

3524/15

Company Registration Number 3000723

REGISTRAR OF
COMPANIES

**BUSINESS SUPPORT KENT
COMMUNITY INTEREST COMPANY**

FINANCIAL STATEMENTS

FOR

31ST MARCH 2011

TUESDAY



A00KPZC1
A12 20/12/2011 #61
COMPANIES HOUSE

BURGESS HODGSON

Chartered Accountants & Registered Auditors
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2011

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BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2011

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31st March 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year was to improve the competitiveness of small and medium sized enterprises through the impartial delivery of a variety of services and by providing access to the information, skills, knowledge and advice they need to succeed

The group is also an active partner with a number of key stakeholders in Kent and throughout the South East that seek to promote the economic prosperity of the region

The parent company's status of Community Interest Company accords with the role the business has in serving communities in Kent

The group benefits the following sections of the community through its operations, services and the application of its financial resources and through its influence

- 1 Local communities primarily in Kent, particularly those in designated areas of social deprivation, regeneration or growth, where stimulation of the enterprise economy will bring positive benefits to the economic and social well being of the community
- 2 Individuals who need or want to start a business or commence self-employment, particularly those from sections of the community who are under-represented or disadvantaged in the enterprise economy
- 3 Small and Medium sized businesses and their employees, particularly those in designated areas of social deprivation, regeneration or growth Small and Medium sized businesses account for the majority of new job creation and make a significant positive contribution to the economy

Key Achievements

Financial

The group generated a pre-tax deficit on ordinary activities of £224,591 (2010 surplus of £256,451) during the year The three year contract to provide the Business Link service, funded by SEEDA was successfully completed on 31st March 2010

The loss of the Business Link contract to a national service provider has had a significant impact on the scale of the group, directly resulting in a reduction in turnover from £9,275,082 in 2010 to £5,076,700 in this year The year to 31st March 2011 was very much one of transition requiring a substantial realignment of the organisation which gave rise to significant once-off costs that contributed to the reported deficit

The group has made good progress in reorganising its operations to address the challenges of this new environment, resulting in a reduction in headcount from 103 to 47, and has been successful in securing some new contracts to sustain its future business

Principal Risks and Uncertainties

Following the loss of the Business Link contract the group is continuing to run a number of projects, which are primarily European-funded The group continues to be dependent on securing additional project funding from Europe and the UK There are uncertainties associated with the economic situation for both sources

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

RESULTS AND DIVIDENDS

The trading results for the year and the group's financial position at the end of the year are shown in the attached financial statements

Under the terms of the Memorandum and Articles of Association the company may not distribute profits to its members

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

		Ordinary Shares of £1 each	
		At	At
		31 March 2011	1 April 2010 or later date of appointment
M Adam	(appointed 13 September 2011)	—	—
B W C Bond		2	2
R R Clewley		2	2
J W Faulkner	(resigned 10 May 2011)	2	2
S Holt	(resigned 13 September 2011)	—	—
R C Jones	(resigned 9 August 2011)	—	—
A J Ledger		—	—
J Ollis	(appointed 13 September 2011)	—	—
E Russell	(appointed 13 September 2011)	—	—
P Winter		2	2
S Wood		—	—

The directors have a non-beneficial interest in the shares that they hold

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to re-appoint Burgess Hodgson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Registered office
Foord Annexe
High Street
Rochester
Kent
ME1 1EW

Signed by order of the directors



R R CLEWLEY

Approved by the directors on 22 November 2011

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS****YEAR ENDED 31ST MARCH 2011**

We have audited the group and parent company financial statements of Business Support Kent Community Interest Company for the year ended 31 March 2011 on pages 6 to 19, which have been prepared on the basis of the accounting policies set out on page 11

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 shareholder 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 2, 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 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2011 and of the group's deficit 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 OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31ST MARCH 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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



Mark Laughton
(Senior Statutory Auditor)
For and on behalf of
BURGESS HODGSON
Chartered Accountants
& Statutory Auditor

