium to long term period of time.

**13. Related party transactions**

A summary of related party transactions is shown below.

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

<b>(Sales)/Purchases</b>	<b>(Sales) 2022 £</b>	<b>Purchases 2022 £</b>	<b>(Sales) 2021 £</b>	<b>Purchases 2021 £</b>
University of Essex	(289,286)	1,813	(168,181)	2,266
South Essex College	(140,651)	-	(82,028)	-
Southend-on-Sea Borough Council	(382,082)	739,213	(221,969)	695,528
	<u>(812,019)</u>	<u>741,026</u>	<u>(472,178)</u>	<u>697,524</u>

	<b>Debtors 2022 £</b>	<b>Debtors 2021 £</b>
University of Essex	-	-
South Essex College	37,847	-
Southend-on-Sea Borough Council	102,651	-
	<u>140,498</u>	<u>-</u>

**14. Controlling party**

The company is owned and controlled jointly by University of Essex, South Essex College and Southend-on-Sea Borough Council. These are the venturers in respect of which Southend-on-Sea Forum Management Limited is a joint venture. Each of these three entities has two directors on the Board of Directors who carry equal voting rights in relation to any decision made for and on behalf of the company. They therefore have the ability to direct the financial and operating policies of the company. All three parties were incorporated within the United Kingdom.

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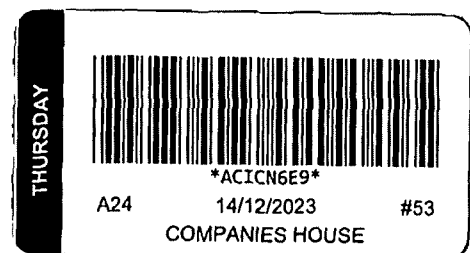
Registered number: 07830172

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**



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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	Mr Jonathan White (appointed 28 February 2023) Miss Zoe Manning Cllr Daniel Nelson (appointed 5 June 2023) Nicola Kelly (appointed 16 March 2023) Cllr Derek Jarvis (appointed 23 May 2023) Mr Steve Bright (appointed 16 December 2022) Mr Anthony McGarel (resigned 16 December 2022) Cllr Derrick Thompson (resigned 17 May 2023) Ms Catherine Jane Walsh (resigned 31 January 2023) Cllr Martin Berry (resigned 19 May 2023)
<b>Company secretary</b>	Richard Fern
<b>Registered number</b>	07830172
<b>Registered office</b>	The Forum Southend-on-Sea Elmer Square Southend-on-Sea Essex SS1 1NE
<b>Independent auditor</b>	BDO LLP Beehive Ring Road Gatwick West Sussex RH6 0PA
<b>Banker</b>	Lloyds Bank 27 High Street Colchester Essex CO1 1DU

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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<b>Balance Sheet</b>	9
<b>Statement of Changes in Equity</b>	10 - 11
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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2023**

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

**Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

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,
- 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 to 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

**Directors**

The directors who served during the year were

Mr Jonathan White (appointed 28 February 2023)  
Miss Zoe Manning  
Cllr Daniel Nelson (appointed 5 June 2023)  
Nicola Kelly (appointed 16 March 2023)  
Cllr Derek Jarvis (appointed 23 May 2023)  
Mr Steve Bright (appointed 16 December 2022)  
Mr Anthony McGarel (resigned 16 December 2022)  
Cllr Derrick Thompson (resigned 17 May 2023)  
Ms Catherine Jane Walsh (resigned 31 January 2023)  
Cllr Martin Berry (resigned 19 May 2023)

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2023**

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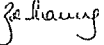
**Auditor**

The auditor, BDO LLP, has been appointed in accordance with section 485 of the Companies Act 2006 for the current financial year

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf

DocuSigned by  
  
AF68DAB0BEFA43C

Zoe Manning  
Director

Date 8 December 2023

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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**Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 July 2023 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements of Southend-On-Sea Forum Management Limited ("the Company") for the year ended 31 July 2023 which comprise Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

**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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

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.

**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 Company'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.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Strategic report, Report of the Directors, 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.

