

**NORTH EAST INNOVATION CENTRE  
COMPANY LIMITED**

**A COMPANY LIMITED BY GUARANTEE**

**ABBREVIATED FINANCIAL STATEMENTS**

**31st MARCH 1999**

**JOSEPH MILLER & CO**  
Chartered Accountants  
Newcastle upon Tyne



**NORTH EAST INNOVATION CENTRE COMPANY LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31st MARCH 1999**

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**NORTH EAST INNOVATION CENTRE COMPANY LIMITED**

**AUDITORS' REPORT TO THE COMPANY**

**PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st March 1999 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of the directors and the auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



JOSEPH MILLER & CO  
Chartered Accountants  
Registered Auditors  
Newcastle upon Tyne  
23rd August 1999

# NORTH EAST INNOVATION CENTRE COMPANY LIMITED

## ABBREVIATED BALANCE SHEET

31st MARCH 1999

	Note	1999 £	1998 £
<b>Fixed assets</b>	<b>2</b>		
Tangible assets		33,932	42,503
Investments		<u>1</u>	<u>1</u>
		33,933	42,504
<b>Current assets</b>			
Stocks		34,337	8,453
Debtors		84,165	104,030
Cash at bank and in hand		<u>79,671</u>	<u>261,510</u>
		198,173	373,993
<b>Creditors: Amounts falling due within one year</b>		<u>(60,387)</u>	<u>(108,490)</u>
<b>Net current assets</b>		137,786	265,503
<b>Total assets less current liabilities</b>		<u>171,719</u>	<u>308,007</u>
<b>Reserves</b>	<b>3</b>		
Profit and loss account		<u>171,719</u>	<u>308,007</u>
<b>Members' funds</b>		<u>171,719</u>	<u>308,007</u>

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

These financial statements were approved by the directors on the 23rd August 1999 and are signed on their behalf by:

G W ORD



The notes on pages 3 to 4 form part of these financial statements.

# **NORTH EAST INNOVATION CENTRE COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 31st MARCH 1999**

### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### **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% on cost
Computer equipment	- 33.3% on cost

#### **Plant and machinery**

Various items of plant and machinery were donated to the company and the total unquantified value of these items has not been brought into the accounts.

#### **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 with creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account, and the capital element which reduces the outstanding obligation for future instalments.

# NORTH EAST INNOVATION CENTRE COMPANY LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

**YEAR ENDED 31st MARCH 1999**

### 1. Accounting policies *(continued)*

#### **Pension costs**

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.

### 2. Fixed assets

	<b>Tangible Fixed Assets</b>	<b>Investments</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At 1st April 1998	215,204	100	215,304
Additions	4,061	-	4,061
At 31st March 1999	<u>219,265</u>	<u>100</u>	<u>219,365</u>
<b>Depreciation and amounts written off</b>			
At 1st April 1998	172,701	99	172,800
Charge for year	12,632	-	12,632
At 31st March 1999	<u>185,333</u>	<u>99</u>	<u>185,432</u>
<b>Net book value</b>			
At 31st March 1999	<u>33,932</u>	<u>1</u>	<u>33,933</u>
At 31st March 1998	<u>42,503</u>	<u>1</u>	<u>42,504</u>

### 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 1999 the number of members so liable was 12 (1998 : 12).