

Financial Statements Sheffield Enterprise Agency Limited

For the year ended 31 March 2014



Registered number: 01733031

Sheffield Enterprise Agency Limited

Company Information

Director	Mr R Wright MBE
Registered number	01733031
Registered office	Albion House Savile Street SHEFFIELD S4 7UD
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Broadfield Court SHEFFIELD South Yorkshire S8 0XF
Solicitors	Irwin Mitchell LLP Riverside East 2 Millsands SHEFFIELD S3 8DT

Contents

	Page
Director's report	1 - 2
Independent auditor's report	3 - 4
Income and expenditure account	5
Balance sheet	6
Notes to the financial statements	7 - 12

Director's report

For the year ended 31 March 2014

The director presents his report and the financial statements for the year ended 31 March 2014.

Principal activities

The principal activity of the company is that of an Enterprise Agency providing free independent, professional advice, counselling and guidance to potential, new and small businesses in the City of Sheffield.

Results

The surplus for the year, after taxation, amounted to £72,108 (2013 - deficit £150,475).

Director

The director who served during the year was:

Mr R Wright MBE

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are liquidity risk and foreign exchange risk. The director reviews and agrees policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through cash reserves and inter-company accounts.

Currency risk

The company does not hedge its exposure to balances due from customers and payable to suppliers not payable in sterling. These amounts are minimal at present, however this policy is kept under review, and will be amended if necessary.

Director's report

For the year ended 31 March 2014

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Provision of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 23 September 2014 and signed on its behalf.



Mr R K Wright MBE
Director



Independent auditor's report to the shareholders of Sheffield Enterprise Agency Limited

We have audited the financial statements of Sheffield Enterprise Agency Limited for the year ended 31 March 2014, 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 director and auditor

As explained more fully in the Director's responsibilities statement, the director is 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

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 2014 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the shareholders of Sheffield Enterprise Agency 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report and in preparing the Directors' report.

Michael Redfern

Michael Redfern (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
SHEFFIELD

25 September 2014

Income and expenditure account

For the year ended 31 March 2014

	Note	2014 £	2013 £
Income	1,2	1,125,540	653,775
Other external charges		(492,614)	(487,962)
Staff costs		(559,666)	(305,404)
Depreciation and amortisation		(1,153)	(11,034)
Operating surplus/(deficit)	3	72,107	(150,625)
Interest receivable and similar income	5	1	188
Surplus/(deficit) on ordinary activities before taxation		72,108	(150,437)
Tax on surplus/(deficit) on ordinary activities	6	-	(38)
Surplus/(deficit) for the financial year		72,108	(150,475)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Income and expenditure account.

The notes on pages 7 to 12 form part of these financial statements.

Sheffield Enterprise Agency Limited

Registered number: 01733031

Balance sheet

As at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	7		149		1,302
Current assets					
Debtors	8	178,380		223,198	
Cash at bank and in hand		127,934		56,292	
		<u>306,314</u>		<u>279,490</u>	
Creditors: amounts falling due within one year	9	<u>(401)</u>		<u>(46,838)</u>	
Net current assets			<u>305,913</u>		<u>232,652</u>
Net assets			<u>306,062</u>		<u>233,954</u>
Capital and reserves					
Accumulated fund			<u>306,062</u>		<u>233,954</u>
	11		<u>306,062</u>		<u>233,954</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2014.



Mr R K Wright MBE
Director

The notes on pages 7 to 12 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The accounting policies remain unchanged from the prior year and are set out below.

1.2 Going concern

The Director has a reasonable expectation that the Company will be able to continue as a going concern for the foreseeable future, and for this reason continue to adopt the going concern basis in preparing the financial statements. The Director considers the foreseeable future to be 12 months from the date that the financial statements are signed and has prepared financial forecasts which show that suitable financial facilities are available to provide adequate ongoing finance consistent with these forecast requirements.

The Director has concluded that the Company remains a going concern and has accordingly prepared these financial statements on the going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office fittings and equipment	-	10 - 33%
Computer equipment	-	33%

1.6 Operating leases

Rentals under operating leases are charged to the Income and expenditure account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the financial statements

For the year ended 31 March 2014

1. Accounting policies (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the income and expenditure account.

1.8 Grants

Grants are credited to the income and expenditure account in the year in which they are received, except where they relate to a specific project. In these cases, grants are credited to the income and expenditure account over the course of the project in the same period as the related expenditure.

