

**Thames Gateway South Essex
Partnership Limited
(A company limited by guarantee)**

Report and Financial Statements

Year Ended

31 March 2009

Company Number 4429372

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Thames Gateway South Essex Partnership Limited

(A company limited by guarantee).

**Annual report and financial statements
for the year ended 31 March 2009**

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Directors

Stephen Castle
Pamela Challis
Gary Sullivan
Terence Cutmore
Stephen Williams
Laurence Steel
William McKee
Pam Court
Nigel Holdcroft
Joanna Killian
Paul Burall

Secretary and registered office

Craig Watts, Castle Point Council Offices, Kiln Road, Thundersley, Benfleet, Essex, SS7 1TF.

Company number

4429372

Auditors

BDO LLP, 66 Broomfield Road, Chelmsford, Essex, CM1 1SW.

Thames Gateway South Essex Partnership Limited

Report of the directors for the year ended 31 March 2009

The directors present their report together with the audited financial statements for the year ended 31 March 2009.

Results

The income and expenditure account is set out on page 6 and shows the deficit for the year.

Principal activities

The principal activities of the company are to promote the comprehensive regeneration of the region abutting the North bank of the River Thames comprised within the administrative areas of the Local Authority Members of the Company to:

- improve skills and employment opportunities and promote a competitive business environment;
- secure leading edge infrastructure;
- secure investment and site development;
- create a high quality and sustainable urban and rural environment;
- improve the health and well-being of all communities throughout South Essex; and
- promote a high profile and positive image of Thames Gateway South Essex.

Trading review and future developments

This year has been significant in the development of Thames Gateway South Essex Partnership. A comprehensive review of the organisations role and structure was undertaken. This resulted in a refocus on three key areas– Leadership, Advocacy and Enabling Delivery. In practice this has meant that the Partnership has concentrated its efforts on strategic issues and ensuring South Essex spoke with one voice on the larger stage and has left delivery of specific projects with partner organisations.

At Board level a restructure took place creating the Finance and Policy Board to oversee the operation and take decisions regarding the company, making it Local Authority led with independent business Chairmanship. A Partnership Forum meeting was created to ensure a continued dialogue and involvement with the areas wider stakeholders.

The review also sought to bring about a reduction in operational cost base of the company. The relocation of the office to locate with Castle Point Borough Council has brought about such a reduction. Personnel turnover has also allowed staffing structures to be revised.

It was the final year of Investing in Communities Programme as EEDA ceased the funding stream and the staff worked hard to ensure successful delivery occurred.

The retirement of the organisations long standing Chief Executive was also a significant change during the year.

The Partnership continued to fulfil its role in promoting the interests of TGSE by attending the Thames Gateway Forum, MIPIM, the major party conferences, and supporting the work of the Thames Gateway Parliamentary Group.

Thames Gateway South Essex Partnership Limited

Report of the directors for the year ended 31 March 2009 (Continued)

Company limited by guarantee

The Company is limited by guarantee and members liability is limited to a guarantee of £1 each.

Directors

The directors of the company during the year and were as follows:-

Malcolm Buckley	(resigned 22 May 2009)
Stephen Castle	
Pamela Challis	
Mary Spence	(resigned 16 February 2009)
Gary Sullivan	
Terence Cutmore	
Terence Hipsey	(resigned 15 June 2009)
Stephen Williams	
Laurence Steel	
William McKee	
Janice Logie	(resigned 23 April 2009)
Pam Court	
Nigel Holdcroft	
Joanna Killian	
Paul Burall	

Internal financial control

The Board of Directors has overall responsibility for internal financial control, which it exercises through an organisational structure with clearly defined levels of responsibility and authority and appropriate reporting procedures. This structure includes an Audit Committee, comprising three Non-Executive Directors, who on behalf of the Board review the effectiveness of the internal control environment.

An internal control framework can only provide reasonable, not absolute, assurance against material misstatement or loss. The main features of the internal control framework established are:

- the communication of culture and values of the company through specific policies;
- clear definition of the functions and responsibilities of the Board and the various sub-committees and working groups of the Board of Directors;
- well-defined organisational structures with clear responsibilities and accountabilities;
- formalised corporate planning and business planning processes involving Board review and approval;
- investigate significant risks or exposures and evaluate the steps taken to minimise them;
- clear definition of authorisation procedures and delegated authority levels;
- the routine reporting and review of management accounts by the Board, including monitoring of actual results against budget and forecasts;
- review and approval of full year results by the Board; and
- publishing full year results.