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Other Companies Act 2006 reporting**

**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.

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
- we have not received all the information and explanations we require for our audit, or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, 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 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

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Non-compliance with laws and regulations

Based on

- Our understanding of the Company and the sector in which it operates,
- Discussion with management and those charged with governance, and
- Obtaining and understanding of the Group's and Company's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, Corporate and VAT legislation, Employment Taxes, and the Bribery Act 2010.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation.

Our procedures in respect of the above included

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations,
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations,
- Review of financial statement disclosures and agreeing to supporting documentation,
- Involvement of tax specialists in the audit, and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud,
- Obtaining an understanding of the Group and Company's policies and procedures relating to
  - Detecting and responding to the risks of fraud, and
  - Internal controls established to mitigate risks related to fraud
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud,
- Considered management's incentives and opportunities for fraudulent manipulation of the financial statements,
- Discussion amongst the engagement team as to how and where fraud might occur in the financial



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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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statements, and

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition, posting inappropriate journal entries to manipulate financial results and management bias in significant judgements and accounting estimates

Our procedures in respect of the above included

- Testing a sample of income transactions throughout the year, and around the year end to ensure that income recognition is in accordance with the Financial Reporting Standard (FRS 102) and stated accounting policies,
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation,
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted by individuals outside of their expected job roles, and others deemed unusual based on our expectations,
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively,
- Challenging assumptions made by management in their significant accounting estimates, in particular the recoverability of trade and other debtors, and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities is available 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.

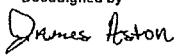
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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND-ON-SEA FORUM  
MANAGEMENT LTD**

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DocuSigned by  
  
DD20C4C68BC440C

James Aston MBE (Senior statutory auditor)

for and on behalf of

**BDO LLP**

Chartered Accountants

Beehive Ring Road

Gatwick

West Sussex

RH6 0PA

Date 11 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2023**

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	Note	2023 £	2022 £
Turnover	4	910,741	764,978
Cost of sales		(840,842)	(713,081)
<b>Gross profit</b>		<b>69,899</b>	<b>51,897</b>
Distribution costs		(5,505)	(1,000)
Administrative expenses		(70,941)	(50,873)
Other operating income		-	10,420
Contribution to Sinking Fund		-	(10,420)
<b>Operating (loss)/profit</b>		<b>(6,547)</b>	<b>24</b>
Interest receivable and similar income/(expense)		6,545	(23)
<b>(Loss)/profit before tax</b>		<b>(2)</b>	<b>1</b>
<b>(Loss)/profit for the financial year</b>		<b>(2)</b>	<b>1</b>

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income

There was no other comprehensive income for 2023 (2022 £NIL)

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

**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**  
**REGISTERED NUMBER: 07830172**

**BALANCE SHEET**  
**AS AT 31 JULY 2023**

	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors amounts falling due within one year	8	72,125	140,500
Cash at bank and in hand	9	814,277	495,600
		<u>886,402</u>	<u>636,100</u>
Creditors amounts falling due within one year	10	(636,303)	(385,999)
<b>Net current assets</b>		<u>250,099</u>	<u>250,101</u>
<b>Total assets less current liabilities</b>		<u>250,099</u>	<u>250,101</u>
<b>Net assets</b>		<u><u>250,099</u></u>	<u><u>250,101</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Other reserves	12	250,000	250,000
Profit and loss account	12	(1)	1
		<u>250,099</u>	<u>250,101</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

DocuSigned by  
  
 AF68DAB0BEFA43C  
**Zoe Manning**  
 Director

Date 8 December 2023

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

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2023**

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	Called up share capital	Sinking Fund	Profit and loss account	Total equity
	£	£	£	£
At 1 August 2022	100	250,000	1	250,101
<b>Comprehensive expense for the year</b>				
Loss for the year	-	-	(2)	(2)
<b>Total comprehensive expense for the year</b>	-	-	(2)	(2)
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 July 2023</b>	<b>100</b>	<b>250,000</b>	<b>(1)</b>	<b>250,099</b>

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

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**


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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2022**


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	Called up share capital	Sinking Fund	Profit and loss account	Total equity
	£	£	£	£
At 1 August 2021	100	239,580	-	239,680
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1	1
	-	-	1	1
<b>Total comprehensive income for the year</b>	-	-	1	1
Transfer between other reserves	-	10,420	-	10,420
<b>Total transactions with owners</b>	-	10,420	-	10,420
<b>At 31 July 2022</b>	<b>100</b>	<b>250,000</b>	<b>1</b>	<b>250,101</b>

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

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**1. General information**

The principal activity of the company during the year was the property management of the Forum in Southend-on-Sea, which is a multi-let building. The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Forum Southend-on-Sea, Elmer Square, Southend-on-Sea, Essex SS1 1NE.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pound sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate.

