

**Company number:
04285198**

**NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

**MOORE STEPHENS
CHARTERED ACCOUNTANTS
STATUTORY AUDITORS
OAKLEY HOUSE
HEADWAY BUSINESS PARK
3 SAXON WAY WEST
CORBY
NORTHAMPTONSHIRE
NN18 9EZ**

WEDNESDAY



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28/09/2011

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COMPANIES HOUSE

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

COMPANY INFORMATION

Company number: 04285198

Directors: D A Reynolds
P J Walker
M Allen (resigned 3 December 2010)
A Allfree
J C Amies (appointed 4 December 2010)
(resigned 31 March 2011)
J L H Bailey (resigned 31 March 2011)
D Brady
K W Brennan (resigned 31 March 2011)
P L Fawcett
J C Hakewill
J N R Harker (resigned 31 March 2011)
G Harris (resigned 31 March 2011)
D E Laing
E Lucille
L A Manning
D J Scott
S D Smith
R E Whittaker

Secretary: D Iles

Registered Office: 1 Exchange Court
Cottingham Road
Corby
Northamptonshire
NN17 1TY

Statutory Auditors: Moore Stephens
Chartered Accountants
Statutory Auditors
Oakley House
Headway Business Park
3 Saxon Way West
Corby
Northamptonshire
NN18 9EZ

Bankers: Barclays Bank plc
1a Queens Square
Corby
Northamptonshire
NN17 1NX

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

COMPANY INFORMATION

Solicitors:

Dunham Law
Ash House
19 Blenheim Park
Corby
Northamptonshire
NN18 9NF

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

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NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and the financial statements for the year ended 31 March 2011

Principal activities

The principal activity of the company has been to act as a vehicle to deliver growth and regeneration to the four districts of North Northamptonshire being Kettering, Corby, Wellingborough and East Northamptonshire

Whilst there has not been any significant change in this activity during the year, five of the eight original members withdrew their membership at 31 March 2011 due to the economic climate. An additional member has withdrawn since the year end. The scale of the activity has been reduced with several redundancies and the majority of staff going forward with part time contracts.

However, it is the intention of the board to continue trading, whilst available resources allow, and this shall be carried out at new premises.

Donations

The company made no political or charitable donations during the year.

Directors

The directors who served during the year were as follows

D A Reynolds
P J Walker
M Allen (resigned 3 December 2010)
A Allfree
J C Amies (appointed 4 December 2010)
(resigned 31 March 2011)
J L H Bailey (resigned 31 March 2011)
D Brady
K W Brennan (resigned 31 March 2011)
P L Fawcett
J C Hakewill
J N R Harker (resigned 31 March 2011)
G Harris (resigned 31 March 2011)
D E Laing
E Lucille
L A Manning
D J Scott
S D Smith
R E Whittaker

The company is limited by guarantee and has no shares.

Going concern

The directors have considered the appropriateness of preparing the financial statements on the going concern basis and the detailed considerations are outlined in note 1 to the accounts.

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

Responsibilities of the directors

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 for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each of the persons who are directors at the time when the directors report is approved

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that they ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on 27 May 2011 and has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On behalf of the board

D Iles

Secretary



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

We have audited the financial statements of North Northamptonshire Development Company Limited for the year ended 31 March 2011 on pages 5 to 14

The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 members 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 auditors

As explained more fully in the directors' responsibilities statement (set out in the directors' report), 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 and express an opinion on 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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the 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 company's affairs as at 31 March 2011 and of its profit 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.

Emphasis of matter

We draw attention to the going concern accounting policy in the financial statements, concerning the uncertainty over the going concern status of the company. Our opinion is not qualified in respect of this matter.

