

Company number
04285198

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

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



NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

COMPANY INFORMATION

Company number: 04285198

Directors

D A Reynolds
P J Walker
A Allfree
D Brady
P L Fawcett (resigned 10 May 2011)
J C Hakewill (resigned 10 May 2011)
D E Laing (resigned 25 September 2012)
E Lucille
L A Manning (resigned 8 November 2011)
D J Scott
S D Smith (resigned 1 May 2012)
R E Whittaker
A M L Wiley (appointed 28 May 2011)

Secretary D Iles

Registered office

Drovers Hall
40 London Road
Kettering
Northamptonshire
NN15 7QA

Accountants

Moore Stephens
Chartered Accountants
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

Frday Legal
Medlicott Close
Corby
Northamptonshire
NN18 9NF

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and the financial statements for the year ended 31 March 2012

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

There has not been any significant change in this activity during the year

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
A Allfree
D Brady
P L Fawcett (resigned 10 May 2011)
J C Hakewill (resigned 10 May 2011)
D E Laing (resigned 25 September 2012)
E Lucille
L A Manning (resigned 8 November 2011)
D J Scott
S D Smith (resigned 1 May 2012)
R E Whittaker
A M L Wiley (appointed 28 May 2011)

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

This report was approved by the board on 6 December 2012 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

ACCOUNTANTS' REPORT
TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of North Northamptonshire Development Company Limited (the company) for the year ended 31 March 2012 from the company's accounting records and from information and explanations you have given us

As a 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 www.icaew.com/membershandbook

This report is made solely to the board of directors of the company, as a body, in accordance with the terms of our engagement letter dated 28 May 2012. Our work has been undertaken solely to prepare for your approval the accounts of the company and state those matters that we have agreed to the board of directors of the company as a body, in this report in accordance with AAF 02/10 as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its board of directors, as a body, for our work or for this report

It is your duty to ensure that the company has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit or loss of the company. You consider that the company 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 accounts of the company. 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 accounts

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

Dated 11 December 2012

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
Turnover		200,812	2,354,886
Administrative expenses		(264,435)	(1,558,451)
Exceptional administrative expenses		-	(388,931)
Operating (loss)/profit	2	<u>(63,623)</u>	<u>407,504</u>
Other interest receivable and similar income		733	1,762
Interest payable		(43,000)	(38,000)
(Loss)/Profit on ordinary activities before taxation		<u>(105,890)</u>	<u>371,266</u>
Tax on loss on ordinary activities		-	-
(Loss)/Profit for the year		<u><u>(105,890)</u></u>	<u><u>371,266</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 2012

	2012	2011
	£	£
(Loss)/Profit for the financial year	(105,890)	371,266
Actuarial gain/(loss) re pension scheme	(199,000)	(88,000)
Total recognised gains and losses relating to the year	<u>(304,890)</u>	<u>283,266</u>
Total gains and losses recognised in the year	<u><u>(304,890)</u></u>	<u><u>283,266</u></u>

COMPANY NUMBER 04285198

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH 2012

	Note	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	3		2,345		3,349
Current assets					
Debtors	4	49,160		224,130	
Cash at bank and in hand		340,247		612,127	
		<u>389,407</u>		<u>836,257</u>	
Creditors					
Amounts due within one year	5	(29,952)		(400,916)	
Net current assets			359,455		435,341
Total assets less current liabilities			361,800		438,690
Provisions for liabilities	6		(1,521,000)		(1,293,000)
Net liabilities			<u>(1,159,200)</u>		<u>(854,310)</u>
Capital and reserves					
Profit and loss account	7		(1,159,200)		(854,310)
Shareholders' funds			<u>(1,159,200)</u>		<u>(854,310)</u>

For the year ending 31 March 2012 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 6 December 2012 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 2012

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.

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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.

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 risen to £1,521,000 from £1,293,000 in 2011. 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 to 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 remains an appropriate basis for the preparation of these financial statements.

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

2 Operating loss

	2012	2011
	£	£
This is stated after charging		
Auditors' remuneration and expenses	-	6,000
Depreciation of owned assets	664	4,754
	<u>664</u>	<u>4,754</u>

3 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2011	83,296
Additions	1,794
Disposals	(81,676)
At 31 March 2012	<u>3,414</u>
Depreciation	
At 1 April 2011	79,947
Charge for the year	664
On disposals	(79,542)
At 31 March 2012	<u>1,069</u>
Net book value	
At 31 March 2012	<u>2,345</u>
At 31 March 2011	<u>3,349</u>

4 Debtors

	2012	2011
	£	£
Due within one year		
Trade debtors	44,272	137,163
Other debtors	4,888	86,967
	<u>49,160</u>	<u>224,130</u>