Camburgh House
27 New Dover Road
Canterbury
Kent
CT 1 3DN

28th November 2011

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

GROUP INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST MARCH 2011

	Note	2011 £	2010 £
GROUP TURNOVER	2	5,076,700	9,275,082
Cost of sales		<u>2,577,320</u>	<u>2,972,544</u>
GROSS SURPLUS		2,499,380	6,302,538
Administrative expenses		<u>2,741,690</u>	<u>6,153,403</u>
OPERATING (DEFICIT) / SURPLUS	3	(242,310)	149,135
Share of associate operating profit		<u>1,514</u>	<u>-</u>
NET OPERATING (DEFICIT) / SURPLUS		(240,796)	149,135
Interest receivable		16,205	7,316
Dividend receivable		<u>-</u>	<u>100,000</u>
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(224,591)	256,451
Tax on surplus / (deficit) on ordinary activities	6	<u>(2,063)</u>	<u>4,073</u>
(DEFICIT) / SURPLUS AFTER TAX		(226,654)	260,524
Extraordinary Cost		<u>-</u>	<u>(89,405)</u>
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR		<u>(226,654)</u>	<u>171,119</u>

The notes on pages 11 to 19 form part of these financial statements

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**GROUP STATEMENT OF RECOGNISED GAINS AND LOSSES****YEAR ENDED 31ST MARCH 2011**

	2011 £	2010 £
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	(226,654)	171,119
RESERVE TRANSFER ON TERMINATION OF CONTRACT	-	(587,595)
TOTAL REALISED GAINS AND LOSSES SINCE LAST ANNUAL REPORT	<u>(226,654)</u>	<u>(416,476)</u>

The notes on pages 11 to 19 form part of these financial statements

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**GROUP BALANCE SHEET****31ST MARCH 2011**

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	76,229	76,835
Investments	8		10
Investment in associate		1,534	-
Tangible Assets and Investments		77,763	76,845
CURRENT ASSETS			
Debtors	9	2,266,021	2,090,542
Cash at bank		216,558	1,086,920
		2,482,579	3,177,462
CREDITORS: Amounts falling due within one year	10	(2,181,023)	(2,648,334)
NET CURRENT ASSETS		301,556	529,128
TOTAL ASSETS LESS CURRENT LIABILITIES		379,319	605,973
CAPITAL AND RESERVES			
Called-up equity share capital	13	8	8
Income and expenditure account	14	379,311	605,965
SHAREHOLDERS' FUNDS	15	379,319	605,973

These financial statements were approved by the directors on the 22 November 2011 and are signed on their behalf by


R R CLEWLEY

Company Registration Number 3000723

The notes on pages 11 to 19 form part of these financial statements

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY **BALANCE SHEET**

31ST MARCH 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	76,229	76,522
Investments	8	50	40
Tangible Assets and Investments		76,279	76,562
CURRENT ASSETS			
Debtors	9	2,300,619	2,130,358
Cash at bank		215,630	1,081,616
		2,516,249	3,211,974
CREDITORS: Amounts falling due within one year	10	(2,173,734)	(2,647,584)
NET CURRENT ASSETS		342,515	564,390
TOTAL ASSETS LESS CURRENT LIABILITIES		418,794	640,952
CAPITAL AND RESERVES			
Called-up equity share capital	13	8	8
Income and expenditure account	14	418,786	640,944
SHAREHOLDERS' FUNDS	15	418,794	640,952

These financial statements were approved by the directors on the 22 November 2010 and are signed on their behalf by



R R CLEWLEY

Company Registration Number 3000723

The notes on pages 11 to 19 form part of these financial statements

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**GROUP CASH FLOW STATEMENT****YEAR ENDED 31ST MARCH 2011**

	Note	2011 £	2010 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	16	(831,743)	131,946
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	16	16,205	107,316
TAXATION	16	(1,459)	(4,140)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	16	(53,365)	(69,918)
(DECREASE)/INCREASE IN CASH	16	<u>(870,362)</u>	<u>165,204</u>

The notes on pages 11 to 19 form part of these financial statements

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2011****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method. The results of companies acquired or disposed of are included in the income and expenditure account after or up to the date that control passes respectively.

An associate is an entity in which the group holds a participating interest and exercises significant influence. Associates are included in the group's balance sheet using the equity method, which records the group's investment at cost plus the appropriate share of the associate's results since acquisition.