Opinion on other matter 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

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, or

the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



Nick Bairstow FCA (Senior Statutory Auditor)

For and on behalf of Moore Stephens

Chartered Accountants

Statutory Auditors

Oakley House

Headway Business Park

3 Saxon Way West

Corby

Northamptonshire

NN18 9EZ

Dated 3 June 2011

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011	2010
		£	£
Turnover		2,260,966	1,989,344
Exceptional turnover	2	93,920	-
		<u>2,354,886</u>	<u>1,989,344</u>
Administrative expenses		(1,558,451)	(1,760,067)
Exceptional administrative expenses	3	(388,931)	-
		<u>407,504</u>	<u>229,277</u>
Operating profit	4		
Other interest receivable and similar income		1,761	132
Interest payable		(38,000)	(64,000)
Profit on ordinary activities before taxation		<u>371,265</u>	<u>165,409</u>
Tax on profit on ordinary activities		-	-
Profit for the year		<u><u>371,265</u></u>	<u><u>165,409</u></u>

The annexed notes form part of these financial statements

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2011

	2011 £	2010 £
Profit for the financial year	371,266	165,409
Actuarial gain/(loss) re pension scheme	(88,000)	(647,000)
Total recognised gains and losses relating to the year	<u>283,266</u>	<u>(481,591)</u>
Total gains and losses recognised in the year	<u><u>283,266</u></u>	<u><u>(481,591)</u></u>

COMPANY NUMBER: 04285198

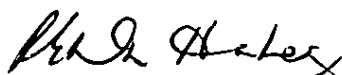
NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2011

	Note	2011	2010
		£	£
Fixed assets			
Tangible assets	5	3,349	6,461
Current assets			
Debtors	6	224,130	329,800
Cash at bank and in hand		612,127	348,754
		<u>836,257</u>	<u>678,554</u>
Creditors			
Amounts falling due within one year	7	(400,916)	(279,590)
		<u> </u>	<u> </u>
Net current assets		435,341	398,964
Total assets less current liabilities		<u>438,690</u>	<u>405,425</u>
Provisions for liabilities	8	(1,293,000)	(1,543,000)
Net liabilities		<u>(854,310)</u>	<u>(1,137,575)</u>
Capital and reserves			
Profit and loss account	9	(854,310)	(1,137,575)
Shareholders' funds		<u>(854,310)</u>	<u>(1,137,575)</u>

These financial statements have been prepared in accordance with the special provisions relating to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) Approved by the board of directors on 27 May 2011 and signed on its behalf



R E Whittaker - Director

The annexed notes form part of these financial statements

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

This represents contributions from funders spent during the period. Funders have agreed a pattern of contributions which will not exactly match the pattern (or period) of spending. Unspent contributions have been carried forward against future spending requirements.

Depreciation of fixed assets

A full years depreciation is charged in the year of acquisition of an asset but none in the year of disposal.

Depreciation has been computed to write off the cost of fixed assets over their expected useful lives at the following rates -

Fixtures and fittings	20% per annum straight line
Computer equipment	33% per annum straight line

Debtors

Debtors are shown after providing for any amounts which in the opinion of the directors may not be collected in full.

Leasing

Leasing rentals applicable to "operating leases" are written off to the profit and loss account over the life of the lease.

Pension costs

Defined benefit pension scheme

The company has applied the Amendment to FRS 17 Retirement Benefits which is effective for accounting periods commencing on or after 6 April 2007. The amendment to FRS 17 primarily affects the disclosures in relation to defined benefit pension schemes. However, for quoted securities, the fair value is now taken to be the current bid price rather than the mid-market value.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A surplus is recognised only to the extent that it is recoverable by the company.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs/income. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

Defined contribution pension scheme

Pension costs are recognised in the profit and loss account in order to provide a systematic and rational charge over the periods from which benefits are derived from employee's services.

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Going concern

The board of directors recognise the funding deficit arising on the defined benefit pension scheme. At the balance sheet date, the provision has fallen to £1,293,000 from £1,543,000 in 2010. This decrease reflects the significant increase in fair value of the schemes assets as markets have improved. Historically, the company has followed the actuary's recommended level of pension contributions, in an effort to address any funding deficit and is committed to continuing with this policy and meeting its ongoing obligations as they fall due. Following the 2010 Triennial Valuation, future ongoing affordable contributions have been agreed with the actuary.

The company has and is still experiencing, a complex period of change, both in its membership and level of funding, following government cutbacks. These will have a material impact in the level of activity achievable by the company in future. However, the directors are certain that, with its current cash reserves and agreed funding from remaining members, the going concern basis to be an appropriate basis for the preparation of these financial statements.

