

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

Report and Financial Statements

Year Ended

31 March 2010

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 2010**

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### **Directors**

Stephen Castle  
Pamela Challis  
Gary Sullivan  
Terence Cutmore  
Nigel Holdcroft  
Paul Burali  
Tony Ball

### **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 2010**

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The directors present their report together with the audited financial statements for the year ended 31 March 2010

### **Results**

The income and expenditure account is set out on page 6 and shows the surplus 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**

It has been a successful year for the organisation. The Partnership has built upon the foundations laid the previous year and with the appointment of a new Executive Director and the re-establishment of an executive team to support the Boards work, it has continued to pursue the objectives of – Leadership, Advocacy and Enabling Delivery

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

Analysis and presentation of relevant information has provided a sound evidence base upon which to develop a joint understanding of the key issues facing the South Essex economy and allowed priorities to be defined. This gave better focus when dealing with the allocation of funding decisions presented by the formation of the Homes and Communities Agency

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

The staff changes and overhead cost reductions have allowed for some increase to balances as recommended by the Governance and Audit Committee. The availability of future funding streams is being closely monitored as the abolition of EEDA and other Government led changes to the economic development sector are actioned

# Thames Gateway South Essex Partnership Limited

## Report of the directors for the year ended 31 March 2010 (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	
Gary Sullivan	
Terence Cutmore	
Terence Hipsey	(resigned 15 June 2009)
Stephen Williams	(resigned 23 January 2010)
Laurence Steel	(resigned 21 February 2010)
William McKee	(resigned 25 January 2010)
Janice Logle	(resigned 23 April 2009)
Pam Court	(resigned 25 January 2010)
Nigel Holdcroft	
Joanna Killian	(resigned 9 February 2010)
Paul Burall	
Tony Ball	(appointed 19 October 2009)

### 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 2010 (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

### Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (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 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 judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 show and explain the company's transactions, 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.


### 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.

In preparing the directors' report advantage has been taken of the small companies' exemption.

### On behalf of the Board



Gary Sullivan  
Director

Date 6/12/2010

# Thames Gateway South Essex Partnership Limited

## Report of the independent auditors for the year ended 31 March 2010

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### 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 2010 which comprise the income and expenditure account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 statement of directors' responsibilities, 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 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 2010 and of its surplus 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 [period] for which the financial statements are prepared is consistent with the financial statements.

## Thames Gateway South Essex Partnership Limited

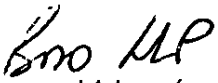
### Report of the independent auditors for the year ended 31 March 2010 (Continued)

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#### *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

  
Raymond Adams (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Chelmsford  
United Kingdom  
Date 10/12/10

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

# Thames Gateway South Essex Partnership Limited

## Income and expenditure account for the year ended 31 March 2010

	Note	2010 £	2009 £
Income	2	480,008	3,924,406
Direct expenses		109,154	3,543,320
		<u>370,854</u>	<u>381,086</u>
Administrative expenses		330,209	452,178
Operating surplus / (deficit)	3	40,645	(71,092)
Interest receivable		362	29,653
Surplus / (Deficit) of Income over expenditure before tax		<u>41,007</u>	<u>(41,439)</u>
Taxation	5	76	6,227
Surplus / (Deficit) of Income over expenditure	9	<u>40,931</u>	<u>(47,666)</u>

All amounts relate to continuing activities

All recognised gains and losses in the current and prior year are included in the profit and loss account

The notes on pages 8 to 12 form part of these financial statements



# Thames Gateway South Essex Partnership Limited

## Balance sheet at 31 March 2010

<b>Company Number 4429372</b>		<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2009</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	6		-		1,472
<b>Current assets</b>					
Debtors	7	55,283		-	
Cash at bank and in hand		131,975		663,693	
		<u>187,258</u>		<u>663,693</u>	
<b>Creditors: amounts falling due within one year</b>	8	63,104		581,942	
		<u>63,104</u>		<u>581,942</u>	
<b>Net current assets</b>			124,154		81,751
<b>Total assets less current liabilities</b>			<u>124,154</u>		<u>83,223</u>
<b>Reserve</b>					
Accumulated funds	9		124,154		83,223
			<u>124,154</u>		<u>83,223</u>

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

The financial statements were approved by the Board and authorised for issue on 6/12/10

  
Gary Sullivan  
Director

6/12/2010

The notes on pages 8 to 12 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 2010

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention. 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 to.