Turnover

The turnover shown in the income and expenditure account represents amounts invoiced during the year, exclusive of Value Added Tax. Also included in turnover are grants received and receivable from UK and European governments as the income relates to activities performed in the year.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Fixtures & Fittings	-	3 years straight line
Computer Equipment	-	3 years straight line
Leasehold Improvements	-	3 years straight line

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 income on a straight line basis over the period of the lease.

Pension costs

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the income and expenditure account.

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2011****2. TURNOVER**

An analysis of group turnover is given below

	2011	2010
	£	£
United Kingdom	<u>5,076,700</u>	<u>9,275,082</u>

3. OPERATING DEFICIT

Operating deficit is stated after charging

	2011	2010
	£	£
Depreciation of owned fixed assets	53,961	148,197
Auditors' remuneration		
- as auditors	<u>9,600</u>	<u>9,560</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2011	2010
	No	No
Number of administrative staff	5	10
Number of management staff	4	11
Number of programme staff	38	82
	<u>47</u>	<u>103</u>

The aggregate payroll costs of the above were

	2011	2010
	£	£
Wages and salaries	1,797,307	3,641,366
Social security costs	175,707	372,807
Money purchase pension costs	79,337	328,049
	<u>2,052,351</u>	<u>4,342,222</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2011	2010
	£	£
Aggregate emoluments	72,596	143,980
Value of group pension contributions to money purchase schemes	3,500	13,139
	<u>76,096</u>	<u>157,119</u>

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2011****5. DIRECTORS' EMOLUMENTS** *(continued)*

The number of directors who are accruing benefits under group pension schemes was as follows

	2011	2010
	No	No
Money purchase schemes	<u>1</u>	<u>2</u>

6. TAX ON SURPLUS ON ORDINARY ACTIVITIES

	2011	2010
	£	£
Current tax		
Under/(over) provision in prior year	(78)	(4,151)
Refund re 2007-08	-	(1,459)
UK Corporation tax based on the results for the year at 21% (2010 - 21%)	<u>2,141</u>	<u>1,537</u>
Total current tax	<u>2,063</u>	<u>(4,073)</u>

Business Support Kent Community Interest Company, due to its not for profit status, is exempt from a charge to Corporation Tax on its surpluses or deficits. The tax charge is based solely on its investment income for the year.

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2011****7. TANGIBLE FIXED ASSETS**

	Furniture and Office Equipment	Computer Equipment	Leasehold Improvements	Total
GROUP	£	£	£	£
COST				
At 1st April 2010	69,001	53,465	222,940	345,406
Additions	33,176	20,179	-	53,355
Disposals	-	(3,428)	(166,093)	(169,521)
At 31st March 2011	102,177	70,216	56,847	229,240
DEPRECIATION				
At 1st April 2010	59,571	15,980	193,020	268,571
Charge for the year	11,828	21,015	21,118	53,961
Depreciation on Disposals	-	(3,428)	(166,093)	(169,521)
At 31st March 2011	71,399	33,567	48,045	153,011
NET BOOK VALUE				
At 31st March 2011	30,778	36,649	8,802	76,229
At 31st March 2010	9,430	37,485	29,920	76,835
COMPANY	£	£	£	£
COST				
At 1st April 2010	69,001	52,526	222,940	344,467
Additions	33,176	20,179	-	53,355
Disposals	-	(3,428)	(166,093)	(169,521)
At 31st March 2011	102,177	69,277	56,847	228,301
DEPRECIATION				
At 1st April 2010	59,571	15,354	193,020	267,945
Charge for the year	11,828	20,702	21,118	53,648
Depreciation on Disposals	-	(3,428)	(166,093)	(169,521)
At 31st March 2011	71,399	32,628	48,045	152,072
NET BOOK VALUE				
At 31st March 2011	30,778	36,649	8,802	76,229
At 31st March 2010	9,430	37,172	29,920	76,522

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

8. INVESTMENTS

GROUP

	Associate £
COST	
At 31 st March 2010	10
Additions	1,524
At 31 st March 2011	<u>1,534</u>

COMPANY

	Group companies £
COST	
At 31 st March 2010	40
Additions	10
At 31 st March 2011	<u>50</u>

Group companies

At 31st March 2011 Business Support Kent CIC held the whole of the allotted share capital of the following companies
 BSK Direct Limited (formerly Enterprise Taktix Limited) (provider of a knowledge transfer platform)
 Taktix Limited (dormant)
 Business Link Kent Limited (dormant)

Associate

At 31st March 2011 Business Support Kent CIC held one third of the allotted share capital of Skills South East Limited. Business Support Kent CIC exercises significant influence over Skills South East Limited and so the company has been treated as an associate in the consolidated financial statements. The group's share of profit comprises one third of Skills South East Limited's profits.