2 Exceptional turnover

Exceptional turnover of £93,920 relates to funding received in relation to the exceptional costs incurred during the year.

3 Exceptional administration expenses

Exceptional administration expenses during the year of £388,931 relate to redundancy costs, dilapidation costs and legal and professional costs incurred in reducing the scale of the activities of the company.

4 Operating profit

	2011	2010
	£	£
This is stated after charging		
Auditors' remuneration and expenses	6,000	6,000
Depreciation of owned assets	4,754	7,355
	<u> </u>	<u> </u>

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

5 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2010	81,653
Additions	1,643
	<hr/>
At 31 March 2011	83,296
	<hr/>
Depreciation	
At 1 April 2010	75,192
Charge for the year	4,755
	<hr/>
At 31 March 2011	79,947
	<hr/>
Net book value	
At 31 March 2011	3,349
	<hr/> <hr/>
At 31 March 2010	6,461
	<hr/> <hr/>

6 Debtors

	2011 £	2010 £
Due within one year:		
Trade debtors	137,163	317,106
Other debtors	86,967	12,694
	<hr/>	<hr/>
	224,130	329,800
	<hr/> <hr/>	<hr/> <hr/>

7 Creditors - amounts falling due within one year

	2011 £	2010 £
Trade creditors	325,628	118,762
Taxation and social security	3,348	1,155
Other creditors	71,940	159,673
	<hr/>	<hr/>
	400,916	279,590
	<hr/> <hr/>	<hr/> <hr/>

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

8 Provisions for liabilities

	Pensions and similar obligations £
Balance at 1 April 2010	1,543,000
Utilised for the year in profit and loss account	(250,000)
	<hr/>
Balance at 31 March 2011	1,293,000
	<hr/> <hr/>

9 Profit and loss account

	2011 £	2010 £
At 1 April 2010	(1,137,575)	(655,984)
Profit for the year	371,265	165,409
Other recognised gains and losses	(88,000)	(647,000)
	<hr/>	<hr/>
At 31 March 2011	(854,310)	(1,137,575)
	<hr/> <hr/>	<hr/> <hr/>

10 Leasing commitments

At 31 March 2011 the company had no annual commitments under non-cancellable operating leases 2010 as detailed below

	Land and buildings 2010 £
Operating leases which expire Within one year	77,094
	<hr/> <hr/>

11 Related party transactions

During the year the company entered into transactions in the ordinary course of business with the following companies and organisations in which the director has an interest -

G Harris and J N R Harker are an employee and director respectively of East Midlands Development Agency (EMDA) During the year funding of £278,898 (2010 £250,000) was received from EMDA via Northamptonshire County Council The balance due at the year end was £78,898 (2010 £nil)

M Allen and J C Amies are employees of the Homes & Communities Agency (HCA) During the year £963,464 (2010 £943,408) was received from HCA The balance due at the year end was £3,945 (2010 £168,008)

P L Fawcett is a member of the Arts Council (AC) The company received funding of £18,982 during the year (2010 £nil) of which £18,982 was unspent at the year end (2010 £34,009) An additional £4,995 is due at the end of the funding term (2010 £9,994)

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

D Iles is the company secretary and a partner in Dunham Law. During the year £123,259 of costs were incurred in respect of legal and professional services (2010 £43,248). At the balance sheet date the company owed £15,630 (2010 £nil).

The company had transactions during the normal course of business with Northamptonshire County Council, Borough Council of Wellingborough, Corby Borough Council, East Northamptonshire County Council and Kettering Borough Council. Councillors J N R Harker (Northamptonshire), J L H Bailey (Wellingborough), P L Fawcett (Corby), E Lucille (East Northamptonshire) and J C Hakewill (Kettering) are board members of the company nominated by those local authorities.

During the year the company also entered in transactions with The Benefield Wheatsheaf Limited which is a related party by virtue of D A Reynolds' directorship in this company. Purchases from The Benefield Wheatsheaf Limited amounted to £441 (2010 £210) and there were no amounts owing at the balance sheet date.

During the year, the company paid £2,560 (2010 £nil) to Northamptonshire Community Foundation, a charitable organisation of which D Laing is chair. No amounts were owing at the year end.

