

## **Suffolk Coastal Norse Limited**

Suffolk Coastal District Council has held a 20% share of Suffolk Coastal Norse Limited since 1 April 2009. This company provides a package of services including Refuse, Cleansing and Maintenance.

Group accounts have been prepared as the Council has the 'power' to participate in operating decisions and because transactions between Suffolk Coastal Norse Ltd and the Council are material. Group Accounts incorporate the Council's share of the net assets and surplus of Suffolk Coastal Norse Ltd as an Associate using the Equity method.

The Company prepared its accounts for 2<sup>nd</sup> April 2017, a few days after the Council, which is within the permissible period for consolidation, subject to there being no significant movements within that period. Therefore for both the current accounts and the comparative figures no adjustment has been made to the accounts of the Company to make it co-terminus with the Council. The Group Accounts are included in this document as additional columns to the Council's primary statements, showing the extent of the Council's 20% interest in the Company.

In addition to the Group Accounts, the following information has been disclosed to aid an understanding of the nature of the group relationship and the impact of the arrangement on the Council's Statement of Accounts.

- a) The registered name of the Company is Suffolk Coastal Norse Limited;
- b) Nature of the business – the principal activity of the Company is that of refuse, cleansing and maintenance services;
- c) The immediate parent undertaking is Norse Commercial Services Limited;
- d) The ultimate parent undertaking is Norse Group Limited;
- e) The Company's ultimate controlling party is Norfolk County Council, by virtue of them owning 100% of the ordinary share;
- f) The Council holds fully paid Ordinary Share capital of £2, with no special rights or constraints. It has a 20% share of the Company and also receives a 50-50 profit / loss share at year-end;
- g) Payments made to Suffolk Coastal Norse Limited in respect of refuse, cleansing and maintenance services are included within the Cost of Services in the Comprehensive Income and Expenditure Statement. Total payments to Suffolk Norse Ltd were £8.066m in 2016/17 (£7.668m in 2015/16) and included as follows:

	<b>2016/17</b>	<b>2015/16</b>
	<b>£'000</b>	<b>£'000</b>
Economic Development	136	130
Legal & Democratic Services	2	2
Operations	<u>7,928</u>	<u>7,536</u>
	<b><u>8,066</u></b>	<b><u>7,668</u></b>

i) Details of the Company's annual financial results to 2<sup>nd</sup> April 2017 are set out below:

	<b>2017 Suffolk Coastal Norse Ltd £'000</b>	<b>2017 Council Investment (20%) £'000</b>	<b>2016 Suffolk Coastal Norse Ltd £'000</b>	<b>2015 Council Investment (20%) £'000</b>
Property, Plant & Equipment	-	-	-	-
<b>Current Assets</b>				
Stock	150	30	95	19
Debtors	4,996	999	3,998	800
Cash at Bank	<u>45</u>	<u>9</u>	<u>5</u>	<u>1</u>
	<b>5,191</b>	<b>1,038</b>	<b>4,098</b>	<b>820</b>
Creditors falling due within one year	(2,300)	(460)	(1,891)	(378)
Provision for Deferred Taxation	-	-	-	-
Defined Benefit Pension Scheme Liability	<u>(4,012)</u>	<u>(801)</u>	<u>(1,839)</u>	<u>(368)</u>
Net Assets / Shareholder's funds	<b><u>(1,121)</u></b>	<b><u>(223)</u></b>	<b><u>368</u></b>	<b><u>74</u></b>
Share of Actuarial Gains/(Losses)	(1,727)	(345)	1,966	393
Turnover	12,569	2,514	14,896	2,979
Profit on ordinary activity before taxation	363	73	191	38
Tax on profit on ordinary activity	<u>(125)</u>	<u>(25)</u>	<u>7</u>	<u>1</u>
Profit for the Financial Period	238	48	198	39
<u>Tax components included in the above figures are as follows:</u>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Debtors				
- Deferred Tax asset	705	141	350	70
Creditors falling due within one year				
- Corporation Tax	(97)	(19)	(50)	(10)
Tax on profit on ordinary activity				
- Current Tax	129	26	(49)	(10)
- Deferred Tax	<u>(4)</u>	<u>(1)</u>	<u>56</u>	<u>11</u>
	125	25	7	1