# Derbyshire Enterprise Agency Limited

Registered number: 1706721

## Directors' report and financial statements

**For the year ended 31 March 2017**

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**DERBYSHIRE ENTERPRISE AGENCY LIMITED**
**(A Company Limited by Guarantee)**

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | S Knowles<br>D Beresford (appointed 25 April 2017) |
| **Company secretary** | L F Dexter |
| **Registered number** | 1706721 |
| **Registered office** | Commerce House<br>Millennium Way<br>Dunston Road<br>Chesterfield<br>Derbyshire<br>S41 8ND |
| **Independent auditor** | Mazars LLP<br>Chartered Accountants & Statutory Auditor<br>Park View House<br>58 The Ropewalk<br>Nottingham<br>NG1 5DW |
| **Bankers** | National Westminster Bank Plc<br>5 Market Place<br>Chesterfield<br>Derbyshire<br>S40 1TW |

DERBYSHIRE ENTERPRISE AGENCY LIMITED
(A Company Limited by Guarantee)

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# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

## Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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 to 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.

## Principal activity

The principal activity of the company continued to be that of a property management company.

## Director

The director who served during the year was:

S Knowles

## Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## Audltor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

## DIRECTORS' REPORT (CONTINUED)
## FOR THE YEAR ENDED 31 MARCH 2017

### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

S Knowles
Director

Date: 26/9/17

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE ENTERPRISE AGENCY LIMITED

We have audited the financial statements of Derbyshire Enterprise Agency Limited for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 Ethical Standards for Auditors. This report is made solely to the Company's members 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 members 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 members as a body for our audit work, for this report, or for the opinions we have formed.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

### Opinion on the 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 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on the other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE ENTERPRISE AGENCY LIMITED

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 take advantage of the small companies' exemption in preparing the Directors' Report.

David Hoose

David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 26/9/17

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 MARCH 2017

| | Note | 2017 £ | 2016 £ |
|---|---|---|---|
| Turnover | 4 | 138,600 | 125,550 |
| Cost of sales | | (43,494) | (25,527) |
| **Gross profit** | | 95,106 | 100,023 |
| Administrative expenses | | (85,707) | (108,814) |
| **Profit/(loss) before tax** | 5 | 9,399 | (8,791) |
| **Profit/(loss) for the financial year** | | 9,399 | (8,791) |

There was no other comprehensive income other than the profit/(loss) for the year in 2017 and 2016.

**DERBYSHIRE ENTERPRISE AGENCY LIMITED**
**(A Company Limited by Guarantee)**
**REGISTERED NUMBER: 1706721**

## BALANCE SHEET
## AS AT 31 MARCH 2017

| | Note | | 2017 £ | | 2016 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **9** | | 96,334 | | 99,346 |
| Investments | **10** | | 20,000 | | 20,000 |
| Investment property | **11** | | 875,000 | | 875,000 |
| | | | 991,334 | | 994,346 |
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | **12** | 18,807 | | 26,466 | |
| Cash at bank and in hand | | 368,129 | | 338,280 | |
| | | 386,936 | | 364,746 | |
| Creditors: amounts falling due within one year | **13** | (39,340) | | (29,561) | |
| **Net current assets** | | | 347,596 | | 335,185 |
| **Total assets less current liabilities** | | | 1,338,930 | | 1,329,531 |
| Creditors: amounts falling due after more than one year | **14** | | (204,243) | | (204,243) |
| **Net assets** | | | 1,134,687 | | 1,125,288 |
| **Capital and reserves** | | | | | |
| Profit and loss account | **15** | | 1,134,687 | | 1,125,288 |
| | | | 1,134,687 | | 1,125,288 |

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

*The financial statements were approved and authorised for issue by the board and were signed on its behalf by:*

SKL

**S Knowles**
Director

Date: 26/9/17

The notes on pages 8 to 18 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2017

| | Retained earnings | Total equity |
|---|---|---|
| | £ | £ |
| At 1 April 2016 | 1,125,288 | 1,125,288 |
| Profit for the year | 9,399 | 9,399 |
| **Total comprehensive income for the year** | 9,399 | 9,399 |
| **At 31 March 2017** | 1,134,687 | 1,134,687 |

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2016

| | Retained earnings | Total equity |
|---|---|---|
| | £ | £ |
| At 1 April 2015 | 1,134,079 | 1,134,079 |
| Loss for the year | (8,791) | (8,791) |
| **Total comprehensive income for the year** | (8,791) | (8,791) |
| **At 31 March 2016** | 1,125,288 | 1,125,288 |

The notes on pages 8 to 18 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 1. General information

Derbyshire Enterprise Agency Limited exists as a company limited by guarantee in Derbyshire. It is incorporated in England and Wales. Its registered address is Commerce House Millennium Way, Dunston Road, Chesterfield, Derbyshire, S41 8ND, United Kingdom and registered number is 1706721.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention certain fixed assets and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Derbyshire and Nottinghamshire Chamber of Commerce and Industry as at 31 March 2016 and these financial statements may be obtained from Commerce Centre, Canal Wharf, Chesterfield, Derbyshire, S41 7NA.

#### 2.3 Income

Income represents the amount of rent receivable for the year, together with the value of services provided, which are recognised at the point of delivery.

## 2. Accounting policies (continued)

### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Freehold property | - 2% straight line |
| Fixtures & fittings | - 20% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

### 2.5 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Profit and Loss Account.

### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each Balance Sheet date. Gains and Losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and Losses on remeasurement are recognised in Profit or Loss Account for the year.

