



The Skills & Growth Company Ltd

Draft Summary Financial Statements 2017-18

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 2017/18, recording a £126k profit (2016/17: £93k) 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 £46k, including £19k of profit which was generated outside the main contract.

The financial statements of The Skills & Growth Company Limited (the "Company") for the year ended 31 March 2018 will be issued to the Board for authorisation in September 2018 following the external audit of the company accounts in June.

As a wholly owned company within the Cheshire East Borough Council Group, The Skills & 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 2018

	2018 £'000	2017 £'000
Turnover	2,148	2,188
Cost of sales	(1,744)	(1,833)
Gross profit	404	355
Administrative Expenses	(353)	(332)
Operating profit	51	23
Taxation	(5)	0
Profit for the financial year/period	46	23
Other comprehensive income for the year/period	0	0
Total comprehensive income for the year/period	46	23

Statement of Financial Position (Unaudited)

Registered Number: 08549888

At 31 March 2018	2018 £'000	2017 £'000
Fixed Assets		
Intangible Assets	21	18
Total Fixed Assets	21	18
Current assets		
Debtors	379	795
Cash at bank and in hand	400	654
Total Current Assets	779	1,449
Creditors: amounts falling due within one year		
Trade creditors	(731)	(1,444)
Total Creditors: amounts falling due within one year	(731)	(1,444)
Net current assets	48	5
Net Assets less Current Liabilities	69	23
Total Creditors: amounts falling due after more than one year	0	0
Net Assets	69	23
Capital and Reserves		
Retained Earnings	69	23
Total Equity	69	23