

REGISTERED NUMBER: 02050252

Financial Statements
for the Year Ended 31 March 2018
for
East Durham Business Service Ltd

East Durham Business Service Ltd (Registered number: 02050252)

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for the Year Ended 31 March 2018

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East Durham Business Service Ltd

Company Information
for the Year Ended 31 March 2018

DIRECTORS:

I West
N C Foster
C D Fairs
S Duncan
P Hardy
I McLean

REGISTERED OFFICE:

Novus Business Centre
Judson Road
North West Industrial Estate
Peterlee
Co. Durham
SR8 2QJ

REGISTERED NUMBER:

02050252

AUDITORS:

Anderson Barrowcliff LLP
Statutory Auditors
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

East Durham Business Service Ltd (Registered number: 02050252)

Balance Sheet
31 March 2018

| | Notes | 2018 | | 2017 as restated | |
|--|-------|----------------|----------------------|---------------------|---------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 413,212 | | 441,806 |
| Investments | 5 | | <u>200</u> | | <u>200</u> |
| | | | 413,412 | | 442,006 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 125,923 | | 131,933 | |
| Cash at bank and in hand | | <u>4,702</u> | | <u>104</u> | |
| | | 130,625 | | 132,037 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>191,067</u> | | <u>210,342</u> | |
| NET CURRENT LIABILITIES | | | (60,442) | | (78,305) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 352,970 | | 363,701 |
| ACCRUALS AND DEFERRED INCOME | | | | | |
| | 10 | | <u>334,122</u> | | <u>356,929</u> |
| NET ASSETS | | | <u>18,848</u> | | <u>6,772</u> |
| RESERVES | | | | | |
| Other reserves | 11 | | 11,929 | | 11,929 |
| Income and expenditure account | 11 | | <u>6,919</u> | | <u>(5,157)</u> |
| | | | <u>18,848</u> | | <u>6,772</u> |

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 12 December 2018 and were signed on its behalf
by:

I West - Director

The notes form part of these financial statements

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East Durham Business Service Ltd (Registered number: 02050252)

**Notes to the Financial Statements
for the Year Ended 31 March 2018**

1. **STATUTORY INFORMATION**

East Durham Business Service Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

Although the company had net current liabilities at 31 March 2018 of £60,442 the financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the future trading prospects of the company and continued financial support of the company's bankers through the renewal of the bank overdraft facility.

The directors believe that it is appropriate to prepare the financial statements on a going concern basis. They believe the company will have sufficient finance to support the company for the foreseeable future and as such, believe it is appropriate for the financial statements to be prepared on a going concern basis. These accounts do not contain any adjustments that would be required should the going concern basis not be appropriate.

Turnover

Turnover represents donations received and pledged, business advice, consultancy income received, rental income and service charges and revenue grants receivable during the year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|--------------------------------|
| Leasehold Property | - over the period of the lease |
| Fixtures and fittings | - 33% on cost and 15% on cost |
| Computer equipment | - 33% on cost |

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences,

exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. continued...

East Durham Business Service Ltd (Registered number: 02050252)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

2. **ACCOUNTING POLICIES - continued**

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other administrative expenses.

Grants

Government grants of a capital nature are credited to a deferred income account in the Balance Sheet on receipt.

The deferred income is released to the Profit & Loss Account over the period which corresponds to the depreciation policy on the grant aided asset. Grants of a revenue nature are credited to the Profit & Loss Account in the period in which they become receivable.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2017 - 6) .

4. **TANGIBLE FIXED ASSETS**

| | Leasehold Property £ | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|------------------------|----------------------------|----------------------------------|----------------------------|----------------|
| COST | | | | |
| At 1 April 2017 | 554,985 | 21,002 | 19,709 | 595,696 |
| Disposals | - | - | (15,038) | (15,038) |
| At 31 March 2018 | <u>554,985</u> | <u>21,002</u> | <u>4,671</u> | <u>580,658</u> |
| DEPRECIATION | | | | |
| At 1 April 2017 | 114,333 | 20,791 | 18,766 | 153,890 |
| Charge for year | 27,440 | 211 | 943 | 28,594 |
| Eliminated on disposal | - | - | (15,038) | (15,038) |
| At 31 March 2018 | <u>141,773</u> | <u>21,002</u> | <u>4,671</u> | <u>167,446</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2018 | <u>413,212</u> | <u>-</u> | <u>-</u> | <u>413,212</u> |
| At 31 March 2017 | <u>440,652</u> | <u>211</u> | <u>943</u> | <u>441,806</u> |

East Durham Business Service Ltd (Registered number: 02050252)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

