

Registration number 4970761

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED

(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
CONTENTS

Company Information	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Income and Expenditure Account	7
Balance Sheet	8
Notes to the Financial Statements	9 to 12

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
COMPANY INFORMATION

Company secretary Bevan Brittan Company Secretarial Services Limited

Registered office 15 Ladybellegate Street
Gloucester
GL1 2HN

Directors See page 3

Auditors Hazlewoods LLP
Windsor House
Barnett Way
Barnwood
Gloucester
GL4 3RT

GLOUCESTER HERITAGE URBAN REGENERATION 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 activity

The principal activity of the company is the management of the regeneration programme for the City of Gloucester

The directors have announced plans to cease all business activities on 31 March 2013

Review of the business

With the withdrawal of revenue support from the founder partners of the Urban Regeneration Committee at the end of March 2011, the company was forced to change its operating structure for 2011-12. A new Board comprising eleven Directors was established supported by a 'slimmed down' Executive Team of three professional staff and an office manager.

Despite the deepening economic recession and a severely challenging investment environment a range of key developments were completed during the year, particularly in the Docks and Blackfriars, helping to maintain the momentum of regeneration in the City.

By the end of March 2012 private investment during 2011-12 was over £21 million, with major projects progressing in the Docks, Quays, Canal Corridor and St Oswalds park. This was complemented by over £4 million of public sector investment at Greyfriars and Blackfriars. Total investment during the lifetime of the URC is now approaching £550 million with a further £200 million committed on developments at Greyfriars, Gloucester Quays, Gloucester Docks and the Railway Triangle. A total of 1012 jobs have been created, 27 hectares of land reclaimed, 832 houses constructed and 79,000 sq m of commercial/retail floorspace provided.

Highlights during 2011-12 included schemes completed at Merchants Quay, with all 48 flats and apartments being sold by Crest Nicholson, and the nationally important Language Immersion Centre at Blackfriars, together with the refurbishment of the North and East Ranges of the priory. At Kimbrose Triangle Tom Price's tower and screenwall artworks were officially opened in July 2011, and the Gloscat tower and associated buildings were demolished in October 2011. At the August Bank Holiday weekend Gloucester hosted its most successful Tall Ships Festival with an estimated 80,000 visitors attending the event. On the planning side consent was granted for Linden Homes residential mixed use development of the former Gloscat site on Brunswick Road, Peel's 10 screen cinema and leisure complex at Gloucester Quays, and LxB's retail/employment development at the Railway Triangle. These developments should all start on site in 2012-13.

Good progress was also made during the year at Southgate Moorings where the Ecclesiastical Insurance Group plan to build their new 10,000 sq m headquarters, with Gleeds appointed as project managers, supported by Stride Treglown Tektus as architects, together with other professionals. The year also saw the City Council agree heads of terms for a development agreement with Stanhope PLC for a major retail scheme at Kings Quarter, and a draft Masterplan agreed for Castlemeads/Alney Island, based on a design competition involving landscape architects from the University of Gloucestershire.

Finally in January 2012 the URC successfully relaunched its regeneration programme under its new structure, with over 90 investors, developers and key partners hearing a keynote address by Dr Simon Thurley, Chief Executive of English Heritage with supporting statements from the company's Chairman and Chief Executive, together with Councillor Paul James, Leader of the City Council. The strong message delivered by all speakers was that despite the current economic recession all parties remain totally committed to restoring Gloucester as a great English city.

A total of £432,904 was spent on company administration in 2011-12, £419,964 net and £12,939 irrecoverable VAT. The company has retained an operating surplus of £28,760 at the year end.

The company's financial position has been closely monitored by experienced URC Directors on the Audit and Governance Committee. The company has sufficient funds from the County and City Councils and additional revenues from property interests and consultancy work to continue its operations in 2012-13.

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012

Directors of the company

The directors who held office during the year were as follows

K Bartlett (appointed 01 April 2011)

P Foyle

R J Head (appointed 01 April 2011)

J Hilton

P S James

I Jarvis

B Leach (appointed 01 April 2011)

I Mean

A L Shield (appointed 01 April 2011)

G E Smith - Chairman

M Smith (resigned 15 June 2010 and reappointed 1 April 2011)

J Girling MEP (resigned 01 April 2011)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

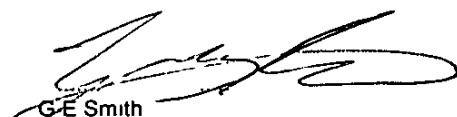
Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Hazlewoods LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 21/9/12 and signed on its behalf by


G.E. Smith
Chairman

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED**

We have audited the financial statements of Gloucester Heritage Urban Regeneration Company Limited for the year ended 31 March 2012, set out on pages 7 to 12. 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 Statement of Directors' Responsibilities (set out on page 4), 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006, except for the departure described in note 1 to the financial statements.