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

5 Creditors - amounts falling due within one year

	2012	2011
	£	£
Trade creditors	28,347	325,628
Taxation and social security	-	3,348
Other creditors	1,605	71,940
	<u>29,952</u>	<u>400,916</u>

6 Provisions for liabilities

	Pensions and similar obligations £
Balance at 1 April 2011	1,293,000
Charged for the year in profit and loss account	228,000
	<u>1,521,000</u>
Balance at 31 March 2012	<u>1,521,000</u>

7 Profit and loss account

	2012	2011
	£	£
At 1 April 2011	(854,310)	(1,137,576)
Loss for the year	(105,890)	371,266
Other recognised gains and losses	(199,000)	(88,000)
	<u>(1,159,200)</u>	<u>(854,310)</u>
At 31 March 2012	<u>(1,159,200)</u>	<u>(854,310)</u>

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

8 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 were employee and director respectively of East Midlands Development Agency (EMDA) During the year funding of £nil (2011 £278,898) was received from EMDA via Northamptonshire County Council The balance due at the year end was £nil (2011 £78,898)

M Allen and J C Amies were employees of the Homes & Communities Agency (HCA) During the year £nil (2011 £963,464) was received from HCA The balance due at the year end was £nil (2011 £3,945)

P L Fawcett is a member of the Arts Council (AC) The company received funding of £nil during the year (2011 £18,982) of which £nil was unspent at the year end (2011 £18,982) An additional £nil is due at the end of the funding term (2011 £4,995)

D Iles is the company secretary and a partner in Friday Legal (previously Dunham Law) During the year £41,106 of costs were incurred in respect of legal and professional services (2011 £123,259) At the balance sheet date the company owed £3,600 (2011 £15,630)

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 E Lucille, P L Fawcett, J C Hakewill and A M L Wiley were board members of the company nominated by those local authorities

During the year the company paid £nil (2011 £2,560) to Northamptonshire Community Foundation, a charitable organisation which D Laing is chair

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

9 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 £17,432 (2011 £12,698).

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:

	2012	2011	2010
	%	%	%
Discount rate	4.8	5.5	5.5
Expected return on plan assets	5.5	6.8	7.2
Salary increase rate	4.8	5.1	5.2
Inflation/pension increases	2.5	2.8	3.6

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2012 and 31 March 2011 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 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

	2012	2011	2010
	%	%	%
Equities	6.2	7.5	7.8
Bonds	3.5	4.9	5.0
Properties	4.4	5.5	5.8
Cash	3.5	4.6	4.8

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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

	2012	2011
	£	£
Current service cost	40,000	112,000
Interest cost	186,000	168,000
Expected return on plan assets	(143,000)	(130,000)
Past service cost/(gain)	-	(389,000)
Curtailment	-	192,000
Total	83,000	(47,000)

The amounts charged/(credited) to the profit and loss account were included in finance costs of £43,000 (2011 £38,000) and current service costs, past service gains and curtailments of £40,000 (2011 £(85,000))

The amounts recognised in the balance sheet are as follows

	2012	2011
	£	£
Fair value of plan assets	2,091,000	2,156,000
Present value of funded retirement benefit obligations	(3,612,000)	(3,449,000)
Net liability	(1,521,000)	(1,293,000)

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

	2012	2011	2010
	%	%	%
Equities	71	72	76
Bonds	21	20	16
Properties	6	6	6
Cash	2	2	2

	2012	2011
	£	£
Actual return on plan assets	39,000	123,000

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

	2012	2011
	£	£
Opening obligation	3,449,000	3,222,000
Current service cost	40,000	112,000
Interest cost	186,000	168,000
Past service cost/(gain)	-	(389,000)
Losses/(gains) on curtailments	-	192,000
Actuarial (gains)/losses	95,000	183,000
Contributions by members	14,000	31,000
Benefits paid	(172,000)	(70,000)
Closing obligation	3,612,000	3,449,000

NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

The cumulative actuarial losses recognised in the statement of total recognised gains and losses at 31 March 2012 is £1,336,000 (2011 £1,137,000)

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

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000
Fair value of plan assets	2,091	2,156	1,679	1,154	1,332
Present value of obligation	(3,612)	(3,449)	(3,222)	(2,019)	(2,082)
Deficit in the plan	(1,521)	(1,293)	(1,543)	(865)	(750)
Experience adjustments arising on assets	(104)	95	362	(411)	160
Experience adjustments arising on liabilities	(40)	(432)	-	-	(567)

10 Ultimate controlling party

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

11 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