
By: Peter Oakford, Deputy Leader and Cabinet Member for Finance
Corporate and Traded Services

Zena Cooke – Corporate Director of Finance

To: Governance and Audit Committee – 25 January 2022

Subject: Statutory Accounts for those companies in which KCC has an interest

Classification: Unrestricted

Summary: To present the latest available Statutory Accounts for those companies in which KCC has an interest.

For assurance

1. Introduction

- 1.1 As per its Terms of Reference, the Governance and Audit Committee has a responsibility each year to 'Receive and review the annual statutory financial accounts of any KCC limited companies and financial statements for other trading vehicles and to consider corrective action where appropriate'.
- 1.2 The link to the latest Statutory Accounts for these companies (for 2020-21) is included in an appendix to the report should the Members' wish to review and consider them.
- 1.3 This report also includes an explanation of payments made by the Council to the company, the purpose of the company and the nature and degree of interest that the Council has in the company. There is no underlying risk to KCC in relation to these accounts.

2. Entities in which KCC has an interest.

- 2.1 Entities in which KCC has an interest are detailed below. The tables include payments made by KCC to the entities during 2020-21. The accounts for each of the companies have been prepared on a going concern basis and give no cause for concern. Locate in Kent is the only company which has raised a potential issue over longer-term viability.

1. Aylesham & District Community Workshop Trust Ltd

Purpose of entity	<p>Established for the benefit of persons in the Aylesham and Rural District, to provide or assist in the provision of facilities for the advancement of education, and for recreation and leisure-time occupation with the objective of improving the conditions of life of said persons.</p> <p>Company Limited by Guarantee and a Charitable Trust.</p>
Level and Nature of Interest	<p>KCC is a Member. Each Member has one vote. There are 9 Trustees. Liability will not exceed £10.</p>
Directors on the Board	<p>S Manion – KCC Member</p>
Profit or Surplus / (Deficit)	<p>£7,001 from accounts as at 31 March 2020</p>
Payment during 2020-21	<p>£7,262 (excluding VAT) – room hire and training event costs.</p>

2. Visit Kent Ltd

Purpose of entity	<p>To promote, market, advertise and develop nationally and internationally the tourist industry in the county of Kent and all the bodies, entities, persons associated and involved therein.</p> <p>Company Limited by Guarantee.</p>
Level and Nature of Interest	<p>KCC is a Member. Each Member has one vote.</p> <p>Liability is limited to £1.</p>

Directors on the Board	<p>J McInroy – KCC Member resigned on 26 July 2021. D Hughes – KCC Officer resigned 15 May 2020.</p> <p>KCC is entitled to two Board members so will have the opportunity to replace both D Hughes and J McInroy.</p>
Profit or Surplus / (Deficit)	£19,768 – accounts as at 31 March 2020
Payment during 2020-21	<p>£326,857 (excluding VAT) – Annual contract and match funding towards EXPERIENCE project. The annual contract is to help attract visitors to Kent and create job opportunities.</p> <p>KCC gave Visit Kent a loan for £100k at the beginning of the year. This is to help address cashflow issues where upfront expenditure is incurred to secure funding opportunities.</p>

3. Locate in Kent Ltd	
Purpose of entity	<p>Locate in Kent offers confidential and free business investment and relocation services to international, UK and Kent-based companies looking to expand.</p> <p>Company Limited by Guarantee</p>
Level and Nature of Interest	KCC is a Member. Each Member has one vote. Liability is limited to £1.
Directors on the Board	<p>M Dance – KCC Member resigned 1 January 2020. J McInroy – KCC Member resigned 1 June 2021.</p>
Profit or Surplus / (Deficit)	(£191,163) – accounts as at 31 March 2020

Payment during 2020-21	£1,317,167 (excluding VAT) – EU Funded: Inward Investment Contract
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4. Trading Standards South-East Ltd	
Purpose of entity	To provide advice to consumers in the southeast of England. Company Limited by Guarantee
Level and Nature of Interest	KCC is a Member. Each Member has one vote. Liability is limited to £1.
Directors on the Board	J Whidett – KCC Officer appointed on 1 January 2021
Profit or Surplus / (Deficit)	(£54,590) – accounts as at 31 March 2020
Payment during 2020-21	£3,425 (excluding VAT) – Training fees.

5. East Kent Spatial Development Company	
Purpose of entity	A regeneration company specialising in the provision of utilities infrastructure to the business parks in East Kent. Company Limited by Guarantee.
Level and Nature of Interest	KCC is a Class A Member. Each Class A Member has one vote. Liability is limited to £1.
Directors on the Board	D Murphy – KCC Member appointed on 1 September 2021

Profit or Surplus / (Deficit)	(£1,683,447) – accounts as at 31 March 2020
Payment during 2020-21	Nil

6. Produced in Kent	
Purpose of entity	To increase the public's awareness of produce which has been produced in Kent. Company Limited by Guarantee.
Level and Nature of Interest	KCC has joint voting rights with Hadlow College. Liability is limited to £1.
Directors on the Board	J McInroy – KCC Member appointed 13 January 2020
Profit or Surplus / (Deficit)	£21,557 – accounts as at 31 March 2020
Payment during 2020-21	£115,533 (excluding VAT) – contribution towards salary costs and EU funded: Taste of Kent Awards 2020.

7. TRICS Consortium Ltd	
Purpose of entity	Consortium of six County Councils owning and operating a transport trip rate database known as TRICS. Company Limited by Shares
Level and Nature of Interest	37,500 shares of total share capital of 225,000 (16.7% holding). One of six members with equal voting rights (one vote per member) Received a dividend £98,666.80 in 2020-21.

Directors on the Board	M Hogben – KCC Officer
Profit or Surplus / (Deficit)	£628,687 – accounts as at 31 December 2020
Payment during 2020-21	£3,450 (excluding VAT) – Annual Licence

8. Kent PFI Holding Company 1 Ltd	
Purpose of entity	Kent PFI Holding Company 1 Ltd is a holding company for Kent PFI Company 1 Limited, a company whose activities include the provision of construction and maintenance services for three secondary schools for pupils across Kent:Thamesview School, Northfleet Technical College and St John’s Catholic Comprehensive School.
Level and Nature of Interest	<p>As part of the Treasury Strategy to make investments in equity up to the value of £5m, KCC purchased shares in Kent PFI Holding Company 1 Ltd. At the end of 2014-15 KCC has 42% holding in the company.</p> <p>The investment structure is as follows:</p> <ul style="list-style-type: none"> • £2,681,260.21 in loan notes • £2,113,808.91 in shares <p>KCC received £531,999.36 relating to dividends, interest, and repayment of loan notes for 20-21.</p>
Directors on the Board	J Lee – KCC Officer J Hansen – KCC Officer
Profit or Surplus / (Deficit)	£230,000 – accounts as at 31 March 2020
Payment during 2020-21	£11,444,476 (excluding VAT).

3 RECOMMENDATION

3.1 Members are recommended to note the contents of this report for assurance.

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Appendix A

[Statutory Accounts for those companies in which KCC has an interest.](#)