

# Southend-on-Sea City Council

Report of the Executive Director of Finance and  
Resources

to

**Shareholder Board**

on

**12 October 2022**

Report prepared by: Peter Bates  
Interim Director of Financial Services

Agenda  
Item No.

**4**

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## **South Essex Homes Limited: Receipt of Accounts 2021/22**

**Cabinet Member - Councillor Ian Gilbert**

*A Part 1 Public Agenda Item*

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### **1 Purpose of Report**

To present to the Shareholder Board the financial statements of South Essex Homes Limited for year ended 31 March 2022, together with the report of their auditors.

### **2 Recommendation**

That the Shareholder Board receives the financial statements of South Essex Homes Limited for the year ended 31 March 2022, together with the report of the auditors.

### **3 Background**

A senior representative of South Essex Homes Limited will present this report to the Shareholder Board and respond to Members' questions.

### **4 Corporate Implications**

#### **4.1 Contribution to Council's Vision & Critical Priorities**

Robust oversight of the financial statements of South Essex Homes Limited by the Shareholder Board on behalf of the Council play a key part in maintaining the Council's reputation for strong financial probity and stewardship.

#### **4.2 Financial Implications**

The Statement of Accounts is required to present a true and fair picture of the Company's financial position at 31 March 2022 and also the profit and loss for the financial year. Under FRS102 South Essex Homes must account for the net surplus or deficit arising from its share of the pension assets and liabilities in respect of its employees who are members of the Essex County Council Pension Fund.

As at 31<sup>st</sup> March 2022 there was a net deficit of £1.558M in respect of the Company's pension liabilities. As at 31 March 2022 the company also had a retained surplus of £2.873M in respect of its Profit and Loss reserve. The parent organisation, Southend-on-Sea City Council, has provided an appropriate guarantee to enable the financial statements of South Essex Homes Limited to be prepared on a going concern basis.

#### 4.3 Legal Implications

The financial statements of South Essex Homes Limited are governed by the Companies Act 2006

#### 4.4 People Implications

There are no people implications arising from this report

#### 4.5 Property Implications

There are no property implications arising from this report

#### 4.6 Consultation

There are no consultation implications arising from this report

#### 4.7 Equalities Impact Assessment

There are no equalities implications arising from this report

#### 4.8 Risk Assessment

There are no risk implications arising from this report

#### 4.9 Value for Money

There are no value for money implications arising from this report

#### 4.10 Community Safety Implications

There are no community safety implications arising from this report

#### 4.11 Environmental Impact

There are no environmental implications arising from this report

### 5 Background Papers

Detailed working papers are held by South Essex Homes Limited

### 6 Appendices

**Appendix 1** Report to shareholders on the consolidated financial statements of South Essex Homes Limited