Thames Gateway South Essex Partnership Limited

Report of the directors for the year ended 31 March 2009 (Continued)

Corporate governance

The directors confirm that the company has voluntarily implemented, in so far as it is realistic and/or applicable to the Company, the Combined Code on the Financial Aspects of Corporate Governance.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those 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; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



Gary Sullivan
Director

Date : 9/12/09

Thames Gateway South Essex Partnership Limited

Report of the independent auditors for the year ended 31 March 2009

To the members of Thames Gateway South Essex Partnership Limited

We have audited the financial statements of Thames Gateway South Essex Partnership Limited for the year ended 31 March 2009 which comprise the income and expenditure account, the statement of total recognised gains and losses, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Thames Gateway South Essex Partnership Limited

Report of the independent auditors for the year ended 31 March 2009 (Continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its deficit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

BDO LLP

BDO LLP

Chartered Accountants and Registered Auditors

Chelmsford

United Kingdom

Date : *9/12/09*

BDO LLP is a limited liability partnership registered in England and Wales (with registration number OC305127).

Thames Gateway South Essex Partnership Limited

Income and expenditure account for the year ended 31 March 2009

	Note	2009 £	2008 As restated £
Income	2	3,924,406	2,708,337
Direct expenses		3,543,320	2,260,463
		<u>381,086</u>	<u>447,874</u>
Administrative expenses		452,178	416,919
Operating (deficit) / surplus	3	(71,092)	30,955
Interest receivable		29,653	34,385
		<u>(41,439)</u>	<u>65,340</u>
(Deficit) / Surplus of income over expenditure before tax		(41,439)	65,340
Taxation	5	6,227	6,877
		<u>6,227</u>	<u>6,877</u>
(Deficit) / Surplus of income over expenditure	9	(47,666)	58,463
		<u>(47,666)</u>	<u>58,463</u>

All amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

Thames Gateway South Essex Partnership Limited

Statement of total recognised gains and losses for the year ended 31 March 2009

	Note	2009 £	2008 As restated £
(Deficit)/Surplus for the financial year		(47,666)	58,463
Prior year adjustment			
- Overstatement of deferred income in 2008	15	30,400	
Total gains and losses for the financial year	9	(17,266)	

The notes on pages 9 to 13 form part of these financial statements.

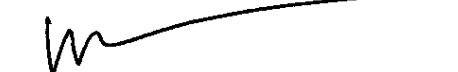
Thames Gateway South Essex Partnership Limited

Balance sheet
at 31 March 2009

Company Number 4429372		2009	2009	2008	2008
	Note	£	£	As restated	As restated
				£	£
Fixed assets					
Tangible assets	6		1,472		6,441
Current assets					
Debtors	7	-		20,669	
Cash at bank and in hand		663,693		1,335,202	
		<u>663,693</u>		<u>1,355,871</u>	
Creditors: amounts falling due within one year	8	<u>581,942</u>		<u>1,231,423</u>	
Net current assets			81,751		124,448
Total assets less current liabilities			83,223		130,889
Reserve					
Accumulated funds	9		<u>83,223</u>		<u>130,889</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board and authorised for issue on



Gary Sullivan
Director

9/12/09

The notes on pages 9 to 13 form part of these financial statements.

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements for the year ended 31 March 2009

1 Accounting policies

The financial statements have been prepared under the historical cost. The following principal accounting policies have been applied:

Income

Income represents contributions from partner organisations and rents receivable. Income is recognised in accordance with the period the contribution relates.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

IT equipment	- 33% per annum
Office equipment, fixtures and fittings	- 33% per annum

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable surpluses in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Operating leases

Annual rentals under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Pension costs

Staff employed by the company are eligible either to join the Essex County Council Pension Fund or to contribute to their own personal pension plan to which the company also contributes. Contributions to pension schemes are charged to the income and expenditure account in the year in which they become payable.

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements for the year ended 31 March 2009 (Continued)

2 Income

Income includes £Nil (2008 - £14,088) which relates to rentals received. The remaining income is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

Grant income is generally recognised in the same period as the related expenditure is incurred. Any deferred income is provided for in the balance sheet and released to the income and expenditure account over the expected utilisation period of the income.

3 Operating (deficit)/surplus	2009 £	2008 £
This is arrived at after charging:		
Depreciation	4,969	5,288
Auditors' remuneration	12,593	14,970
Hire of property - operating leases	18,288	28,500
Hire of other assets - operating leases	3,600	6,259

4 Directors remuneration	2009 £	2008 £
Emoluments	88,761	152,697
Compensation for loss of office	72,123	-
Early retirement financial strain on pension fund	95,385	-
Amounts paid to pension scheme	5,137	9,797
	<u>261,406</u>	<u>162,494</u>

The number of executive directors with benefits accruing under defined benefit schemes at 31 March 2009 is Nil (2008 - 1).

