

COMPANY REGISTRATION NUMBER 1633258

**Norfolk and Waveney Enterprise Services
Company Limited by Guarantee
Annual report and financial statements
31 March 2007**

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Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Financial statements

Year ended 31 March 2007

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Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Company information

The board of directors

M J Muskett (Chairman)
P C M Comins
A C Dodds
P Harrison
K Horne (Chief Executive)
W Mawer
P Rogers
W Spinner

Company secretary

J Broadley

Registered office

Queens Road Business Centre
Great Yarmouth
Norfolk
NR30 3HT

Auditor

Lovewell Blake
Chartered Accountants
& Registered Auditor
Sixty Six
North Quay
Great Yarmouth
Norfolk
NR30 1HE

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

The directors' report

Year ended 31 March 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2007

Principal activities

The principal activities of the company continued to be those of offering business advisory and training services to business start-ups and to firms already in existence, with the dual objectives of creation of wealth and employment in the Norfolk and Waveney area

The other main activity was the provision of managed work space for small local businesses. From the 1st April 2005 the properties were transferred to NWES Property Services Limited, a subsidiary company which has taken over the management responsibilities previously undertaken by the company

Norfolk and Waveney Enterprise Services is a DTI registered Enterprise Agency fully complying with the requirements under the annual registration process

The company's mission statement is 'Helping small businesses do big business'

Directors

The directors who served the company during the year were as follows

M J Muskett (Chairman)	
P C M Comins	
A C Dodds	
P Harrison	
K Horne (Chief Executive)	
W Mawer	
P Rogers	(Appointed 12 October 2006)
W Spinner	(Appointed 12 October 2006)
J Broadley	(Resigned 27 March 2007)

The following directors are to retire from the board and offer themselves for re-appointment in accordance with the Articles of Association

A C Dodds and P Comins

Directors' responsibilities

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 applicable 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

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

The directors' report *(continued)*

Year ended 31 March 2007

- 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 proper 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

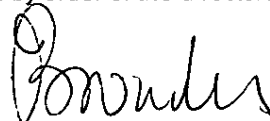
A resolution to re-appoint Lovewell Blake as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small company provisions

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

Registered office
Queens Road Business Centre
Great Yarmouth
Norfolk
NR30 3HT

Signed by order of the directors



J Broadley
Company Secretary

Approved by the directors on 25 September 2007

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Independent auditor's report to the members of Norfolk and Waveney Enterprise Services

Year ended 31 March 2007

We have audited the financial statements of Norfolk and Waveney Enterprise Services for the year ended 31 March 2007 on pages 6 to 13. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditor

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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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.

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.

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Independent auditor's report to the members of Norfolk and Waveney Enterprise Services (continued)

Year ended 31 March 2007

Opinion

In our opinion,

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its loss 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

Sixty Six
North Quay
Great Yarmouth
Norfolk
NR30 1HE

25 September 2007

Loveall BL
LOVEWELL BLAKE
Chartered Accountants
& Registered Auditor

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Balance sheet

31 March 2007

	Note	2007 £	£	2006 £	£
Fixed assets					
Intangible assets	5		30,000		45,000
Tangible assets	6		81,136		81,665
Investments	7		<u>1</u>		<u>1</u>
			111,137		126,666
Current assets					
Debtors	8	1,871,716		1,421,190	
Cash at bank and in hand		<u>1,346,243</u>		<u>287,099</u>	
		3,217,959		1,708,289	
Creditors' Amounts falling due within one year	9	<u>(1,252,413)</u>		<u>(238,231)</u>	
Net current assets			1,965,546		1,470,058
Total assets less current liabilities			2,076,683		1,596,724
Creditors. Amounts falling due after more than one year	10		<u>(446,514)</u>		<u>(703,607)</u>
			1,630,169		893,117
Provisions for liabilities					
Other provision	11		<u>(12,316)</u>		<u>-</u>
			1,617,853		893,117
Reserves	14				
Other reserves	15		739,059		-
Profit and loss account	16		<u>878,794</u>		<u>893,117</u>
Members' funds			<u>1,617,853</u>		<u>893,117</u>

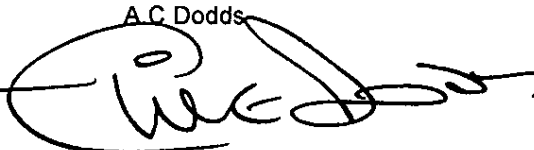
These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors on the 25 September 2007 and are signed on their behalf by

M J Muskett (Chairman)



A C Dodds



The notes on pages 8 to 13 form part of these financial statements.

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Intellectual rights to software	-	25% straight line
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Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	25% straight line
Fixtures & fittings	-	25% straight line
Motor Vehicles	-	25% straight line
Computer equipment	-	25% straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Profit and loss account

Year ended 31 March 2007

	Note	2007 £	2006 £
Turnover		1,868,783	1,282,489
Cost of sales		<u>(753,600)</u>	<u>(275,379)</u>
Gross profit		1,115,183	1,007,110
Administrative expenses		<u>(1,134,691)</u>	<u>(965,175)</u>
Operating (loss)/profit	2	(19,508)	41,935
Interest receivable	4	5,185	2,114
Interest payable and similar charges		—	(83)
(Loss)/profit on ordinary activities before taxation		<u>(14,323)</u>	<u>43,966</u>
Tax on (loss)/profit on ordinary activities		—	—
(Loss)/profit for the financial year		<u>(14,323)</u>	<u>43,966</u>

The notes on pages 8 to 13 form part of these financial statements.

