

Company registration number 1674373 (England and Wales)

DERWENTSIDE ENTERPRISE AGENCY C.I.C
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



DERWENTSIDE ENTERPRISE AGENCY C.I.C

COMPANY INFORMATION

Directors

Mr Ronald Batty
Mr Harold Burn
Mr Peter McDowell
Mrs Dorothy Kelly
Mr Joseph Murray

Company number

1674373

Registered office

Office 5, Consett Innovation Centre
Ponds Court Business Park
Genesis Way
Consett
Co. Durham
DH8 5XP

Accountants

Murray and Lamb
12 Bessemer Court, Hownsgill Ind Park
Consett
Co Durham
DH8 7BL

DERWENTSIDE ENTERPRISE AGENCY C.I.C

CONTENTS

	Page
Directors' report	1
Profit and loss account	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 11

DERWENTSIDE ENTERPRISE AGENCY C.I.C

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The directors present their annual report and financial statements for the year ended 31 August 2021.

Directors

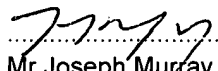
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Ronald Batty
Mr Harold Burn
Mr Peter McDowell
Mrs Dorothy Kelly
Mr Joseph Murray

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr Joseph Murray
Director

Date: 27/5/22

DERWENTSIDE ENTERPRISE AGENCY C.I.C

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DERWENTSIDE ENTERPRISE AGENCY C.I.C FOR THE YEAR ENDED 31 AUGUST 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Derwentside Enterprise Agency C.I.C for the year ended 31 August 2021 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>

This report is made solely to the Board of Directors of Derwentside Enterprise Agency C.I.C, as a body, in accordance with the terms of our engagement letter dated 27 October 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Derwentside Enterprise Agency C.I.C and state those matters that we have agreed to state to the Board of Directors of Derwentside Enterprise Agency C.I.C, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Derwentside Enterprise Agency C.I.C and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Derwentside Enterprise Agency C.I.C has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Derwentside Enterprise Agency C.I.C. You consider that Derwentside Enterprise Agency C.I.C is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Derwentside Enterprise Agency C.I.C. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Murray and Lamb

Chartered Accountants

.....

12 Bessemer Court, Hownsgill Ind Park
Consett
Co Durham
DH8 7BL

DERWENTSIDE ENTERPRISE AGENCY C.I.C

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Turnover	43,540	38,264
Cost of sales	(34,333)	(38,983)
	<hr/>	<hr/>
Gross profit/(loss)	9,207	(719)
Administrative expenses	(15,173)	(14,471)
Other operating income	11,967	18,343
	<hr/>	<hr/>
Operating profit	6,001	3,153
Interest receivable and similar income	4	19
	<hr/>	<hr/>
Profit before taxation	6,005	3,172
Tax on profit	-	-
	<hr/>	<hr/>
Profit for the financial year	<u>6,005</u>	<u>3,172</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

DERWENTSIDE ENTERPRISE AGENCY C.I.C

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		460,316		470,632
Investments	5		-		200
			<u>460,316</u>		<u>470,832</u>
Current assets					
Debtors	6	2,770		2,216	
Cash at bank and in hand		68,232		58,767	
		<u>71,002</u>		<u>60,983</u>	
Creditors: amounts falling due within one year	7	(26,337)		(25,696)	
Net current assets			<u>44,665</u>		<u>35,287</u>
Total assets less current liabilities			<u>504,981</u>		<u>506,119</u>
Creditors: amounts falling due after more than one year	8		(328,584)		(335,727)
Net assets			<u><u>176,397</u></u>		<u><u>170,392</u></u>
Capital and reserves					
Called up share capital			-		-
Profit and loss reserves			<u>176,397</u>		<u>170,392</u>
Total equity			<u><u>176,397</u></u>		<u><u>170,392</u></u>

For the financial year ended 31 August 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

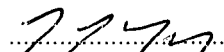
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