## 2. Accounting policies (continued)

### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction value, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

### 2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Profit and Loss Account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimations and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgments in applying the estimate's accounting policies

Recognition of deferred tax assets
As described above, unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The company has made judgments as to the recovery of deferred tax assets.

(b) Critical accounting estimates and assumptions

The company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangibles assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Accounting Policy Note for the useful economic lives for each class of asset.

(ii) Impairment of debtors
The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 4. Analysis of turnover

An analysis of turnover by class of business is as follows:

| | 2017 £ | 2016 £ |
|---|---|---|
| Services provided | 138,600 | 125,550 |
| | 138,600 | 125,550 |

Analysis of turnover by country of destination:

| | 2017 £ | 2016 £ |
|---|---|---|
| United Kingdom | 138,600 | 125,550 |
| | 138,600 | 125,550 |

### 5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

| | 2017 £ | 2016 £ |
|---|---|---|
| Depreciation of tangible fixed assets | 3,012 | 2,547 |

During the year, no director received any emoluments (2016 - £NIL).

### 6. Auditor's remuneration

Auditor remuneration costs are borne by East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) (formerly Derbyshire and Nottinghamshire Chamber of Commerce and industry), a participating member.

### 7. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

## 8. Taxation

| | 2017 £ | 2016 £ |
|---|---|---|
| **Total current tax** | - | - |
| **Deferred tax** | | |
| **Total deferred tax** | - | - |
| **Taxation on profit on ordinary activities** | - | - |

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

| | 2017 £ | 2016 £ |
|---|---|---|
| Profit on ordinary activities before tax | 9,399 | (8,791) |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%) | 1,880 | (1,758) |
| **Effects of:** | | |
| Losses carried forward/(Utilisation of tax losses) | (1,880) | 1,758 |
| **Total tax charge for the year** | - | - |

**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 is £91,428 (2016: £98,120) using the rate of corporation tax applicable for future years, 19% (2016: 20%).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 9. Tangible fixed assets

| | Land & buildings | Fixtures & fittings | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost or valuation** | | | |
| At 1 April 2016 | 100,000 | 147,661 | 247,661 |
| At 31 March 2017 | 100,000 | 147,661 | 247,661 |
| **Depreciation** | | | |
| At 1 April 2016 | 4,166 | 144,149 | 148,315 |
| Charge owned for the period | 2,310 | 702 | 3,012 |
| At 31 March 2017 | 6,476 | 144,851 | 151,327 |
| **Net book value** | | | |
| At 31 March 2017 | 93,524 | 2,810 | 96,334 |
| At 31 March 2016 | 95,834 | 3,512 | 99,346 |

Included within freehold property is land of £24,000 (2016: £24,000) on which depreciation has not been charged.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 10. Fixed asset investments

| | Unlisted Investments £ |
|---|---|
| **Cost or valuation** | |
| At 1 April 2016 | 20,000 |
| At 31 March 2017 | 20,000 |
| **Net book value** | |
| At 31 March 2017 | 20,000 |
| At 31 March 2016 | 20,000 |

The following were unlisted investments of the Company:

| Name | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Derby Loans (IPS) Limited | United Kingdom | Ordinary | 4% | Provider of loan finance to small businesses in the Derby area. |

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 represents 4% of the voting rights in Derby Loans (IPS) Limited.

## 11. Investment property

| | Long term leasehold investment property £ |
|---|---|
| **Valuation** | |
| At 1 April 2016 | 875,000 |
| **At 31 March 2017** | 875,000 |

The 2014 valuation on the Brian Clough Business Centre was made by Gadsby Orridge, on an open market value for existing use basis.

The directors consider that the market value of the investment property has not materially changed at 31 March 2017.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

| | 2017 £ | 2016 £ |
|---|---|---|
| Historic cost | 641,851 | 641,851 |
| Accumulated depreciation and impairments | (166,881) | (154,044) |
| | 474,970 | 487,807 |

## 12. Debtors

| | 2017 £ | 2016 £ |
|---|---|---|
| Trade debtors | 6,219 | 9,520 |
| Other debtors | 12,588 | 16,946 |
| | 18,807 | 26,466 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 13. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|---|---|---|
| Trade creditors | 13,444 | 12,532 |
| Amounts owed to group undertakings | 1,482 | 1,482 |
| Corporation tax | - | 3 |
| Taxation and social security | 6,445 | - |
| Other creditors | 17,969 | 15,544 |
| | 39,340 | 29,561 |

### 14. Creditors: Amounts falling due after more than one year

| | 2017 £ | 2016 £ |
|---|---|---|
| Government Grants | 204,243 | 204,243 |
| | 204,243 | 204,243 |

### 15. Reserves

**Other reserves**

Included within the income and expenditure account reserves is an amount of £21,579 (2016: £21,579) representing funds ring-fenced for providing support in Derbyshire.

**Profit & loss account**

The profit & loss account represents profits and losses retained in the previous and current periods.

### 16. Company status

The Company is a private company limited by guarantee and consequently does not have 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.

## 17. Related party transactions

The Company is controlled by its parent undertaking, East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) (formerly Derbyshire and Nottinghamshire Chamber of Commerce and Industry).

The Company has taken advantage of the exemption granted in FRS102 (paragraph 33.1A) from the requirement to disclose transactions with wholly owned members of the East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) group.

## 18. Controlling party

The immediate and ultimate parent company and controlling party is East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) (formerly Derbyshire and Nottinghamshire Chamber of Commerce and Industry), the largest and smallest parent company of the group in which the results of the company are consolidated, a company incorporated in England and Wales. The financial statements for that company can be obtained from Companies House or the registered address being Commerce House Millennium Way, Dunston Road, Chesterfield, Derbyshire, S41 8ND.