12 Pension costs

Defined contribution scheme

The company operated a defined contribution scheme in respect of selected employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge in the profit and loss account represents contributions payable by the company to the fund and amounted to £12,698 (2010 £12,520).

Defined benefit scheme

The company closed the Local Government Pension Scheme to new members in 2008/09. This is with the exception that the chief executive may present a case to the board for an individual new recruit to the company to be allowed access to the scheme if appropriate.

The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008, the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 and the Local (Transitional Provisions) (Scotland) Regulations 2008. It is contracted out of the State Second Pension.

The most recent actuarial valuation was at 31 March 2010. However, this will not have taken into account the material changes to the staff and payroll during the year to 31 March 2011.

The major assumptions used by the actuary were

	2011	2010	2009
	%	%	%
Discount rate	5.5	5.5	6.9
Expected return on plan assets	6.8	7.2	6.4
Salary increase rate	5.1	5.3	4.6
Inflation/pension increases	2.8	3.6	3.1

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2010 are based on the PFA92 and PMA92 year of birth tables with medium cohort and 1% p a underpin improvements, for non pensioners and pensioners, from 2007. Based on these assumptions, the average life expectancies at age 65 are -

	Males	Females
Current pensioners	21.4 years	23.3 years
Future pensioners	23.4 years	25.5 years

The assets in the scheme and the expected rate of return at the end of the period were

Expected long-term rate of return:

	2011	2010	2009
	%	%	%
Equities	7.5	7.8	7.0
Bonds	4.9	5.0	5.4
Properties	5.5	5.8	4.9
Cash	4.6	4.8	4.0

The amounts charged/(credited) to the profit and loss are as follows

	2011	2010
	£	£
Current service cost	112,000	70,000
Interest cost	168,000	141,000
Expected return on plan assets	(130,000)	(77,000)
Past service cost/(gain)	(389,000)	-
Curtailment	192,000	-
Total	(47,000)	134,000

The amounts charged/(credited) to the profit and loss account were included in finance costs of £38,000 (2010 £64,000) and current service costs, past service gains and curtailments of £(85,000) (2010 £70,000)

The amounts recognised in the balance sheet are as follows

	2011	2010
	£	£
Fair value of plan assets	2,156,000	1,679,000
Present value of funded retirement benefit obligations	(3,449,000)	(3,222,000)
Net liability	(1,293,000)	(1,543,000)

The major categories of plan assets, as a percentage of the total plan assets, are as follows -

	2011	2010	2009
	%	%	%
Equities	72	76	70
Bonds	20	16	19
Properties	6	6	7
Cash	2	2	4

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	£	£
Actual return on plan assets	123,000	439,000
	<u> </u>	<u> </u>

Changes in the present value of the defined benefit obligation are as follows -

	2011	2010
	£	£
Opening obligation	3,222,000	2,019,000
Current service cost	112,000	70,000
Interest cost	168,000	141,000
Past service cost/(gain)	(389,000)	-
Losses/(gains) on curtailments	192,000	-
Actuarial (gains)/losses	183,000	1,009,000
Contributions by members	31,000	31,000
Benefits paid	(70,000)	(48,000)
	<u> </u>	<u> </u>
Closing obligation	3,449,000	3,222,000
	<u> </u>	<u> </u>

The cumulative actuarial losses recognised in the statement of total recognised gains and losses at 31 March 2011 is £1,137,000 (2010 £1,049,000)

Amounts for the current and previous four periods are as follows -

	2011	2010	2009	2008	2007
	£'000	£'000	£'000	£'000	£'000
Fair value of plan assets	2,156	1,679	1,154	1,332	1,060
Present value of obligation	(3,449)	(3,222)	(2,019)	(2,082)	(1,293)
Deficit in the plan	(1,293)	(1,543)	(865)	(750)	(233)
Experience adjustments arising on assets	95	362	(411)	160	(12)
Experience adjustments arising on liabilities	(432)	-	-	(567)	-

13 Ultimate controlling party

The members are the ultimate controlling party by virtue of their position

14 Company limited by guarantee

The company is limited by guarantee. Each of the members has agreed to contribute to the assets in the event of a deficiency on winding up of an amount not exceeding £1