The most recent audited financial statements of Skills South East Limited are for its financial year ended 31st July 2010 at which date its capital and reserves were £101,693 and its loss for the year then ended was £80,450. The company's results for the year to 31st March 2011 and its assets and liabilities at that date have been consolidated using interim accounts.

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

9. DEBTORS

	GROUP		COMPANY	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	90,026	163,066	90,026	162,850
Other debtors	10,520	527,926	5,985	527,783
Amounts owed by group undertakings	-	-	48,133	40,175
Prepayments and accrued income	2,165,475	1,399,550	2,156,475	1,399,550
	<u>2,266,021</u>	<u>2,090,542</u>	<u>2,300,619</u>	<u>2,130,358</u>

10. CREDITORS: Amounts falling due within one year

	GROUP		COMPANY	
	2011	2010	2011	2010
	£	£	£	£
Trade creditors	63,785	89,101	63,785	89,101
Corporation tax	2,141	1,537	2,141	1,537
VAT Payable	24,548	20,683	24,548	20,683
PAYE and social security	55,719	137,622	55,719	137,622
Accruals and deferred income	2,034,830	1,722,391	2,027,541	1,721,641
Contract termination liability	-	677,000	-	677,000
	<u>2,181,023</u>	<u>2,648,334</u>	<u>2,173,734</u>	<u>2,647,584</u>

11. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2011 the group and company had annual commitments under non-cancellable operating leases as set out below

	Assets Other Than Land & Buildings	
	2011	2010
	£	£
Operating leases which expire		
Within 1 year	-	-
Within 2 to 5 years	25,152	25,207
	<u>25,152</u>	<u>25,207</u>
	Land & Buildings	
	2011	2010
	£	£
Operating leases which expire		
Within 1 year	9,250	-
Within 2 to 5 years	-	18,500
	<u>9,250</u>	<u>18,500</u>

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

12. RELATED PARTY TRANSACTIONS

At the year end Business Support Kent Community Interest Company was owed £48,133 (2010 £40,175) by its subsidiary company BSK-Direct Limited (formerly Enterprise Taktix Limited) During the year Business Support Kent Community Interest Company made sales totalling £36,705 (2010 £10,066) to its subsidiary company BSK-Direct Limited These sales represented recharges of costs initially paid by Business Support Kent Community Interest Company on behalf of BSK-Direct Limited

BSK-Direct Limited was under the control of the directors throughout the current and previous year There is no overall controlling party

13. SHARE CAPITAL

COMPANY

Authorised share capital:

	2011	2010
	£	£
100 Ordinary shares of £1 each	10	10

Allotted, called up and fully paid:

	2011	2010
	No	No
	£	£
Ordinary shares of £1 each	8	8

14. RESERVES

GROUP

	Income and expenditure account £
Balance brought forward	605,965
Retained surplus/(deficit) for the year	(226,654)
Balance carried forward	379,311

COMPANY

	Income and expenditure account £
Balance brought forward	640,944
Retained surplus/(deficit) for the year	(222,158)
Balance carried forward	418,786

There is a contingent liability for both the group and the company of approximately £97,000 (2010 £97,000) in respect of a termination of a contract which is contingent upon staff movements in the future which attached to the closure of the Business Link contract

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2011****15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS****GROUP**

	2011	2010
	£	£
Surplus/(Deficit) for the financial year	(226,654)	171,119
Transfer of capital reserve on termination of contract	-	(587,595)
Opening shareholders' equity funds	605,973	1,022,449
Closing shareholders' equity funds	<u>379,319</u>	<u>605,973</u>