1.9 Contributions to pension schemes

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Income

The whole of the turnover is attributable to its principal activity.

A geographical analysis of turnover is as follows:

	2014	2013
	£	£
United Kingdom	1,125,540	651,737
Rest of European Union	-	2,038
	<u>1,125,540</u>	<u>653,775</u>

Notes to the financial statements

For the year ended 31 March 2014

3. Operating surplus/(deficit)

The operating surplus/(deficit) is stated after charging/(crediting):

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	1,153	11,034
Auditor's remuneration	4,300	4,300
Government grants credited	(1,081,590)	(641,275)
Operating lease rentals - hire of plant and machinery	9,882	7,329
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2013 - £NIL).

4. Staff costs

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	529,281	280,226
Social security costs	28,630	24,012
Other pension costs	1,755	1,166
	<u> </u>	<u> </u>
	<u>559,666</u>	<u>305,404</u>

The average monthly number of employees, including the director, during the year was as follows:

	2014	2013
	No.	No.
Business advisers	13	8
Administration	7	2
	<u> </u>	<u> </u>
	<u>20</u>	<u>10</u>

5. Interest receivable

	2014	2013
	£	£
Bank interest receivable	1	188
	<u> </u>	<u> </u>

Notes to the financial statements

For the year ended 31 March 2014

6. Taxation

	2014 £	2013 £
UK corporation tax charge on surplus/deficit for the year	-	38

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
Surplus/deficit on ordinary activities before tax	72,108	(150,437)
Surplus/deficit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	14,422	(30,087)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	30,125
Non-taxable income	(14,422)	-
Current tax charge for the year (see note above)	-	38

7. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 April 2013 and 31 March 2014	100,680	31,920	132,600
Depreciation			
At 1 April 2013	99,379	31,919	131,298
Charge for the year	1,152	1	1,153
At 31 March 2014	100,531	31,920	132,451
Net book value			
At 31 March 2014	149	-	149
At 31 March 2013	1,301	1	1,302

Notes to the financial statements

For the year ended 31 March 2014

8. Debtors

	2014	2013
	£	£
Trade debtors	83,455	150,582
Amounts owed by group undertakings	42,000	33,023
Prepayments and accrued income	52,925	39,593
	<u>178,380</u>	<u>223,198</u>

9. Creditors:

Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	-	8,400
Corporation tax	-	38
Other taxation and social security	399	2,774
Accruals and deferred income	2	35,626
	<u>401</u>	<u>46,838</u>

The bank borrowings are secured by a Debenture comprising fixed and floating charges over all the assets and undertaking of Sheffield Chamber of Commerce and Industry and Sheffield Enterprise Agency Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future. In addition an unlimited Composite Company Guarantee has been given by Sheffield Chamber of Commerce and Industry and Sheffield Enterprise Agency Limited to secure all liabilities of each other.

10. Liability of members

The Company is limited by guarantee under the Memorandum of Association and does not have share capital.

Every member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up during the member's period of membership, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses of winding up for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

Notes to the financial statements

For the year ended 31 March 2014

11. Statement of accumulated fund

	2014	2013
	£	£
Opening members' funds	233,954	384,429
Surplus/(deficit) for the financial year	72,108	(150,475)
Closing members' funds	<u>306,062</u>	<u>233,954</u>

12. Pension commitments

The Company participated in the Sheffield Chamber of Commerce Group Personal Pension Plan during the year, which is operated by its parent company.

The pension scheme is a defined contribution scheme and its assets are held separately from those of the Company. Contributions made to the scheme during the year total £1,755 (2013 - £1,166). There were no outstanding contributions at the year end.

13. Operating lease commitments - Other

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Expiry date:		
Between 2 and 5 years	<u>7,945</u>	<u>7,239</u>

14. Related party transactions

Administration charges in the year from Sheffield Chamber of Commerce and Industry were £125,334 (2013 - £226,587). The amounts due from this company as at 31 March 2014 were £42,000 (2013 - £32,956).

15. Controlling related party

Sheffield Chamber of Commerce and Industry, a company incorporated in England and Wales, is the Company's ultimate parent undertaking and controlling related party by virtue of the board of directors.