

Derbyshire Enterprise Agency Limited

Company Limited by Guarantee

Financial Statements

31 March 2011

Company No: 1706721

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Derbyshire Enterprise Agency Limited

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Derbyshire Enterprise Agency Limited

Company Information

The Board of Directors

D G Cowcher
J S Foxcroft
P A Hollyer
T W W McGregor
G M B Nicholson
R A Salt
A Smith

Company Secretary

S Broadhead

Registered Office

Commerce Centre
Canal Wharf
Chesterfield
Derbyshire
S41 7NA

Auditor

Shorts
Chartered Accountants
& Statutory Auditor
6 Fairfield Road
Chesterfield
Derbyshire
S40 4TP

Bankers

National Westminster Bank Plc

Derbyshire Enterprise Agency Limited

Directors' Report *(continued)*

for the year ended 31 March 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2011

Principal Activities

The principal activity of the company during the year was that of a property management company which provides support services for pre-start and start-up businesses in Derbyshire

Directors

The directors who served the company during the year were as follows

R Appleton (resigned 26 January 2011)

D G Cowcher

J S Foxcroft

P A Hollyer

H J Jones (resigned 14 July 2010)

T A Kemp (resigned 23 May 2011)

T W W McGregor

G M B Nicholson

R A Salt

A Smith

Directors' Indemnity Provisions

The directors have been granted a qualifying third party indemnity provision under Section 234 of the Companies Act 2006. This indemnity does not provide cover in the event of a director being proved to have acted fraudulently or dishonestly.

Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- There is no relevant audit information of which the company's auditor is unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Derbyshire Enterprise Agency Limited

Directors' Report *(continued)*

for the year ended 31 March 2011

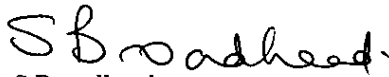
Auditor

Shorts are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors

A handwritten signature in black ink, appearing to read 'S Broadhead'.

S Broadhead
Company Secretary

Approved by the directors on 26 September 2011

Derbyshire Enterprise Agency Limited
Independent Auditor's Report to the Member of
Derbyshire Enterprise Agency Limited
for the year ended 31 March 2011

We have audited the financial statements of Derbyshire Enterprise Agency Limited for the year ended 31 March 2011 on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its deficit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

Howard Freeman (Senior Statutory Auditor)
For and on behalf of
Shorts
Chartered Accountants & Statutory Auditor

6 Fairfield Road
Chesterfield
Derbyshire
S40 4TP

26 September 2011

Derbyshire Enterprise Agency Limited

Income and Expenditure Account

for the year ended 31 March 2011

		2011	2010
	Note	£	£
Turnover		680,208	1,038,544
Cost of sales		661,676	1,023,385
Gross Surplus		<u>18,532</u>	<u>15,159</u>
Administrative expenses		28,935	7,276
Operating (Deficit)/Surplus	2	<u>(10,403)</u>	<u>7,883</u>
Interest receivable		4,876	2,839
(Deficit)/Surplus on Ordinary Activities before Taxation		<u>(5,527)</u>	<u>10,722</u>
Tax on (deficit)/surplus on ordinary activities	4	—	—
(Deficit)/Surplus for the Financial Year		<u><u>(5,527)</u></u>	<u><u>10,722</u></u>

The notes on pages 8 to 13 form part of these financial statements.

Derbyshire Enterprise Agency Limited
Statement of Total Recognised Gains and Losses
for the year ended 31 March 2011

	2011	2010
	£	£
(Deficit)/surplus for the financial year		
Attributable to the member	(5,527)	10,722
Unrealised (loss)/profit on revaluation of freehold property	(22,700)	2,300
Unrealised loss on revaluation of investment property	(135,000)	—
Total (losses)/gains recognised since the last annual report	<u>(163,227)</u>	<u>13,022</u>

The notes on pages 8 to 13 form part of these financial statements.

Derbyshire Enterprise Agency Limited

Company Registration Number: 1706721

Balance Sheet

at 31 March 2011

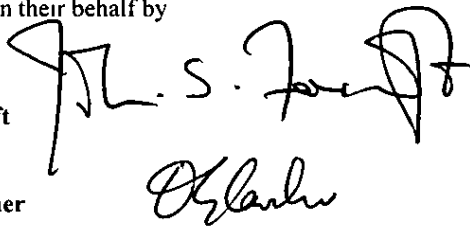
	Note	£	2011 £	£	2010 £
Fixed Assets					
Tangible assets	5		790,367		951,516
Investments	6		20,000		20,000
			<u>810,367</u>		<u>971,516</u>
Current Assets					
Debtors	7	209,448		176,290	
Cash at bank		208,625		267,295	
		<u>418,073</u>		<u>443,585</u>	
Creditors: Amounts falling due within one year	8	<u>40,045</u>		<u>62,908</u>	
Net Current Assets			<u>378,028</u>		<u>380,677</u>
Total Assets Less Current Liabilities			<u>1,188,395</u>		<u>1,352,193</u>
Government grants	9		<u>-</u>		<u>571</u>
			<u>1,188,395</u>		<u>1,351,622</u>
Reserves	11				
Revaluation reserve	12		283,105		443,105
Income and expenditure account	12		905,290		908,517
Member's Funds			<u>1,188,395</u>		<u>1,351,622</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 26 September 2011, and are signed on their behalf by

