

**Northern Enterprise Limited**  
**Unaudited Financial Statements**  
**31 March 2016**



# **Northern Enterprise Limited**

## **Financial Statements**

**Year ended 31 March 2016**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	<b>1</b>
Directors' report	<b>2</b>
Statement of income and retained earnings	<b>3</b>
Statement of financial position	<b>4</b>
Statement of cash flows	<b>5</b>
Notes to the financial statements	<b>6</b>

**Northern Enterprise Limited**  
**Officers and Professional Advisers**

**The board of directors**

Y Gale  
B S Hensby

**Company secretary**

D I Chambers

**Registered office**

City Quadrant  
11 Waterloo Square  
Newcastle upon Tyne  
England  
NE1 4DP

**Accountants**

Deloitte LLP  
Chartered accountant  
Newcastle upon Tyne  
United Kingdom

**Bankers**

Barclays Bank Plc  
Regional Large Corporate Banking Centre  
Newcastle upon Tyne  
United Kingdom

# **Northern Enterprise Limited**

## **Directors' Report**

**Year ended 31 March 2016**

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2016.

### **Directors**

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

Y Gale  
B S Hensby

### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 14 September 2016 and signed on behalf of the board by:



D I Chambers  
Company Secretary

**Northern Enterprise Limited**  
**Statement of Income and Retained Earnings**  
**Year ended 31 March 2016**

	Note	2016 £	2015 £
Amounts written off investments	3	<u>(1,167)</u>	—
<b>Loss on ordinary activities before taxation</b>		<b>(1,167)</b>	—
Tax on loss on ordinary activities		—	—
<b>Loss for the financial year and total comprehensive income</b>		<b><u>(1,167)</u></b>	<b><u>—</u></b>
<b>Retained earnings at the start of the year</b>		<b><u>23,573</u></b>	<b><u>23,573</u></b>
<b>Retained earnings at the end of the year</b>		<b><u>22,406</u></b>	<b><u>23,573</u></b>

All the activities of the company are from continuing operations.

The notes on pages 6 to 8 form part of these financial statements.

# Northern Enterprise Limited

## Statement of Financial Position

31 March 2016

	Note	2016 £	£	2015 £
<b>Fixed assets</b>				
Investments	4		–	1,167
<b>Current assets</b>				
Debtors	5	30,282		30,282
<b>Creditors: amounts falling due within one year</b>	6	<u>(7,874)</u>		<u>(7,874)</u>
<b>Net current assets</b>			<u>22,408</u>	<u>22,408</u>
<b>Total assets less current liabilities</b>			<u>22,408</u>	<u>23,575</u>
<b>Capital and reserves</b>				
Called up share capital	7		2	2
Profit and loss account	8		<u>22,406</u>	<u>23,573</u>
<b>Shareholders funds</b>			<u>22,408</u>	<u>23,575</u>

For the year ending 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of directors and authorised for issue on 14 September 2016, and are signed on behalf of the board by:



Y Gale  
Director

Company registration number: 2808521

The notes on pages 6 to 8 form part of these financial statements.

# Northern Enterprise Limited

## Statement of Cash Flows

Year ended 31 March 2016

	2016 £	2015 £
Net decrease in cash and cash equivalents	—	—
Cash and cash equivalents at beginning of year	—	—
Cash and cash equivalents at end of year	—	—

The notes on pages 6 to 8 form part of these financial statements.

# Northern Enterprise Limited

## Notes to the Financial Statements

### Year ended 31 March 2016

#### 1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### 2. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

##### Investments

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

##### Going concern

As a limited partner of investment funds the key risk and uncertainties of the company are those of the associated funds. Distributions to partners can only be made to the extent realisations are generated from the investments; however, due to the nature of the investments there is a risk that they may not be fully realised.

The director, having assessed the responses of the directors of the company's parent NEL Fund Managers Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the NEL Fund Managers Limited to continue as a going concern.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of NEL Fund Managers Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 3. Amounts written off investments

	2016	2015
	£	£
Amounts written off fixed asset investments	<u>1,167</u>	<u>—</u>



**Northern Enterprise Limited**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 March 2016**

**4. Investments**

	Other investments other than loans £
<b>Cost</b>	
At 1 April 2015	1,254
Write off	<u>(1,254)</u>
<b>At 31 March 2016</b>	<u>–</u>
<b>Impairment</b>	
At 1 April 2015	87
Reversal of impairment losses	<u>(87)</u>
<b>At 31 March 2016</b>	<u>–</u>
<b>Carrying amount</b>	
<b>At 31 March 2016</b>	<u>–</u>
At 31 March 2015	<u>1,167</u>

**Investments in associates and joint ventures**

The undertaking in which the company has an interest is as follows;

Participating interest	Country of incorporation	Principal activity	Class and percentage of shares held
The North East Seed Capital Fund	England and Wales	Venture capital investment fund	14% partnership capital
The Capital North East Fund	England and Wales	Venture capital investment fund	19% partnership capital
The NEL Growth Fund	England and Wales	Venture capital investment fund	19.55% partnership capital

**5. Debtors**

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>30,282</u>	<u>30,282</u>

**6. Creditors: amounts falling due within one year**

	2016 £	2015 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>7,874</u>	<u>7,874</u>

# Northern Enterprise Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 7. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 8. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 9. Controlling party

At 31 March 2016, the parent company was NEL Fund Managers Limited. The ultimate parent company is NEL EOT Limited. The financial statements of these companies can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

At 31 March 2016 and in the opinion of the directors, the ultimate controlling parties are the directors of NEL EOT Limited. These are P Deans, Y Gale, B S Hensby, J Luke and D Thomas.

NEL EOT Limited holds the legal title of NEL Fund Managers Limited on behalf of the NEL Employee Ownership Trust, however it passes the beneficial interest to the NEL Employee Ownership Trust.

### 10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.