



The **Skills & Growth** Company

The Skills & Growth Company Ltd

Draft Summary Financial Statements 2016-17

Summary

The Skills & Growth Company Limited was incorporated on 26 May 2015 and commenced trading on 1 April 2016, following the transfer of employees from Cheshire East Borough Council (CEBC). The company's shareholders are a combination of Cheshire East Residents First Ltd (CERF Ltd) (80% shareholder) and Cheshire East Borough Council (20% shareholder). The company's main contract rests with CEBC.

The Skills & Growth Company Limited performed strongly in 2016/17, recording a £100k profit from its operations, prior to contractual share adjustments.

The contracted profit sharing arrangement is such that, 25% of core contract profit is retained by the Company, 50% is retained in a ring-fenced reserve (held by the ultimate Parent CEBC) and 25% is retained by the Parent. This profit sharing adjustment is affected through a management fee adjustment. The ring-fenced reserve, retained by the Parent is held for future use by the Company in line with provisions in the contract.

The reported profit for the year, after the effects of contract profit sharing arrangements is £20k.

The financial statements of The Skills & Growth Company Limited (the "Company") for the year ended 31 March 2017 will be issued to the Board for authorisation in September 2017 following the external audit of the company accounts in July/August.

As a wholly owned company within the Cheshire East Borough Council Group, The Skill's & Growth Company Limited results are included in the consolidated financial statements of CEBC which are available from:

http://www.cheshireeast.gov.uk/council_and_democracy/your_council/council_finance_and_governance/statement_of_accounts/statement_of_accounts.aspx.

Statement of Comprehensive Income (Unaudited)

For the year ended 31 March 2017

	2017 £'000	2016 £'000
Turnover	2,195	-
Cost of sales	(1,836)	-
Gross profit	359	-
Administrative Expenses	(339)	-
Operating profit	20	-
Taxation	0	-
Profit for the financial year/period	20	-
Other comprehensive income for the year/period	0	-
Total comprehensive income for the year/period	20	-

Statement of Financial Position (Unaudited)

Registered Number: 08549888

At 31 March 2017	2017 £'000	2016 £'000
<u>Current assets</u>		
Debtors	545	-
Cash at bank and in hand	654	-
Total Current Assets	1,199	-
<u>Creditors: amounts falling due within one year</u>		
Trade creditors	(1,179)	-
Total Creditors: amounts falling due within one year	(1,179)	-
Net current assets	20	-
Net Assets less Current Liabilities	20	-
	-	-
Total Creditors: amounts falling due after more than one year	20	-
Net Assets	20	-
<u>Capital and Reserves</u>		
Retained Earnings	20	-
Total Equity	20	-