J S Foxcroft

D G Cowcher
Directors



The notes on pages 8 to 13 form part of these financial statements.

Derbyshire Enterprise Agency Limited

Notes to the Financial Statements

for the year ended 31 March 2011

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

The turnover shown in the income and expenditure account represents the amount of rent receivable for the year together with the value of services provided, which are recognised at the point of delivery

Fixed Assets

All fixed assets are initially recorded at cost

The cost of the investment property, being the Brian Clough Business Centre, was stated net of grants received at the time of its initial purchase and refurbishment. This policy is not in accordance with the Companies Act 2006 which requires that all fixed assets be shown at cost less depreciation, and, consequently, grants received shown as deferred income and amortised over the useful life of the associated asset. It is, however, in accordance with SSAP 4 which allows capital grants to be deducted from the cost of fixed assets as an alternative to being shown separately as deferred income. The investment property, which is stated at valuation and is not subject to depreciation (see below), is considered to be a long-term asset and so the directors believe that the initial grants received, without which the property could not have been purchased, are better shown as reserves, subsumed within the revaluation reserve, than as deferred income deducted from net assets. Consequently this departure from the provisions of the Companies Act is made in order to give a true and fair view.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	- 2% straight line
Fixtures & fittings	- 20% straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Investment Properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Derbyshire Enterprise Agency Limited

Notes to the Financial Statements

for the year ended 31 March 2011

1 Accounting Policies (continued)

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date and are not regarded as permanent differences. A deferred tax asset is recognised only to the extent that its recovery is regarded as reasonably certain.

Provision is made for tax on gains arising from the revaluation of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets or financial liabilities.

Deferred Government Grants

With the exception of grants received to enable the company to initially purchase and refurbish the Brian Clough Business Centre, government grants in respect of capital expenditure are treated as deferred income and are credited to the income and expenditure account over the estimated useful life of the assets to which they relate.

2. Operating (Deficit)/Surplus

Operating (deficit)/surplus is stated after charging/(crediting)

	2011 £	2010 £
Amortisation of government grants	(571)	(10,539)
Depreciation of owned fixed assets	3,449	31,037
Auditor's fees	3,750	3,750

3 Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Aggregate remuneration	8,965	10,200
Value of company pension contributions to money purchase schemes	3,091	1,530
	<u>12,056</u>	<u>11,730</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No.	2010 No.
Money purchase schemes	<u>1</u>	<u>1</u>

Derbyshire Enterprise Agency Limited

Notes to the Financial Statements

for the year ended 31 March 2011

4. Taxation on Ordinary Activities

Current tax

	2011	2010
	£	£
UK corporation tax at 21% (2010 21%) based on the results for the year	—	—

Factors affecting current tax charge

There is no tax payable for the year. This is different from the amount that would arise if the standard rate of corporation tax of 21% (2010 21%) were applied to the surplus/(deficit) for the year. This is reconciled as follows:

	2011	2010
	£	£
(Deficit)/surplus on ordinary activities multiplied by the standard rate of corporation tax	(1,161)	2,251
<i>Effects of</i>		
Expenses not deductible for tax purposes	483	483
Capital allowances for period (more)/less than depreciation	(1,064)	2,340
Utilisation of tax losses	-	(5,337)
Unrelieved tax losses	1,742	-
Income exempt from corporation tax	-	263
Total current tax	-	-

Factors that may affect future tax charges

A deferred tax asset in respect of unrelieved tax losses is not recognised due to the uncertainty of the company generating sufficient taxable surpluses in the foreseeable future. The amount unprovided at 31 March 2011 is, using the rate of corporation applicable for future years (20%), £90,143 (2010, restated to the future rate of tax £88,484).

No provision has been made for deferred tax on gains recognised on revaluing property to its open market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided is, using the rate of corporation tax expected to be applicable were the company to sell these assets in future years (26%), £75,903 (2010, restated to the future rate of tax £129,311). At present, it is not envisaged that any tax will become payable in this respect in the foreseeable future.

Tax deferred by other items is not material and no provision is made therefor.

