

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

Report and Financial Statements

Year Ended

31 March 2012

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 2012**

Contents

Page

1	Report of the directors
4	Report of the independent auditors
6	Income and expenditure account
7	Statement of total recognised gains and losses
8	Balance sheet
9	Notes forming part of the financial statements

Directors

Stephen Castle
Pamela Challis
Terence Cutmore
Nigel Holdcroft
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 2012

The directors present their report together with the audited financial statements for the year ended 31 March 2012. The company ceased trading at 31 March 2012.

Results

The income and expenditure account is set out on page 6 and shows the deficit for the year.

Principal activities

The principal activities of the company were 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

During the year the Thames Gateway South Essex Partnership continued to focus on the priority areas of education and skills, placemaking, housing renewal and town centres, faster trains and easier journeys to work, uncongested Thames crossing and a business friendly public sector.

The challenging fiscal environment of the funding partners led to changes to the functions of the Partnership, with the inclusion of the previously separately run Thames Gateway Strategic Housing Group within the Company's operations from July 2011.

On 9 December 2011 the Directors decided to take a new direction to partnership working. The affairs of the company were brought to an orderly conclusion and ceased operation on 31 March 2012. The work of Thames Gateway South Essex Partnership will be furthered under the new operational arrangements of a Local Authority led partnership with Castle Point Borough Council acting as the accountable body.

Following close down costs, the financial deficit on the year's operations has been taken from the reserves built up to cover such eventualities.

Thames Gateway South Essex Partnership Limited

Report of the directors for the year ended 31 March 2012 (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 -

Stephen Castle
Pamela Challis
Gary Sullivan (resigned 31 March 2012)
Terence Cutmore
Nigel Holdcroft
Tony Ball

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 2012 (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



Tony Ball
Director

Date 19/12/2012

Thames Gateway South Essex Partnership Limited

Report of the independent auditors for the year ended 31 March 2012

INDEPENDENT AUDITOR'S REPORT 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 2012 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

A description of the scope of an audit of financial statements is provided on the APB'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 2012 and of its deficit 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 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 2012 (Continued)

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 19/12/12

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 2012

	Note	2012 £	2011 £
Income	2	379,410	407,121
Direct expenses		2,879	52,869
		<u>376,531</u>	<u>354,252</u>
Administrative expenses		391,138	338,776
Operating (deficit)/surplus	3	(14,607)	15,476
Interest receivable		379	226
(Deficit)/surplus of income over expenditure before tax		(14,228)	15,702
Taxation	5	76	47
(Deficit)/surplus of income over expenditure		(14,304)	15,655

All amounts relate to activities that were discontinued during the year

The notes on pages 9 to 13 form part of these financial statements

Thames Gateway South Essex Partnership Limited

Statement of Total Recognised Gains and Losses for the year ended 31 March 2012

	Note	2012 £	2011 £
(Deficit)/surplus for the financial year		(14,304)	15,655
Reserves transferred in	10	101,886	-
Total gains and losses recognised since last financial statements		87,582	15,655

The notes on pages 9 to 13 form part of these financial statements

Thames Gateway South Essex Partnership Limited

Balance sheet at 31 March 2012

Company Number 4429372	Note	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	6		-		1,171
Current assets					
Debtors	7	357		24,120	
Cash at bank and in hand		266,594		311,870	
		<u>266,951</u>		<u>335,990</u>	
Creditors: amounts falling due within one year	8	<u>112,344</u>		<u>197,352</u>	
Net current assets			<u>154,607</u>		<u>138,638</u>
Total assets less current liabilities			<u>154,607</u>		<u>139,809</u>
Reserve					
Accumulated funds	9		<u>154,607</u>		<u>139,809</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 19/12/2012



Tony Ball
Director

19/12/2012

The notes on pages 9 to 13 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 2012

1 Accounting policies

The financial statements have been prepared under the historical cost convention

As required by Financial Reporting Standard 18 paragraph 21, the directors have prepared the financial statements on the basis that the Company is no longer a going concern

The following principal accounting policies have been applied

Going concern

On 9 December 2011 the directors have decided to take a new direction to partnership working. The affairs of the company were brought to an orderly conclusion and ceased operation on 31 March 2012. The work of Thames Gateway South Essex Partnership will be furthered under the new operational arrangements of a Local Authority led partnership with Castle Point Borough Council acting as the accountable body. For this reason the financial statements have not been prepared on a going concern basis.

