

## **Report to the Shareholder of**

### **Southend Care Ltd's Financial Operational performance for 2019/20 – year ending 31<sup>st</sup> March 2020**

#### **Foreword**

A continued and very positive operational financial performance position for the 2019/20 financial year (3<sup>rd</sup> year of trade), returning a net profit for 2019/20 of £325,000. And, after applying the small operation profit balance brought forward from 2018/19 of £36,000, this means the company now retains a total operational profit balance of £361,000 as at 31<sup>st</sup> March 2020.

The 2019/20 positive operational profit performance is due to a number of factors:

1. Robust controls from the head office and the service teams managing their budgets successfully within their funding allocations.
2. The Company is committed to ensuring external agency spend is maintained below £25,000 over a 4 week period across all the original Council services that transferred over to the Company in 2017/18, and this has continued to be achieved throughout 2019/20.
3. The Company continues to deliver savings through the natural conversion and turnover of former Southend Borough Council staff, replaced by staff positions appointed on Southend Care's own terms and conditions. This conversion rate performed slightly above the expected target in 2019/20.
4. On the 1<sup>st</sup> June 2019, the Company successfully took over the Council Contract for the Learning Disability Supported Living Scheme West Street. The Company from that time has generated reduction in cost through both effective management and efficient rostering.
5. The Company has also continued to successfully deliver, although relatively small scale, additional health and private funded income through the direct sale of day care sessions at its Viking Day Care centre, which support both the care needs and wellbeing of Adults who have profound and multiple learning disabilities.

#### **Appendices:**

- Appendix 1 - Southend Care Ltd 201920 Accounting Statements
- Appendix 2 - External Audit report of the Accounting Statements 201920 to the Southend Care board of Directors

**END OF REPORT**