

**NORTH EAST INNOVATION CENTRE COMPANY
LIMITED (UNDER A VOLUNTARY ARRANGEMENT)
COMPANY LIMITED BY GUARANTEE
UNAUDITED ABBREVIATED ACCOUNTS
31st MARCH 2006**



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Newcastle upon Tyne

**NORTH EAST INNOVATION CENTRE COMPANY LIMITED
(UNDER A VOLUNTARY ARRANGEMENT)
COMPANY LIMITED BY GUARANTEE**

**ABBREVIATED ACCOUNTS
YEAR ENDED 31st MARCH 2006**

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**NORTH EAST INNOVATION CENTRE COMPANY LIMITED
(UNDER A VOLUNTARY ARRANGEMENT)
COMPANY LIMITED BY GUARANTEE**

ABBREVIATED BALANCE SHEET

31st MARCH 2006

	Note	£	2006 £	2005 £
Fixed assets	2			
Tangible assets			12,225	33,032
Investments			<u>1</u>	<u>1</u>
			12,226	33,033
Current assets				
Stocks		-	54,792	
Debtors		188,022	278,770	
Cash at bank and in hand		<u>323</u>	<u>361</u>	
		188,345	333,923	
Creditors: Amounts falling due within one year		<u>(456,756)</u>	<u>(119,564)</u>	
Net current (liabilities)/assets			<u>(268,411)</u>	<u>214,359</u>
Total assets less current liabilities			<u>(256,185)</u>	<u>247,392</u>
Reserves	3			
Profit and loss account			<u>(256,185)</u>	<u>247,392</u>
(Deficit)/members' funds			<u>(256,185)</u>	<u>247,392</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 12th August 2008, and are signed on their behalf by

G W ORD



The notes on page 1 form part of these abbreviated accounts

**NORTH EAST INNOVATION CENTRE COMPANY LIMITED
(UNDER A VOLUNTARY ARRANGEMENT)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2006

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements have been prepared on a break up basis as the Company is not a going concern having entered into a Voluntary Arrangement with its creditors on 28 July 2006

Turnover

The turnover shown in the accounts represents amounts invoiced during the year, exclusive of Value Added Tax, together with grants received, which are matched to either the expenditure or period to which they relate

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

Plant & Machinery	- 10% on cost
Fixtures & Fittings	- 10% on cost
Motor Vehicles	- 20% - 25% on cost
Computer equipment	- 33 3% - 50% on cost

Work in progress

Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses

Fees are calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract

The amount by which recorded turnover is in excess of payments on account is included in work in progress

Excess progress payments and provision for anticipated future losses on contracts are included in creditors as "payments received on account "

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

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NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2006

1. Accounting policies *(continued)*

Pension costs

The company participates in a defined benefit scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees in the scheme. The pension charge is calculated on the basis of actuarial advice. On the advice of the actuary pension costs had previously been accounted for on a defined contribution basis. This basis is adopted because it had not been possible to identify separately on a consistent and reasonable basis, the assets and liabilities which relate to the company as required by FRS17 and future service accrual contribution was accrued on a "grouped" basis. The contributions ceased in July 2006 when the company entered into a Company Voluntary Arrangement with its creditors.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Fixed assets

	Tangible Assets £	Investments £	Total £
Cost			
At 1st April 2005	88,690	100	88,790
Additions	92	–	92
Disposals	(44,072)	–	(44,072)
At 31st March 2006	<u>44,710</u>	<u>100</u>	<u>44,810</u>
Depreciation and amounts written off			
At 1st April 2005	55,658	99	55,757
Charge for year	12,250	–	12,250
On disposals	(35,423)	–	(35,423)
At 31st March 2006	<u>32,485</u>	<u>99</u>	<u>32,584</u>
Net book value			
At 31st March 2006	<u>12,225</u>	<u>1</u>	<u>12,226</u>
At 31st March 2005	<u>33,032</u>	<u>1</u>	<u>33,033</u>

The investment represents 100% of the issued share capital in North East Innovation Enterprises Limited. This company was dissolved on 26/02/2008.

3. Company limited by guarantee

The liability of each member is limited to £1 to be contributed towards the payment of the debts in the event of the Company being wound up. At 31st March the number of members so liable was 8.