COMPANY

	2011	2010
	£	£
Surplus/(Deficit) for the financial year	(222,158)	169,600
Transfer of capital reserve on termination of contract	-	(587,595)
Opening shareholders' equity funds	640,952	1,058,947
Closing shareholders' equity funds	<u>418,794</u>	<u>640,952</u>

16. NOTES TO THE STATEMENT OF CASH FLOWS**RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2011	2010
	£	£
Net operating (deficit) / surplus	(240,796)	149,135
Depreciation	53,961	148,197
Share of associate's operating profit	(1,514)	-
Decrease/(increase) in debtors	(175,479)	(688,817)
Increase/(decrease) in creditors	(467,915)	1,154,050
Asset disposals	-	46,381
Liability for contract closure	-	(677,000)
Net cash (outflow)/inflow from operating activities	<u>(831,743)</u>	<u>131,946</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2011	2010
	£	£
Dividend Received – Skills South East Ltd	-	100,000
Interest received	16,205	7,316
Net cash inflow from returns on investments and servicing of finance	<u>16,205</u>	<u>107,316</u>

BUSINESS SUPPORT KENT COMMUNITY INTEREST COMPANY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

16. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

TAXATION

	2011	2010
	£	£
Taxation	<u>(1,459)</u>	<u>(4,140)</u>

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2011	2010
	£	£
Payments to acquire tangible fixed assets	(53,355)	(69,918)
Acquisition of fixed asset investments	(10)	-
Net cash outflow from capital expenditure	<u>(53,365)</u>	<u>(69,918)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2011	2010
	£	£
(Decrease)/Increase in cash in the period	(870,362)	165,204
Movement in net funds in the period	(870,362)	165,204
Net funds at 1 April 2010	1,086,920	921,716
Net funds at 31 March 2011	<u>216,558</u>	<u>1,086,920</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At		At
	1 Apr 2010	Cash flows	31 Mar 2011
	£	£	£
Net cash			
Cash in hand and at bank	1,086,920	(870,362)	216,558
Net funds	<u>1,086,920</u>	<u>(870,362)</u>	<u>216,558</u>

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Community Interest Company Report

For official use
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typescript, or
in bold black
capitals.

Company Name in
full

Business Support Kent Community Interest
Company

Company Number

03000723

Year Ending

31 March 2011

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.

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 fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

At BSK we believe in helping businesses and individuals to make a real difference to their performance and profitability. To this end, for the last four years we have focused on running funded programmes in four key areas, sustainability, innovation and growth, competitiveness, and knowledge transfer. We have adapted our own business model whilst retaining the spirit, atmosphere, and enthusiasm of our outstanding people as we respond to change, and encourage change in our business community. We provide a range of business development, primarily subsidised, through European programmes such as regional ERDF, Interreg, CIP and Lifelong Learning, local Authorities, primarily Medway and Kent County Councils and the UK government, to commercially developed B2B activity such as our Kent2020 Vision Live event. Additionally we also provide bid writing and consultancy support for other like minded groups wanting to draw down funding to support business growth and innovation.

Continued on separate sheet.

(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.

Our SMEs customers form a major stakeholder group for the company. They have been consulted with through the Board's Advisory Group, established in 2008. We also ensure that all our programmes include feedback opportunities for companies involved in our work and use this to guide our activity. Our second major stakeholder group comprises our funders, which for 2010-2011 included SEEDA, European funding agencies, local Councils, public service providers and DCLG. Consultation and discussion was ongoing with all these groups at all levels of the company.

Continued on separate sheet

(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.

The directors' aggregate emoluments were:

	£
Aggregate emoluments	72,596
Value of group pension contributions to money purchase schemes	3,500

	76,096
	=====

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)

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

PART 5 – SIGNATORY

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

Signed

Jeddis

Date

15.12.11

Office held (tick as appropriate) ☒ Director ☐ Secretary

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

JANE ALLIS	
01634 870474	
Jane Allis Pbsk-cic.co.uk	
Telephone 07880710895	
DX Number	DX Exchange

When you have completed and signed the form, please send it 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

CIC 34

CONTINUATION SHEET

*Please
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Page 1

CIC Annual Report 2010-2011

Part I General description of the company activities and impacts

At BSK we believe in helping businesses and individuals to make a real difference to their performance and profitability. To this end, for the last four years we have focused on running funded programmes in four key areas, sustainability, innovation and growth, competitiveness, and knowledge transfer. We have adapted our own business model whilst retaining the spirit, atmosphere, and enthusiasm of our outstanding people as we respond to change, and encourage change in our business community. We provide a range of business development, primarily subsidised, through European programmes such as regional ERDF, Interreg, CIP and Lifelong Learning, local Authorities, primarily Medway and Kent County Councils and the UK government, to commercially developed B2B activity such as our Kent2020 Vision Live event. Additionally we also provide bid writing and consultancy support for other like minded groups wanting to draw down funding to support business growth and innovation.