Emphasis of matter

We draw attention to the disclosure in note 1 to the financial statements regarding a departure from the requirements of the Companies Act 2006 in respect of the basis on which the accounts have been prepared. As explained in note 1, the directors have taken the decision to cease all activities on 31 March 2013, and the company's business can therefore no longer be considered to be a going concern. The financial statements have therefore not been prepared on the going concern basis, and provisions have been made within the financial statements for the estimated costs of closure. 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
GLOUCESTER HERITAGE URBAN REGENERATION 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

Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditors

Windsor House
Barnett Way
Barnwood
Gloucester
GL4 3RT

Date 23/10/12

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 £	2011 £
Income		390,020	775,293
Administrative expenses		<u>(432,905)</u>	<u>(757,203)</u>
Operating (deficit)/surplus	2	(42,885)	18,090
Provision for discontinuance of operations	3	<u>(102,443)</u>	-
(Deficit)/surplus on ordinary activities before taxation		(145,328)	18,090
Tax on (deficit)/surplus on ordinary activities	4	<u>-</u>	<u>-</u>
(Deficit)/surplus for the financial year	10	<u>(145,328)</u>	<u>18,090</u>

The income and expenditure account has been prepared on the basis that all operations will be discontinued on 31 March 2013


The company has no recognised gains or losses for the year other than the results above

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED**(REGISTRATION NUMBER: 4970761)****BALANCE SHEET****AS AT 31 MARCH 2012**

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	5	-	4,784
Current assets			
Debtors	6	38,523	76,410
Cash at bank and in hand		110,316	127,938
		148,839	204,348
Creditors Amounts falling due within one year	7	(17,636)	(35,044)
Net current assets		131,203	169,304
Total assets less current liabilities		131,203	174,088
Provisions for liabilities	8	(102,443)	-
Net assets		28,760	174,088
Capital and reserves			
Income and expenditure account	10	28,760	174,088

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board and authorised for issue on 21/9/12 and signed on its behalf by


G. E. Smith
Chairman

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

Basis of preparation

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

Departures from Companies Act requirements

The financial statements have not been prepared on a going concern basis. This is a departure from the accounting principles required by the Companies Act 2006, but is necessary in order that the financial statements present a true and fair view.

The directors have taken the decision to cease all activities on 31 March 2013, and the company's business can therefore no longer be considered to be a going concern and the application of that basis of accounting is no longer appropriate. The financial statements therefore include provisions for the estimated costs of closure.

Income

Income mainly represents grants received by the company relating to the financial period from its various funding providers. Costs paid on the company's behalf by grant providers are also recognised as income.

Tangible fixed assets and depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% of cost per annum
Fixtures and fittings	25% of cost per annum

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Closure costs

Provision has been made for the estimated costs of winding down the business of the company.

2 Operating (deficit)/surplus

Operating (deficit)/surplus is stated after charging/(crediting)

	2012	2011
	£	£
Auditor's remuneration	3,250	3,320
Profit on sale of tangible fixed assets	(1,610)	-
Depreciation of tangible fixed assets	2,594	4,785
Directors remuneration	-	-
	<u> </u>	<u> </u>

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

3 Provision for discontinuance of operations

The directors have taken the decision to cease operations on 31 March 2013. As a consequence of this decision, provision has been made for the following estimated costs associated with the termination of activities

	£
Redundancy costs	88,000
Obligations under operating lease agreements	6,443
Other incidental costs of closure	8,000
	<u>102,443</u>

4 Taxation

The company is not liable to corporation tax on the operating surplus as it is undertaking not-for-profit activities

5 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2011	17,527	28,496	46,023
Disposals	(17,527)	-	(17,527)
At 31 March 2012	-	28,496	28,496
Depreciation			
At 1 April 2011	13,146	28,093	41,239
Charge for the year	2,191	403	2,594
Eliminated on disposals	(15,337)	-	(15,337)
At 31 March 2012	-	28,496	28,496
Net book value			
At 31 March 2012	-	-	-
At 31 March 2011	4,381	403	4,784

6 Debtors

	2012 £	2011 £
Trade debtors	8,489	63,934
Other debtors	30,034	12,476
	<u>38,523</u>	<u>76,410</u>

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

7 Creditors Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	5,895	24,277
Other creditors	<u>11,741</u>	<u>10,767</u>
	<u>17,636</u>	<u>35,044</u>

8 Provisions

	£
Amounts charged to the income and expenditure account in the year	
Redundancy costs	88,000
Obligations under operating lease agreements	6,443
Other incidental costs of closure	<u>8,000</u>
Provision at 31 March 2012	<u>102,443</u>

The provision relates to the estimated costs of closure of the business at 31 March 2013

9 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

10 Statement of movements on income and expenditure account

	Income and expenditure account £
At 1 April 2011	174,088
Deficit for the year	<u>(145,328)</u>
At 31 March 2012	<u>28,760</u>

GLOUCESTER HERITAGE URBAN REGENERATION COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

11 Commitments

Operating lease commitments

As at 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows
Operating leases which expire

	2012	2011
	£	£
Land and buildings		
Within one year	3,500	-
Over five years	-	14,000
	<u>3,500</u>	<u>14,000</u>
Other		
Within one year	-	1,199
Within two and five years	4,268	3,264
	<u>4,268</u>	<u>4,463</u>