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging

	2007	2006
	£	£
Pension contributions	27,675	28,287
Amortisation of intangible assets	15,000	15,000
Depreciation	55,923	67,307
Auditor's fees	<u>4,650</u>	<u>4,425</u>

3 Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2007	2006
	£	£
Aggregate emoluments	109,625	103,375
Value of company pension contributions to money purchase schemes	<u>5,481</u>	<u>5,571</u>
	<u>115,106</u>	<u>108,946</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2007	2006
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

4 Interest receivable

	2007	2006
	£	£
Bank interest receivable	<u>5,185</u>	<u>2,114</u>

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

5 Intangible fixed assets

	Computer rights £
Cost	
At 1 April 2006 and 31 March 2007	<u>60,000</u>
Amortisation	
At 1 April 2006	15,000
Charge for the year	<u>15,000</u>
At 31 March 2007	<u>30,000</u>
Net book value	
At 31 March 2007	<u>30,000</u>
At 31 March 2006	<u>45,000</u>

The company has been involved with developing a web based training programme jointly with Knowledge Interactive. During the previous year the company purchased Knowledge Interactive's share of the asset. The asset has been capitalised and will be amortised over a period of four years because it is expected to create future income streams for the company.

6 Tangible fixed assets

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2006	19,873	—	—	292,603	312,476
Additions	<u>—</u>	<u>703</u>	<u>11,878</u>	<u>42,813</u>	<u>55,394</u>
At 31 March 2007	<u>19,873</u>	<u>703</u>	<u>11,878</u>	<u>335,416</u>	<u>367,870</u>
Depreciation					
At 1 April 2006	19,873	—	—	210,938	230,811
Charge for the year	<u>—</u>	<u>33</u>	<u>1,732</u>	<u>54,158</u>	<u>55,923</u>
At 31 March 2007	<u>19,873</u>	<u>33</u>	<u>1,732</u>	<u>265,096</u>	<u>286,734</u>
Net book value					
At 31 March 2007	<u>—</u>	<u>670</u>	<u>10,146</u>	<u>70,320</u>	<u>81,136</u>
At 31 March 2006	<u>—</u>	<u>—</u>	<u>—</u>	<u>81,665</u>	<u>81,665</u>

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

7 Investments

	Shares in group undertakings £
Cost	
At 1 April 2006 and 31 March 2007	<u>1</u>
Net book value	
At 31 March 2007	<u>1</u>
At 31 March 2006	<u>1</u>

The company owns 100% of the issued share capital of NWES Property Services Limited, a property management company registered in England

Aggregate capital and reserves	92,603
Profit for the year	(22,336)

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

8 Debtors

	2007 £	2006 £
Trade debtors	254,779	124,092
Amounts owed by group undertakings	901,014	871,063
VAT recoverable	13,782	—
Other debtors	702,141	426,035
	<u>1,871,716</u>	<u>1,421,190</u>

The debtors above include the following amounts falling due after more than one year

	2007 £	2006 £
Amounts owed by group undertakings	805,421	849,694
Other debtors	391,241	279,903
	<u>1,196,662</u>	<u>1,129,597</u>

9. Creditors. Amounts falling due within one year

	2007 £	2006 £
Trade creditors	176,355	155,279
Amounts owed to group undertakings	45,713	—
Corporation tax	—	12,316
Other taxation and social security	33,013	22,554
Other creditors	997,332	48,082
	<u>1,252,413</u>	<u>238,231</u>

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

10. Creditors Amounts falling due after more than one year

	2007 £	2006 £
Other creditors	<u>446,514</u>	<u>703,607</u>

Included within other creditors above is £371,866 (2006 - £400,000) in respect of funding received for a project which ended on 30 May 2006. The monies could be repaid to the fund provider if the final reporting requirements are not met within a three year period from the final grant payment.

11 Other provision

	2007 £	2006 £
Provision	<u>12,316</u>	<u>-</u>

12 Commitments under operating leases

At 31 March 2007 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	2007 £	2006 £
Operating leases which expire		
Within 1 year	1,875	-
Within 2 to 5 years	<u>18,278</u>	<u>20,153</u>
	<u>20,153</u>	<u>20,153</u>

13. Related party transactions

During the year the company entered into the following transactions with its subsidiary company, NWES Property Services Limited,

	2007 £	2006 £
Expenses recharged from related party	77,389	10,579
Expenses recharged to related party	207,820	66,311
Year end trading balance owed from related party	49,880	21,369
Land & buildings transferred to related party	-	806,377
Fixtures & fittings transferred to related party	-	63,182
Year end loan balance owed from related party	805,421	849,694

The company also undertook transactions with businesses in which various directors have interests as follows -

Director	Position	Business	Income £	Expenditure £
K Horne	Vice chairman	National Federation of Enterprise Agencies	317,859	2,485
M J Muskett	Partner	PKF	3,000	188

Norfolk and Waveney Enterprise Services Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2007

14 Company limited by guarantee

The liability of the members is limited by guarantee to £1 each

15 Other reserves

	2007 £	2006 £
Transfer to other reserves	<u>739,059</u>	<u>-</u>

Other reserves relate to CDFI capital grants received, which have been used to provide business loans. The funds which have been successfully lent out are not required to be repaid to the grant provider and are transferred directly to reserves.

16 Profit and loss account

	2007 £	2006 £
Balance brought forward	893,117	679,755
(Loss)/profit for the financial year	(14,323)	43,966
Transfer from revaluation reserve	<u>-</u>	<u>169,396</u>
Balance carried forward	<u>878,794</u>	<u>893,117</u>

17 Post balance sheet events

Since the year end £805,421 owed by NWES Property Services Limited has been waived, reducing reserves by that amount.