

Co. House

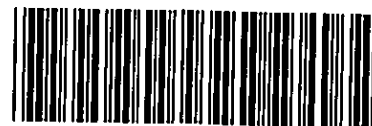
Registered No 04992068

North East Property Partnership Limited

Report and Financial Statements

31 March 2013

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COMPANIES HOUSE

North East Property Partnership Ltd

Registered No 04992068

Directors

P Gubb
D Curtis
M Spriggs
N Graham
R Smith

Company Secretary

R Smith FCCA

Auditors

RSM Tenon Audit Limited
Tenon House
Ferryboat Lane
Sunderland
Tyne & Wear
SR5 3JN

Bankers

HSBC
Maingate
Kingsway North
Team Valley
Gateshead
NE11 0BE

Solicitors

Eversheds
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3XX

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Registered Office

2nd Floor, Building 7
Queens Park
Queensway
Team Valley
Gateshead
NE11 0QD

Directors' report

The directors present the report and financial statements of the company for the year ended 31 March 2013

Formation of the North East Property Partnership

The partnership was formed under an agreement dated 1 April 2004 ("the agreement"). The original partners were UKLEP (2003) Limited (which is a subsidiary of UK Land Estates (Partnership) Limited) and One North East, together with a general partner, North East Property Partnership Limited. On 19th September 2012, One North East's interest in the partnership transferred to the Homes and Communities Agency (HCA).

Principal activity

The company's principal activity is to act as the general partner in NEPP.

Review of the business

The profit before interest and tax for the year to 31 March 2013 was £nil (2012: £nil). The directors do not recommend payment of a dividend.

Post balance sheet event

On 14th May, 2013, UKLEP(2003) Limited completed the purchase of HCA's interest in North East Property Partnership. This was done with the support of UKLEP(2003) Ltd's parent company, UK Land Estates (Partnership) Limited, and assisted by the provision of a lending facility jointly arranged by The Royal Bank of Scotland and Santander.

The purchase of HCA's interest formed part of the government's Economic Assets Programme (EAP). The EAP was set up to manage, develop and dispose of the assets formerly owned by the now-defunct Regional Development Agencies – in this case, One Northeast.

Since its commencement in 2004, NEPP has provided support to businesses throughout the North East of England. The partnership agreement was due to expire on 1 April 2014, and the partners identified the importance of reviewing NEPP's future well in advance of this date.

The purchase of HCA's interest will ensure that NEPP can continue to underpin growth by enabling UKLEP(2003) Ltd and UKLEP to invest in the core business of supporting local industry. HCA will continue to focus on investing in housing and economic development which, itself, will promote growth across the region.

The purchase ensures that the operation and ownership of key North East property assets will remain located in the region. The assets will be managed and invested in to continue to provide high quality, modern and affordable property for the region's businesses.

Following the purchase, NEPP retains the investment assets that it previously held.

The former development assets of NEPP have been transferred to a new partnership – North East Regeneration Partnership LLP (NERP). NERP will manage the development assets for the benefit of the business community and the North East's economy generally.

Directors' report

Directors

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

R Smith
M Spriggs
N Graham
D Curtis
P Gubb

Treasury management policy

The company does not have any borrowings of its own and the treasury management policies of NEPP are disclosed in its separate accounts

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 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 judgements and 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 proper 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. The directors 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, individually 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

Directors' report

Auditors

RSM Tenon Audit Limited are deemed to be reappointed under Section 487(2) of the Companies Act 2006

By order of the board



R Smith FCCA

Secretary

Date 19 September 2013

Independent auditors' report

to the members of North East Property Partnership Limited

We have audited the financial statements of North East Property Partnership Limited for the year ended 31 March 2013 on pages 7 to 11. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 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 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 2013 and of its result 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.

Independent auditors' report

to the members of North East Property Partnership Limited (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

Iain Corner, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditor
Tenon House
Ferryboat Lane
Sunderland
SR5 3JN

Date *19 September 2013*

Profit and loss account

for the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Other income		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
Retained profit for the year	7	-	-
		<hr/>	<hr/>

There were no recognised gains and losses other than those recorded in the profit and loss account. All operations are classed as continuing.

The notes on pages 9 to 11 form part of these financial statements

Balance sheet

at 31 March 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
Capital and reserves			
Share capital	7	1,000	1,000
Profit and loss account	7	-	-
		<u>1,000</u>	<u>1,000</u>

The financial statements were approved by the Board of Directors, authorised for issue and signed on their behalf by



M I Spriggs

Director

Date 19 September 2013

The notes on pages 9 to 11 form part of these financial statements

Notes to the financial statements

at 31 March 2013

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, on a going concern basis. All applicable United Kingdom accounting standards have been complied with.

Statement of cash flows

In accordance with the concession granted for small companies by Financial Reporting Standard No. 1 (revised), the company has not prepared a cashflow statement for the period.

2 Directors' emoluments

None of the directors received any remuneration from the company during the year (2012: £nil).

3 Staff Costs

The company has no employees, (2012: nil).

4 Auditors Remuneration

Auditors remuneration is borne by North East Property Partnership LP.

5 Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2013 £	2012 £
UK corporation tax	-	-
Total current tax (note 5 (b))	-	-

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2012: 26%). The differences are reconciled below

	2013 £	2012 £
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2012: 26%)	-	-
Effect of Non taxable income	-	-
Total current tax (5(a))	-	-

(c) Factors that may affect future tax charges

The directors expect no material change in the effective rate of tax for the foreseeable future.

Notes to the financial statements

at 31 March 2013

6 Debtors

	2013 £	2012 £
Amounts due from shareholders	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

7 Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total £
At 1 April 2012	1,000	-	1,000
Profit for the year	-	-	-
Dividend	-	-	-
At 31 March 2013	<u>1,000</u>	<u>-</u>	<u>1,000</u>

8 Share capital

<i>Authorised</i>	2013 £	2012 £
A Ordinary shares of £1 each	500	500
B Ordinary shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>

<i>Allotted, called up and fully paid</i>	2013 No	2012 No	2013 £	2012 £
A Ordinary shares of £1 each	500	500	500	500
B Ordinary shares of £1 each	500	500	500	500
			<u>1,000</u>	<u>1,000</u>

Both the A and B ordinary shares rank pari passu

Notes to the financial statements

at 31 March 2013

9 Related party transactions

There were no related party-transactions during the year

The only outstanding balances with related parties at the year end were those disclosed in note 6 to the accounts

10 Parent undertaking and controlling party

The company is jointly controlled by UK Land Estates (Partnership) Ltd and the Homes and Communities Agency

11 Post balance sheet event

On 14th May, 2013, UKLEP(2003) Limited completed the purchase of HCA's interest in North East Property Partnership LP. This was done with the support of UKLEP(2003) Ltd's parent company, UK Land Estates (Partnership) Limited, and assisted by the provision of a lending facility jointly arranged by The Royal Bank of Scotland and Santander.

Following the purchase, NEPP LP retained the investment assets that it previously held.

The former development assets of NEPP LP were transferred to a new partnership - North East Regeneration Partnership LLP (NERP).