5. **FIXED ASSET INVESTMENTS**

| | Unlisted investments £ |
|--------------------------------------|---------------------------------------|
| COST | |
| At 1 April 2017 and 31 March 2018 | <u>200</u> |
| NET BOOK VALUE | |
| At 31 March 2018 | <u>200</u> |
| At 31 March 2017 | <u>200</u> |

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Associated company

County Durham Enterprise Agencies Limited

Nature of business:

| Class of shares: | % | | |
|--------------------------------|------------------|---------------------|------------|
| Ordinary shares | holding 25.00 | 2018 | 2017 |
| | | £ | £ |
| Aggregate capital and reserves | | 2,916 | 1,006 |
| Profit/(Loss) for the year | | <u>1,715</u> | <u>997</u> |

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 | 2017 as restated |
|---------------|-----------------------|------------------------|
| | £ | £ |
| Trade debtors | 51,848 | 52,035 |
| Other debtors | <u>74,075</u> | <u>79,898</u> |
| | <u>125,923</u> | <u>131,933</u> |

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2018 | 2017 as restated |
|------------------------------|-----------------------|------------------------|
| | £ | £ |
| Bank loans and overdrafts | - | 12,299 |
| Trade creditors | 75,175 | 98,434 |
| Taxation and social security | 15,255 | 15,320 |
| Other creditors | <u>100,637</u> | <u>84,289</u> |
| | <u>191,067</u> | <u>210,342</u> |

East Durham Business Service Ltd (Registered number: 02050252)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

8. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2018 | 2017 as restated |
|----------------------------|-----------------------|------------------------|
| | £ | £ |
| Within one year | 22,882 | 22,882 |
| Between one and five years | 91,528 | 91,528 |
| In more than five years | <u>251,702</u> | <u>274,584</u> |
| | <u>366,112</u> | <u>388,994</u> |

9. **SECURED DEBTS**

The following secured debts are included within creditors:

| | 2018 | 2017 as restated |
|----------------|-------------|------------------------|
| | £ | £ |
| Bank overdraft | <u>-</u> | <u>12,299</u> |

The bank overdraft is secured by a debenture dated 5 November 2012.

10. **ACCRUALS AND DEFERRED INCOME**

| | 2018 | 2017 |
|-----------------------------|------------------------|-----------------|
| | £ | £ |
| Deferred government grants | 356,929 | 379,736 |
| Grants released in the year | <u>(22,807)</u> | <u>(22,807)</u> |
| | <u>334,122</u> | <u>356,929</u> |

East Durham Business Service Ltd (Registered number: 02050252)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

11. **RESERVES**

| | | | Income and expenditure account | Other reserves | Totals |
|-----------------------|---|---|---|----------------------|----------------------|
| | £ | £ | £ | | |
| At 1 April 2017 | | | 601 | 11,929 | 12,530 |
| Prior year adjustment | | | <u>(5,758)</u> | - | <u>(5,758)</u> |
| | | | (5,157) | 11,929 | 6,772 |
| Surplus for the year | | | <u>12,076</u> | - | <u>12,076</u> |
| At 31 March 2018 | | | <u><u>6,919</u></u> | <u><u>11,929</u></u> | <u><u>18,848</u></u> |

In 1990, funds amounting to £258,751, previously held for the benefit of the company by Easington District Employment Trust, were paid over to the company for it to administer itself. As such, the directors considered it appropriate to treat this amount as a reserve fund.

The amount held as other reserves at 31 March 2018 was £11,929. This is less than the original amount transferred, as detailed above, as the company transferred £18,322 to the profit and loss account reserve in the year ended 31 March 2004, £100,000 in the year ended 31 March 2012 and £36,000 in the year ended 31 March 2013 and £80,000 in the year ended 31 March 2016 and £12,500 in the year ended 31 March 2017 to ensure this reserve remained a surplus balance.

It was agreed at the 2011 Annual General Meeting that the amount held as other reserves could be utilised by the Company to help meet its running costs during the anticipated difficult trading conditions caused by the downturn in the availability of public sector project funding opportunities.

12. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Beverley Blakey FCA (Senior Statutory Auditor)
for and on behalf of Anderson Barrowcliff LLP

13. **RELATED PARTY DISCLOSURES**

An interest free loan of £9,229 (2017: £4,500) was received from County Durham Enterprise Agencies Limited, a company in which Denise Fielding is an office holder. The loan is fully repayable within one year. The £4,500 loan brought forward was repaid on 28 February 2018.

In the year 31 March 2017 an interest free loan of £10,000 was received from Ian West, who is a director of the business. The loan was fully repayable within one year. However at 31 March 2018 only £7,500 had been repaid within one year, leaving £2,500 outstanding. No interest has been charged on the loan.

14. **COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

