

Finance Sub Committee 10th September 2025

2024/25 Draft Financial Statements Wholly Owned Companies

Publishing deadlines

The Accounts and Audit (Amendment) Regulations 2024

- The Accounts and Audit (Amendment) Regulations 2024 statutory audit deadlines for 2024/25 state the publication date for draft accounts 30th June 2025 for all local authority bodies.
- As part of the Cheshire East Council Group, the Wholly Owned Companies (WOC's) are required to comply with this same deadline but are only required to publish Draft Summary Financial Statements on their respective websites.
- The WOC's are required to publish their audited Financial Statements at Companies House on or before 31st December (for Accounting periods ending 31 March).

Important Dates

July 31st (TBC)	Summary Financial Statements on company websites
July 29th	Committee receive report on draft Financial Statements – WOC's
July - Aug	Grant Thornton on site for main audit (July)
October	WOC Boards receive audit findings and Audited FS for Approval.
Date TBC	Committee receive Audit Findings and Audited Financial Statements for noting.
On or before December 31st	Audited Financial Statements deadline to be published at Companies House.

Approving the Accounts

- The CEC Group Accounts require the approval of the Audit & Governance Committee.
- The wholly owned companies as entities within the CEC Group also have single entity accounts that require approval by the Company Board. Recommendations will be made at the October 2025 Board cycle.
- The Group of Companies accounts are audited by Grant Thornton UK LLP.

Wholly Owned Company – Single Entity Financial Statements

Strategic Report

- Overview of financial performance.
- Includes achievements, risks and lots of facts and figures.

Management Accounts headlines

- The WOC out-turn performance is split between Core Services provided to CEC and Commercial activities.
- Core Services provided to CEC should operate on a net cost basis i.e. if the company is requested by the Council to provide additional services – then the company is paid by the Council for the additional services.
- Commercial Activities are subject to Corporation Tax and out-turn profits are retained 100% by the Company.
- WOC Reserves decreased by £1.116m (2023/24 £0.173m), leaving retained reserves at £0.848m. Interim Dividends were paid by the companies to CEC in 24/25 to the value of £1.5m.
- Wholly Owned Companies Net Core Contract Spending was £43.611m (2023/24 £45.051m)

Members of the Committee should consider:

- Relevance of the information provided
- Transparency of the accounts
- Engage with the Finance Team on any queries up to the Committee Date

The Finance Team will:

- Work with Grant Thornton and Ernst Young to complete the audit.
- Finalise the accounts based on feedback

Wholly Owned Company – Out-turn Performance 2024/25

Out-turn	Ansa £'000	Orbitas £'000
Core Management Fee 2024/25	42,579	1,926
Additional Management Fee claimed in year*	(323)	253
Revised Management Fee 2024/25	42,256	2,179
Core Contract Out-turn 2024/25	41,562	2,049
Overspend/Underspend at Out-turn	(694)	(130)
Rebate to CEC /(Additional Cost to CEC)	694	130
Core Out-turn - post rebate/Charge to CEC -(over)/under	0	0
Commercial Out-turn after Tax	259	75
Net Profit retained by Company	259	75

*Additional Management Fee claims, reflected in CEC in year reporting are in respect of:

- ANSA – Improved Inflation on waste contracts and recycling income improvement
- Orbitas – Pay inflation plus Handyperson additional demand from Adult Social Care

Movement in reserves (£m)	Ansa £'000	Orbitas £'000	Total £'000
Opening Balance	1,491	523	2,014
Dividend	(1,110)	(390)	(1,500)
In Year Profit	259	75	334
Change	(851)	(315)	(1,166)
Closing Balance	640	208	848

Ansa Environmental Services Limited - Out-turn

Performance 2024/25

Statement of Consolidated Income	2024/25	2023/24
	£'m	£'m
Turnover	54.725	50.456
Cost of Sales	(46.072)	(43.617)
Gross Profit or (Loss)	8.653	6.839
Administration Costs	(8.209)	(6.572)
Other Operating Income/Expenditure (net)	(0.002)	0.002
Net Operating Profit / (Loss)	0.443	0.269
Interest Receivable / Payable (net)	(0.090)	(0.179)
Corporation Tax	(0.094)	0.017
Net Profit	0.259	0.107

Statement of Financial Position	2024/25	2023/24
	£'m	£'m
Long Term Assets	3.965	4.532
Current Assets	9.583	9.896
Current Liabilities	(9.735)	(9.205)
Long Term Liabilities	(3.173)	(3.732)
Net Assets	0.640	1.491
Shareholdings	-	-
Retained Reserves	0.640	1.491
Equity	0.640	1.491

Orbitas Bereavement Services Limited - Out-turn

Performance 2024/25

Statement of Consolidated Income	2024/25	2023/24
	£'m	£'m
Turnover	2.162	2.543
Cost of Sales	(1.518)	(1.588)
Gross Profit or (Loss)	0.644	0.955
Administration Costs	(0.555)	(0.867)
Other Operating Income/Expenditure (net)	(0.002)	-
Net Operating Profit / (Loss)	0.088	0.088
Interest Receivable / Payable (net)	0.011	-
Corporation Tax	(0.024)	0.022
Net Profit	0.075	0.066

Statement of Financial Position	2024/25	2023/24
	£'m	£'m
Long Term Assets	0.004	0.008
Current Assets	0.469	1.122
Current Liabilities	(0.265)	(0.604)
Long Term Liabilities	-	-
Net Assets	0.208	0.525
Shareholdings	-	-
Retained Reserves	0.208	0.525
Equity	0.208	0.525