Highlights for the year ending March 31st included

- High Growth Coaching advice was provided by our Innovation and Growth Team to 84 companies: supporting them with planning, marketing, IP and access to finance. Over £7.4m of investment was raised to help Kent companies and 156 new jobs created.
- BSK-CiC completed the South East Business Support Programme for the London 2012 Olympic and Paralympic Games in March 2011. This programme has supported over 23,000 companies to register on Competefour, with 10,261 being helped to improve their performance and over 250 contracts won. Overall South East companies have won £76.2m worth of contracts via the Competefour portal. (Full report <http://www.bsk-cic.co.uk/high-growth-observatory>)

CIC 34

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Part I General description of the company activities and impact

- Supported 6,889 customers across SE with new marketing opportunities from climate change and specialist support to reduce their carbon footprint by cutting their energy costs
 - We continue to operate the Enterprise Europe South East – networking local companies into over 600 European and International partners in 44 countries The programme also ran an extremely positive matchmaking event for companies at Eco-build in March 2011 and is supporting export activity through our 2 Seas Trade programme
 - BSK-CiC has many years of experience in helping people start up and develop new businesses During 2010-11 we ran Medway Councils start up programme and assisted 131 people to begin their own companies Excitingly, through our support work, we are also seeing 85% of companies who begin trading still operating after their first year, well above the national average
 - Supported the development of 42 new courses and through the EnviroSkills programme provided low carbon training to 1900 learners (For further details and a review of skills gaps please go to <http://www.bsk-cic.co.uk/low-carbon-observatory>)
- We continue to support the Low Carbon construction sector with the opening of the Build 4 Demo Centre in Dover in March 2011 and to provide an information and development programme for SMEs wanting to expand and diversify into the sustainable construction market, including renewable energy
- Leading partner in the Kent University Student work programme offering £5000 to support the development of an 'Employability Points Programme' and supporting an internship during the summer of 2011
 - BSK-CiC also runs a major B2B event, Kent2020 Vision Live, which draws together over 4000 local businesses with each other, local authorities and training providers. This year there was a strong emphasis on apprentices, with 80 companies signing up apprentices on the day, 480 expressing further interest and 1 business actually employing one of the Apprentice helpers at the show!

CIC 34

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Part II Consultation with Stakeholders

Our SMEs customers form a major stakeholder group for the company. They have been consulted with through the Board's Advisory Group, established in 2008. We also ensure that all our programmes include feedback opportunities for companies involved in our work and use this to guide our activity. Our second major stakeholder group comprises our funders, which for 2010-2011 included SEEDA, European funding agencies, local Councils, public service providers and DCLG. Consultation and discussion was ongoing with all these groups at all levels of the company.

Our third stakeholder group is our regional partners (local authorities), HE and FE colleges, Universities, Chambers of Commerce, government agencies (BIS, DECC & DEFRA), environmental organisations, European programme partners such as CD2E in France, Voka in Belgium and Enviu and Delft University in the Netherlands. Each were consulted with as part of our ongoing relationship with them to understand their needs and requirements.

The feedback from each of these three stakeholder groups has allowed us to:

- Seek funding for specialist support specifically to address the needs of our SME customers
- Increase our ability to translate complex government policy on enterprise, sustainability, competitiveness and innovation into language that is understood by our SME community and results in their taking action to improve their business
- Provide feedback to national policy makers on SME needs and become recognised as experts in the areas of sustainability, enterprise and competitiveness
- Ensure the public sector continue to provide strategic overview into BSK services that meet their own plans and objectives for sustainable economic growth
- Combine our recognised European bid expertise with understanding of policy need and market failure to create powerful programme offers