DERWENTSIDE ENTERPRISE AGENCY C.I.C

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

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



Mr Joseph Murray

Director

Company Registration No. 1674373

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Company information

Derwentside Enterprise Agency C.I.C 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.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% on revaluation
Fixtures and fittings	33% on reducing balance
Computers	33% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	5	4

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2020 and 31 August 2021	500,000	38,557	30,992	569,549
Depreciation and impairment				
At 1 September 2020	30,000	38,557	30,360	98,917
Depreciation charged in the year	10,000	-	316	10,316
At 31 August 2021	40,000	38,557	30,676	109,233
Carrying amount				
At 31 August 2021	460,000	-	316	460,316
At 31 August 2020	470,000	-	632	470,632

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	-	200

Movements in fixed asset investments

	Shares in associates £
Cost or valuation	
At 1 September 2020	200
Disposals	(200)
At 31 August 2021	-
Carrying amount	
At 31 August 2021	-
At 31 August 2020	200

DERWENTSIDE ENTERPRISE AGENCY C.I.C

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	476	395
Other debtors	2,294	1,821
	<u>2,770</u>	<u>2,216</u>

7 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,376	6,619
Taxation and social security	1,531	-
Other creditors	22,430	19,077
	<u>26,337</u>	<u>25,696</u>

8 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	<u>328,584</u>	<u>335,727</u>

DERWENTSIDE ENTERPRISE AGENCY C.I.C

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020
	£	£	£	£
Turnover				
Rental income		43,540		38,264
Cost of sales				
Innovation centre costs	34,333		38,983	
Total cost of sales		(34,333)		(38,983)
Gross profit/(loss)	21.15%	9,207	1.88%	(719)
Other operating income				
Deferred grant reserve amortisation	7,143		7,143	
Sundry receipts	4,824		11,200	
		11,967		18,343
Administrative expenses				
Cleaning	424		-	
Catering	136		95	
Repairs & maintenance	-		6	
Insurance	382		446	
IT expenses	136		128	
Post and stationery	844		1,199	
Subscriptions	35		35	
Professional fees	2,028		2,028	
Commissions paid	81		65	
Telephone	-		7	
Sundry expenses	791		146	
Depreciation	10,316		10,316	
		(15,173)		(14,471)
Operating profit		6,001		3,153
Interest receivable and similar income				
Bank interest	4		19	
		4		19
Profit before taxation	13.79%	6,005	8.29%	3,172

CIC 34

Community Interest Company Report

For official use
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**Please
complete in
typescript, or
in bold black
capitals.**

**Company Name in
full**

Derwentside Enterprise Agency CIC

Company Number

01674373

Year Ending

31/08/2021

(The date format is required in full)

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Derwentside Enterprise Agency CIC continues to support the owners of small businesses and the potential owners of small and micro businesses through the provision of high-quality, low-cost office space providing access to affordable workspace and associated services. These include meeting space and high speed broadband to businesses that would otherwise struggle to afford such provision. This provision allows businesses to be established and grow in our local community creating employment opportunities and contributing to an emerging entrepreneurial culture.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

The primary stakeholders within the Agency are our tenants / service users, the Local Authority (Durham County Council) and our local business community. We have representation from the local Authority on our Board at both Officer and Councillor Level, we are active within our local business networks and we are in regular communication with our tenants and service users. There has been no formal consultation with stakeholders.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

No remuneration was received

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY (Please note this must be a live signature)

(DD/MM/YY)

The original report must be signed by a director or secretary of the company

Signed

7777

Date

26/04/22

Please note that it is a legal requirement for the date format to be provided in full throughout the CIC34 report.

Applications will be rejected if this information is incorrect.

Office held (delete as appropriate) Director

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Joe Murray	
Derwentside Enterprise Agency, Consett Innovation Centre	
Ponds Court Business Park, Genesis Way, Consett, County Durham DH8 5XP	
Tel 0191 389 2648	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

(N.B. Please enclose a cheque for £15 payable to Companies House)