This is because the company is purely a cost sharing arrangement and is unlikely to ever make a profit or loss. There is a high degree of certainty over the level of income and expenses, and the two will always be equal. The company is therefore not exposed to the commercial risks arising from the Covid-19 pandemic.

Additionally, University of Essex has issued a letter of financial support to ensure the company will be able to meet its liabilities as they fall due. As with any company placing reliance on other entities for support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

**2.3 Sinking Fund**

The Sinking Fund is a ring-fenced, designated reserve which is separately invoiced to the partners to be used for significant repairs and maintenance programmes in the medium to long term. Tax is payable on any investment income received from the Sinking Fund holdings however the only investment income received on the Sinking Fund was bank interest which was already taxed at source.

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**2. Accounting policies (continued)**

**2.4 Revenue**

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer,
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- the amount of revenue can be measured reliably,
- it is probable that the company will receive the consideration due under the transaction, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably,
- it is probable that the company will receive the consideration due under the contract,
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.6 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**2. Accounting policies (continued)**

**2.8 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.9 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably, and
- at cost less impairment for all other investments

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

company does not currently apply hedge accounting for interest rate and foreign exchange derivatives

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 8 for the net carrying amount of the debtors and associated impairment provision

**4. Turnover**

The whole of the turnover is attributable to service charges payable to the company for the property management of the Forum

All turnover arose within the United Kingdom

**5. Other operating income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other operating income	-	10,420
	-	10,420

Other operating income represents funds received by Southend-on-Sea Forum Management Ltd from University of Essex, Southend-on-Sea Borough Council and South Essex College for their contribution towards the company's Sinking Fund

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**6. Operating profit/loss**

The operating profit/loss is stated after charging

	2023	2022
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	15,000	7,200
	15,000	7,200
	15,000	7,200

**7. Employees**

The Company has no employees other than the directors, who did not receive any remuneration (2022 - £NIL)

**8. Debtors**

	2023	2022
	£	£
Trade debtors	65,772	140,498
Prepayments and accrued income	6,353	2
	72,125	140,500
	72,125	140,500

**9. Cash and cash equivalents**

	2023	2022
	£	£
Cash at bank and in hand	814,277	495,600
	814,277	495,600
	814,277	495,600

£250,000 of the total cash balance relates to the Sinking Fund and has been ringfenced to provide for any major repair or maintenance works to the Forum that are required over a medium to long term period of time.

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**10. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Other creditors	55,401	23,608
Accruals and deferred income	580,902	362,391
	<u>636,303</u>	<u>385,999</u>

**11. Financial instruments**

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	814,277	495,600
Financial assets that are debt instruments measured at amortised cost	72,127	140,498
	<u>886,404</u>	<u>636,098</u>
<b>Financial liabilities</b>		
Creditors Amounts Falling Due Within One Year	<u>(636,303)</u>	<u>(385,999)</u>

Financial assets measured at fair value through profit or loss comprise the company's cash balances

Financial assets measured at amortised cost comprise trade debtors, other debtors, prepayments and accrued income. These are debt instruments which are receivable within one year and are measured, initially and subsequently, at the undiscounted amount of the cash expected to be received. There is no stated interest rate attached to any of these assets.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals. These are debt instruments which are payable within one year and are measured, initially and subsequently, at the undiscounted amount of the cash expected to be paid. There is no stated interest rate attached to any of these liabilities.

**12. Reserves****Other reserves**

The Sinking Fund has been generated to provide for any major repair or maintenance works to the Forum that are required over a medium to long term period of time.