The results shown in the financial statements have not been affected by not preparing the accounts on a going concern basis. All balance sheet assets have been recognised at their realisable value.

Income

Income represents contributions from partner organisations. Income is recognised in accordance with the period the contribution relates.

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

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 2012 (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	2012 £	2011 £
	This is arrived at after charging		
	Depreciation	586	586
	Auditors' remuneration	5,400	5,400
	Hire of property - operating leases	10,000	15,000
		<u> </u>	<u> </u>

4	Directors' remuneration	2012 £	2011 £
	Emoluments	13,500	30,000
		<u> </u>	<u> </u>

The number of executive directors with benefits accruing under defined benefit schemes at 31 March 2012 is Nil (2011 - Nil)

5	Taxation	2012 £	2011 £
	UK corporation tax	76	47
		<u> </u>	<u> </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 2012 (Continued)

6 Tangible assets

	IT equipment £	Office equipment, fixtures and fittings £	Total £
<i>Cost</i>			
At 1 April 2011	13,330	30,416	43,746
Disposals	(1,757)	-	(1,757)
Assets disposed of upon cessation	(11,573)	(30,416)	(41,989)
At 31 March 2012	-	-	-
<i>Depreciation</i>			
At 1 April 2011	12,159	30,416	42,575
Provided for in the year	586	-	586
Disposals	(1,172)	-	(1,172)
Assets disposed of upon cessation	(11,573)	(30,416)	(41,989)
At 31 March 2012	-	-	-
<i>Net book value</i>			
At 31 March 2012	-	-	-
At 31 March 2011	1,171	-	1,171

7 Debtors

	2012 £	2011 £
Trade debtors	-	5,000
Other debtors	357	-
Prepayments and accrued income	-	19,120
	357	24,120

All amounts shown under debtors fall due for payment within one year

8 Creditors amounts falling due within one year

	2012 £	2011 £
Trade creditors	12,756	-
Corporation tax	76	47
Accruals and deferred income	26,728	197,305
Other creditors	72,784	-
	112,344	197,352

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements for the year ended 31 March 2012 (Continued)

9 Accumulated funds	£
At 1 April 2011	139,809
Deficit for the year	(14,304)
Other recognised gains and losses	
Reserves transferred in (see note 10)	101,886
Distributions of reserves (see note 11)	(72,784)
	<hr/>
At 31 March 2012	154,607
	<hr/>

10 Reserves transferred in

On 1 July 2011, the reserves of Thames Gateway Strategic Housing Group of £101,866 were transferred to the company to continue the operations going forward. The company paid no consideration for these reserves. The gain is shown in the statement of total recognised gains and losses.

11 Distribution of reserves

During the year a distribution of reserves of £72,784 was agreed to by the directors, relating to the Thames Gateway Strategic Housing Group acquired reserves and transactions for the year. This amount was distributed to Castle Point Borough Council after the year end. The remaining reserves of Thames Gateway South Essex Partnership Limited are expected to be distributed to the local authority members in accordance with the proportions in which they funded the partnership.

12 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 £44,931 (2011 - £22,198), including £20,000 accrued at 31 March 2012 to settle all existing and future pension liabilities of Thames Gateway South Essex Partnership Limited.

Thames Gateway South Essex Partnership Limited

Notes forming part of the financial statements
for the year ended 31 March 2012 (Continued)

13 Related party transactions

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

	Income received from related parties	
	2012	2011
	£	£
East of England Development Agency (EEDA)	-	79,121
Essex County Council	80,000	80,000
Basildon District Council	40,000	40,000
Castle Point Borough Council	40,000	40,000
Rochford District Council	20,000	20,000
Southend-on-Sea Borough Council	70,000	60,000
Thurrock Council	70,000	60,000

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, £Nil (2011 - £19,757) was outstanding from EEDA at the balance sheet date

At 31 March 2012 the balance owed to Castle Point Borough Council in respect of the Thames Gateway Housing Group transactions in note 11, and included in Other creditors was £72,784 (2011 - £Nil)

14 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