

# 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.

**6**

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**Southend Care Limited: Receipt of Accounts 2021/22**

**Cabinet Member - Councillor Stephen George**

***A Part 1 Public Agenda Item***

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## **1 Purpose of Report**

To present to the Shareholder Board the financial statements of Southend Care 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 Southend Care Limited for the year ended 31 March 2022, together with the report of the auditors.

It must 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 City Council (SCC), and the formal underwrite of the going concern of Southend Care Ltd due to the pension liability guarantee. This will be completed as part of SCC's remaining 2021/22 close down arrangements. It is not expected that this will change any of the Statements laid out in the following papers. If any changes are made, then these will be brought to the Shareholder board for disclosure and further update.

## **3 Background**

A senior representative of Southend Care 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 Southend Care 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 as at 31 March 2022 and also the profit and loss for this financial year.

The financial statements also highlight the financial guarantees made by the Council to underwrite the company's LGPS pension deficit to enable Southend Care Limited to continue to trade. As at 31<sup>st</sup> March 2022, this now stands at £5,422,000 (decreased by £2,043,000 from the 31<sup>st</sup> March 2021 position).

### **4.3 Legal Implications**

The financial statements of Southend Care 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 Southend Care Limited

#### Appendices

**Appendix 1** Report to shareholders on the Southend Care Limited 2021/22  
Financial operational performance summary

**Appendix 2** Southend Care Limited 2021/22 Financial Statements (year  
ending 31<sup>st</sup> March 2022)