**13. Related party transactions**

A summary of related party transactions is shown below

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**SOUTHEND-ON-SEA FORUM MANAGEMENT LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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	(Sales) 2023 £	Purchases 2023 £	(Sales) 2022 £	Purchases 2022 £
<b>(Sales)/Purchases</b>				
University of Essex	(361,388)	-	(289,286)	1,813
South Essex College	(176,771)	-	(140,651)	-
Southend-on-Sea Borough Council	(476,649)	923,646	(382,082)	739,213
	<u>(1,014,808)</u>	<u>923,646</u>	<u>(812,019)</u>	<u>741,026</u>

	Debtors 2023 £	Debtors 2022 £
University of Essex	2,241	-
South Essex College	63,531	37,847
Southend-on-Sea Borough Council	-	102,651
	<u>65,772</u>	<u>140,498</u>

**14. Controlling party**

The company is owned and controlled jointly by University of Essex, South Essex College and Southend-on-Sea Borough Council. These are the venturers in respect of which Southend-on-Sea Forum Management Ltd is a joint venture. Each of these three entities has two directors on the Board of Directors who carry equal voting rights in relation to any decision made for and on behalf of the company. They therefore have the ability to direct the financial and operating policies of the company. All three parties were incorporated within the United Kingdom.

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<b>Title:</b>	<b>Governance Arrangements - Future Work Programme</b>
<b>Meeting:</b>	Shareholder Board
<b>Date:</b>	27 February 2024
<b>Classification:</b>	Part 1
<b>Policy Context:</b>	Compliance
<b>Key Decision:</b>	No
<b>Report Author:</b>	Pete Bates, Director of Financial Services
<b>Executive Councillor:</b>	Councillor Tony Cox, Leader of the Council and Cabinet Member for Special Educational Needs and Disability

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**1. Executive Summary**

- 1.1. To propose a future work programme for the Shareholder Board

**2. Recommendations**

**It is recommended:**

- 2.1. That the Shareholder Board consider and agree a future work programme.

**3. Background**

- 3.1. Members are asked to consider the attached work programme and highlight any other areas of shareholder interest that they would like to see coming to future meetings of the Shareholder Board.

**4. Reasons for Decisions**

- 4.1. To provide a future work programme for consideration and agreement.

**5. Other Options**

- 5.1. This report merely sets out a proposed future work programme for the Shareholder Board. No other options were therefore considered.

**6. Financial Implications**

- 6.1. None arising from this report.

**7. Legal Implications**

7.1. None arising from this report.

**8. Carbon Impact**

8.1. None arising from this report.

**9. Equalities**

9.1. None arising from this report.

**10. Consultation**

10.1. None arising from this report.

**11. Appendices**

11.1. Appendix 1 - Shareholder Board - Future Work Programme



Shareholder Board – Future Work Programme

Items for Consideration	Meeting Dates			
	July 2024	October 2024	February 2025	July 2025
<b><i>Other Joint Ventures</i></b>				
Porters Place Southend LLP - Receipt of Accounts 2022/23	√			
Better Queensway Scheme Update	√	√	√	√
Airport Business Park Southend Management Ltd – June 2023	√			
<b><i>Planned Vecteo Items (Now a Wholly Owned Subsidiary)</i></b>				
Company Review (Action Plan Progress Update)	√	√	√	√
Receipt of Accounts 2023/24		√		
Review of New Business Plan 2024/25 +		√		
<b><i>General Status Update on all Other Company Matters</i></b>	√		√	
<b><i>Other Wholly Owned Subsidiaries</i></b>				
South Essex Homes Limited - Receipt of Accounts 2023/24		√		
South Essex Homes Limited - Review of Business Plan		√		
Southend Care Limited - Receipt of Accounts 2023/24		√		
Southend Care Limited - Review of Business Plan		√		
Southend Care Limited Company Review – Action Plan Progress Update	√	√	√	√
<b><i>Other Joint Ventures</i></b>				
Porters Place Southend LLP - Receipt of Accounts 2023/24			√	
Airport Business Park Southend Management Ltd – June 2024				√
Southend-on-Sea Forum Management Company Report 2024				√

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