5 Taxation	2009 £	2008 £
UK corporation tax	6,227	6,877

It is understood that current HMRC opinion is that monies received from government sources are not subject to corporation tax unless utilised for independent trading purposes. On this basis the company's tax charge is calculated solely on investment income received gross.

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

6 Tangible assets

	IT equipment £	Office equipment, fixtures and fittings £	Total £
<i>Cost</i>			
At 1 April 2008 and at 31 March 2009	58,979	40,011	98,990
<i>Depreciation</i>			
At 1 April 2008	53,104	39,445	92,549
Provided for in the year	4,403	566	4,969
At 31 March 2009	57,507	40,011	97,518
<i>Net book value</i>			
At 31 March 2009	1,472	-	1,472
At 31 March 2008	5,875	566	6,441

7 Debtors

	2009 £	2008 £
Trade debtors	-	3,821
Prepayments and accrued income	-	5,761
Sundry debtor	-	11,087
	-	20,669

All amounts shown under debtors fall due for payment within one year.

8 Creditors: amounts falling due within one year

	2009 £	2008 As restated £
Trade creditors	3,011	-
Taxation and social security	6,227	6,877
Accruals and deferred income	572,704	1,224,546
	581,942	1,231,423

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements
for the year ended 31 March 2009 (Continued)

9 Accumulated funds	£
At 1 April 2008 as previously stated	100,489
Prior year adjustment	30,400
	<hr/>
At 1 April 2008 as restated	130,889
Deficit for the year	(47,666)
	<hr/>
At 31 March 2009	83,223
	<hr/>

10 Reconciliation of movements in accumulated funds

	2009	2008
	£	As restated
	£	£
(Loss)/Profit for the year	(47,666)	58,463
Opening accumulated funds as previously stated	100,489	72,426
Prior year adjustment – Overstatement of deferred income in 2008	30,400	-
	<hr/>	<hr/>
Opening accumulated funds as restated	130,889	72,426
	<hr/>	<hr/>
Closing accumulated funds	83,223	130,889
	<hr/>	<hr/>

11 Commitments under operating leases

As at 31 March 2009, the company had annual commitments under non-cancellable operating leases as set out below:

	2009	2009	2008	2008
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	16,625	556
	<hr/>	<hr/>	<hr/>	<hr/>

The commitment for land and buildings relates to a single property and expired during the year. A lease for the partnerships new offices was not signed at the year end and therefore no commitment existed.

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements for the year ended 31 March 2009 (Continued)

12 Pensions

The company participates in a defined benefit scheme operated by Essex County Council. The contributions are determined by Watson Wyatt, independent qualified actuaries, on the basis of triennial valuations.

Although the Fund is a defined benefit scheme, because the company, as a Small Admission Body, is grouped together with other similar employers, it is not possible to separately identify its share of the underlying assets and liabilities and it is therefore accounted for as a defined contribution scheme.

Pension contributions charged during the year amounted to £20,101 (2008 - £45,047).

The most recent valuation took place at 31 March 2007 and has specified the employer rates applicable for the three years from 1 April 2008, these financial statements reflect the contributions set out by the 2004 valuation. The ongoing contribution rate for the company during the year ended 31 March 2008 was 178% of the employees' contribution. The value of the scheme's assets at 31 March 2004 was sufficient to cover 71.4% of the benefits that had accrued to members. On the basis of the 2004 valuation, this deficiency should be eliminated over the average service life of members of 11 years. A sum of £20,101 was paid by the company during the year ended 31 March 2009 towards this deficiency. A sum of £21,150 will be payable by the company during the year ended 31 March 2010.

Any payments to meet unfunded benefits which are recharged to the company, or financial strain payments made by the company are in addition to the above.

13 Related party transactions

During the year the company received income from the following related parties;

	Income received from related parties	
	2009 £	2008 £
East of England Development Agency (EEDA)	3,723,740	2,264,150
Essex County Council	50,000	50,000
Basildon District Council	25,000	25,000
Castle Point Borough Council	25,000	25,000
Rochford District Council	20,000	20,000
Southend-on-Sea Borough Council	40,000	40,000
Thurrock Council	40,000	40,000

The above parties are considered related to Thames Gateway South Essex Partnership Limited due to common control of the directors. Income from related parties consisted of subscription and grant income received during the year and there were no outstanding balances at the balance sheet date.

14 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as the directors believe the company is "small" under the Companies Act 1985.

15 Prior year adjustment

It has been identified that deferred income of £30,400 was double counted in the year ended 31 March 2008. A prior year adjustment has been raised to reverse the effect of this. Turnover for the 2008 financial statements has been increased by £30,400 and deferred income reduced by the same amount.