Derbyshire Enterprise Agency Limited

Notes to the Financial Statements

for the year ended 31 March 2011

5. Tangible Fixed Assets

	Freehold Property £	Investment property £	Fixtures and fittings £	Total £
Cost or Valuation				
At 1 April 2010	150,000	800,000	143,686	1,093,686
Revaluation	(25,000)	(135,000)	—	(160,000)
At 31 March 2011	<u>125,000</u>	<u>665,000</u>	<u>143,686</u>	<u>933,686</u>
Depreciation				
At 1 April 2010	—	—	142,170	142,170
Charge for the year	2,300	—	1,149	3,449
Revaluation adjustment	(2,300)	—	—	(2,300)
At 31 March 2011	<u>—</u>	<u>—</u>	<u>143,319</u>	<u>143,319</u>
Net Book Value				
At 31 March 2011	<u>125,000</u>	<u>665,000</u>	<u>367</u>	<u>790,367</u>
At 31 March 2010	<u>150,000</u>	<u>800,000</u>	<u>1,516</u>	<u>951,516</u>

Freehold property

The freehold property cost £nil and was valued at £125,000 on an open market existing use basis as at 31 March 2011 by Wilkins Hammond, chartered surveyors. Included in this is land valued at £30,000 which is not subject to depreciation.

Investment property

The investment property, being the Brian Clough Business Centre, was valued at £665,000 on an open market existing use basis as at 31 March by Wilkins Hammond, chartered surveyors. The original cost of the property is as follows:

	2011 £	2010 £
Cost	1,173,524	1,173,524
Grant received	(666,629)	(666,629)
Net	<u>506,895</u>	<u>506,895</u>

6. Investments

	Other investment £
Cost	
At 1 April 2010 and 31 March 2011	<u>20,000</u>
Net Book Value	
At 31 March 2011 and 31 March 2010	<u>20,000</u>

Other investment

The company owns 20,000 ordinary shares of £1 each in Derby Loans (IPS) Limited, an unlisted company registered under the Industrial and Provident Societies Act 1965 (revised 2004) engaged in providing loan finance to small businesses in the Derby area. This investment represents 4% of the voting rights in Derby Loans (IPS) Limited.

Derbyshire Enterprise Agency Limited
Notes to the Financial Statements
for the year ended 31 March 2011

7. Debtors

	2011	2010
	£	£
Trade debtors	167,175	122,787
Other debtors	42,273	53,503
	<u>209,448</u>	<u>176,290</u>

8 Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	28,953	30,003
Amounts owed to group undertakings	1,733	7,892
Taxation	—	9,106
Other creditors	9,359	15,907
	<u>40,045</u>	<u>62,908</u>

9. Government Grants

	2011	2010
	£	£
Received		
At 1 April 2010	52,694	52,694
At 31 March 2011	<u>52,694</u>	<u>52,694</u>
Amortisation		
At 1 April 2010	52,123	41,584
Credit to profit and loss account	571	10,539
At 31 March 2011	<u>52,694</u>	<u>52,123</u>
Net balance at 31 March 2011	<u>-</u>	<u>571</u>

10. Related Party Transactions

The company is controlled by its parent undertaking, Derbyshire and Nottinghamshire Chamber of Commerce and Industry ("DNCC")

The company has taken advantage of the exemption granted in the Financial Reporting Standard for Smaller Entities from the requirement to disclose transactions with other members of the DNCC group as the consolidated accounts of the group are publicly available and copies can be obtained from the company's registered office

During the year, the company paid £9,025 (2010 £13,936) in respect of insurance services provided by A H Bell & Co (Insurance Brokers) Limited, a company with which R A Salt is associated

Derbyshire Enterprise Agency Limited

Notes to the Financial Statements

for the year ended 31 March 2011

11. Company Limited by Guarantee

The company is limited by guarantee and does not have a share capital. Every member undertakes to contribute to the assets of the company in the event of it being wound up while he is a member or within one year thereafter for payment of the debts and liabilities of the company contracted before he ceases to be a member and the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £50.

12. Reserves

	Revaluation reserve £	Income and expenditure account £
Balance brought forward	443,105	908,517
Deficit for the year	—	(5,527)
Other gains and losses revaluation of fixed assets	(157,700)	—
Other movements transfer of excess depreciation on revalued assets	(2,300)	2,300
Balance carried forward	283,105	905,290

Restricted reserves

Included within the income and expenditure account reserves is an amount of £21,579 (2010: £21,579) representing funds ring-fenced for providing business support in Derbyshire.

13. Ultimate Parent Undertaking

The company is a wholly owned subsidiary of Derbyshire and Nottinghamshire Chamber of Commerce and Industry, which is the ultimate parent undertaking.