#### *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 2010 (Continued)

### 2 Income

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 surplus/(deficit)	2010 £	2009 £
This is arrived at after charging		
Depreciation	1,472	4,969
Auditors' remuneration	8,225	12,593
Hire of property - operating leases	15,000	18,288
Hire of other assets - operating leases	4,497	3,600

4 Directors remuneration	2010 £	2009 £
Emoluments	30,000	88,761
Compensation for loss of office	-	72,123
Early retirement financial strain on pension fund	-	95,385
Amounts paid to pension scheme	-	5,137
	<u>30,000</u>	<u>261,406</u>

The number of executive directors with benefits accruing under defined benefit schemes at 31 March 2010 is Nil (2009 - Nil)

### 5 Taxation

	2010 £	2009 £
UK corporation tax	<u>76</u>	<u>6,227</u>

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 2010 (Continued)

## 6 Tangible assets

	IT equipment £	Office equipment, fixtures and fittings £	Total £
<i>Cost</i>			
At 1 April 2009	58,979	40,011	98,990
Disposals	(47,406)	-	(47,406)
	<hr/>	<hr/>	<hr/>
At 31 March 2010	<b>11,573</b>	<b>40,011</b>	<b>51,584</b>
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 April 2009	57,507	40,011	97,518
Provided for in the year	1,472	-	1,472
On disposals	(47,406)	-	(47,406)
	<hr/>	<hr/>	<hr/>
At 31 March 2010	<b>11,573</b>	<b>40,011</b>	<b>51,584</b>
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 2010	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2009	1,472	-	1,472
	<hr/>	<hr/>	<hr/>

## 7 Debtors

	2010 £	2009 £
Prepayments and accrued income	55,283	-
	<hr/>	<hr/>
	<b>55,283</b>	<b>-</b>
	<hr/>	<hr/>
All amounts shown under debtors fall due for payment within one year		

## 8 Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	-	3,011
Taxation and social security	76	6,227
Accruals and deferred income	63,028	572,704
	<hr/>	<hr/>
	<b>63,104</b>	<b>581,942</b>
	<hr/>	<hr/>

# Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements  
for the year ended 31 March 2010 (Continued)

<b>9</b>	<b>Accumulated funds</b>		<b>£</b>
	At 1 April 2009		83,223
	Surplus for the year		40,931
			<hr/>
	At 31 March 2010		<b>124,154</b>
			<hr/>
<b>10</b>	<b>Reconciliation of movements in accumulated funds</b>		
		<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Surplus/(Deficit) for the year	<b>40,931</b>	(47,666)
	Opening accumulated funds as previously stated	<b>83,223</b>	100,489
	Prior year adjustment – Overstatement of deferred income in 2008	-	30,400
		<hr/>	<hr/>
	Opening accumulated funds as restated	<b>83,223</b>	130,889
		<hr/>	<hr/>
	Closing accumulated funds	<b>124,154</b>	83,223
		<hr/>	<hr/>

## 11 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 £21,150 (2009 - £20,101).

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 £21,150 was paid by the company during the year ended 31 March 2010 towards this deficiency (2009 - £20,104).

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.

# Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements  
for the year ended 31 March 2010 (Continued)

## 12 Related party transactions

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

	Income received from related parties	
	2010 £	2009 £
East of England Development Agency (EEDA)	150,000	3,723,740
Essex County Council	80,000	50,000
Basildon District Council	40,000	25,000
Castle Point Borough Council	40,000	25,000
Rochford District Council	20,000	20,000
Southend-on-Sea Borough Council	60,000	40,000
Thurrock Council	60,000	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, £53,963 was outstanding from EEDA at the balance sheet date.

## 13 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1, "Cash Flow Statements" (Revised 1996), not to prepare a cash flow statement on the grounds that it is a "small" company under the Companies Act 2006.