
By: John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement
Andy Wood, Corporate Director of Finance & Procurement

To: Governance and Audit Committee Trading Activities Sub Committee - 3 March 2014

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 Per its Terms of Reference, the Governance and Audit Committee Trading Activities Sub 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'.

Copies of the latest available Statutory Accounts (for 2012/13) are attached for Members' review and consideration.

2 ENTITIES WHICH KCC HAS AN INTEREST IN

- 2.1 The table Appendix A shows the key financial highlights for 2012/13 from the Statutory Accounts; and 2011/12 for comparator purposes.
- 2.2 Groundwork Kent & Medway ceased trading in December 2012, and is in the process of being dissolved. A Form DS1 (Striking off application) has been submitted to Companies House, and unless cause is shown to the contrary, Groundwork Kent & Medway will be struck off the register and dissolved on 31 March 2014. Its activities and operations continue, however, and they have been subsumed within The Groundwork South Trust Limited. However KCC has no influence, control or equity interest in the entity.

3 COMMERCIAL SERVICES

- 3.1 The table below shows the key financial highlights from the Statutory Accounts (attached) for 2012/13 of the Parent Company and the subsidiaries within the parent company.

| Commercial Services | Financial Year | Turnover/Income | Surplus/ (Deficit) before Tax | Retained Surplus/ (Deficit) | Net Assets |
|---|-----------------------|------------------------|--------------------------------------|------------------------------------|-------------------|
| | | £k | £k | £k | £k |
| Kent County Trading Ltd - Parent Company | 2012/13 | 41995.2 | 375.6 | 2269.7 | 3269.7 |
| Commercial Services Trading Ltd | 2012/13 | 3772.7 | 364.3 | 824.6 | 1824.6 |
| Commercial Services Kent Ltd | 2012/13 | - | - | -1.7 | -1.7 |
| Kent Top Temps | 2012/13 | 38278.0 | 11.9 | 1450.1 | 1450.1 |

- 3.2 The Commercial Services group has been subject to a review of its trading activities by the ultimate parent entity Kent County Council (KCC). During 2012/13 and post year end there has been a restructure of the businesses between the trading entities controlled by KCC. Business entities have been transferred into either Commercial Services Trading Ltd or Commercial Services Kent Ltd. The restructuring of the businesses is to promote growth and achieve further growth. The new structure began trading from April 2013.
- 3.3 Commercial Services Trading Ltd operated under the name Kent County Facilities Ltd during 2012-13. Operating under the new name began on 1 April 2013.
- 3.4 Commercial Services Kent Ltd was a dormant company throughout the year to 31 March 2013 whilst the restructuring of the businesses took place.
- 3.5 Kent Top Temps has either been transferred to Commercial Services Kent Ltd or Commercial Services Trading Ltd on 1 April 2013. The bus and school transport services ceased trading in November 2013 and the operation is in the process of being wound down. Consideration is being given to using the company for other trading activities going forward.

4 RECOMMENDATION

- 4.1 Members are recommended to note the contents of this report for assurance, and to review the latest available Statutory Accounts (attached) for those companies in which KCC has an interest.

Emma Feakins
Chief Accountant
Ext: 4634

Appendix A

| Company Detail | Financial Year | Turnover /Income £k | Surplus/ (Deficit) before Tax £k | Retained Surplus/ (Deficit) £k | Net Assets £k | Liquidity Ratio |
|---|----------------|------------------------|-------------------------------------|-----------------------------------|------------------|-----------------|
| Association of Tourist Attractions in Kent Ltd - Abbreviated Accounts - Year ended 31.08.13 | 2012/13 | Not Available | Not Available | 5.7 | 15.9 | 3.3 |
| | 2011/12 | Not Available | Not Available | 4.6 | 14.7 | 2.1 |
| Aylesham & District Community Workshop Trust - Limited by Guarantee | 2012/13 | 200.6 | -29.4 | 1844.3 | 1844.3 | 4.8 |
| | 2011/12 | 183.3 | -29.0 | 1873.7 | 1873.7 | 5.4 |
| The North Kent Architecture Centre - Limited by Guarantee - Abbreviated Accounts | 2012/13 | Not Available | Not Available | 39.4 | 81.2 | 3.2 |
| | 2011/12 | Not Available | Not Available | 19.2 | 61.0 | 2.2 |
| Visit Kent - Limited by Guarantee | 2012/13 | 1446.0 | 1.1 | 165.2 | 165.2 | 1.3 |
| | 2011/12 | 1431.5 | 2.2 | 164.2 | 164.2 | 1.3 |
| Locate in Kent - Limited by Guarantee - Abbreviated Accounts | 2012/13 | Not Available | Not Available | 383.9 | 383.9 | 4.0 |
| | 2011/12 | Not Available | Not Available | 493.5 | 493.5 | 10.3 |
| Trading Standards South East Kent Ltd - Abbreviated Accounts | 2012/13 | Not Available | Not Available | 32.3 | 32.3 | 1.0 |
| | 2011/12 | Not Available | Not Available | 28.1 | 28.1 | 1.0 |
| East Kent Spatial Development Company - Limited by Guarantee | 2012/13 | 776.4 | 159.2 | 584.0 | 4090.6 | 11.6 |
| | 2011/12 | 720.3 | 61.4 | 454.8 | 2227.7 | 13.6 |
| Goetec - Limited by Guarantee - Year ended 31.07.13 | 2012/13 | 296.0 | 43.1 | 249.0 | 249.0 | 9.0 |
| | 2011/12 | 400.5 | 94.4 | 213.2 | 213.2 | 1.7 |
| Produced in Kent - Limited by Guarantee | 2012/13 | 242.9 | 21.4 | 38.0 | 38.0 | 1.3 |
| | 2011/12 | 237.0 | -7.8 | 19.0 | 19.0 | 1.2 |
| Business Support Kent Community Interest Company | 2012/13 | 1713.6 | 3.9 | 313.8 | 313.8 | 1.4 |
| | 2011/12 | 3922.0 | -109.5 | 309.9 | 309.9 | 1.2 |