

Registered number: 4410176

East Kent Spatial Development Company
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 March 2008

East Kent Spatial Development Company
(A company limited by guarantee)

Company information

Member organisations South East England Development Agency (SEEDA)
Kent County Council (KCC)
Thanet District Council (TDC)
Dover District Council (DDC)
Shepway District Council (SDC)
Canterbury City Council (CCC)
English Partnerships (EP)

Directors	Name	Member Organisation
	D Tucker	SEEDA
	V Carter	SEEDA
	P Cudsin	SEEDA
	C Moore	SEEDA
	S Priest	SEEDA
	C Smith	DDC
	D Ashworth	EP

Secretary D Tucker SEEDA

Chief Executive Officer D Spalding

Company number 4410176

Registered office Kent Innovation Centre
Thanet Reach Business
Park
Broadstairs
Kent
CT10 2QQ

Auditors Reeves + Neylan LLP
Chartered Accountants
& Registered Auditors
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers NatWest Bank Plc
11 The Parade
Canterbury
Kent CT1 2SQ

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East Kent Spatial Development Company
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Directors' report
for the year ended 31 March 2008

The directors present their report and the financial statements for the year ended 31 March 2008.

Statement of 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:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Principal activities

The company's principal activity is to promote the economic development and regeneration, with a view to promoting the economic and environmental wellbeing, of an area within the districts of Thanet District Council, Dover District Council, Shepway District Council and Canterbury City Council including, without limitation:

- (a) primarily to undertake or procure the provision of infrastructure works and wider regeneration activities; and
- (b) subject thereto to promote, provide and procure the provision of economic development activities and to promote, provide and procure the provision of other appropriate support activities, including without limitation, advice and training, in each case within or for the benefit of the Target Area.

Directors

The directors who served during the year were:

R Gough KCC (chairman) (resigned 7 March 2008)
D Tucker SEEDA
V Carter SEEDA
P Cudsin SEEDA
G Hawkins SEEDA (resigned 7 May 2008)
C Moore SEEDA
S Priest SEEDA
J Sadler SEEDA (resigned 7 May 2008)
K Sadler SEEDA (resigned 7 May 2008)
R Latchford TDC (resigned 7 March 2008)
C Smith DDC
D Ashworth EP
P Hudson SEEDA (resigned 15 September 2007)

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East Kent Spatial Development Company
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Directors' report
for the year ended 31 March 2008

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

Under section 487 of the Companies Act 2006, Reeves + Neylan LLP will be deemed to have been reappointed as auditor(s) 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.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 8 September 2008 and signed on its behalf.



C Moore
Director

East Kent Spatial Development Company
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Independent auditors' report to the members of East Kent Spatial Development Company

We have audited the financial statements of East Kent Spatial Development Company for the year ended 31 March 2008, set out on pages 5 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 Auditors' 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

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 judgments 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.

East Kent Spatial Development Company
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Independent auditors' report to the members of East Kent Spatial Development Company

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 2008 and of its profit 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.

Emphasis of matter – valuation of other debtors

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.7 to the financial statements concerning the value of other debtors which is dependent upon performance criteria outside the company's control. The ultimate value of these other debtors cannot be presently determined.

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Reeves + Neylan LLP

Chartered Accountants
Registered Auditors

Canterbury

9 September 2008

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East Kent Spatial Development Company
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Profit and loss account
for the year ended 31 March 2008

	Note	2008 £	2007 £
Turnover	1	166,779	150,462
Cost of sales		<u>(38,691)</u>	<u>(13,863)</u>
Gross profit		128,088	136,599
Administrative expenses		<u>(127,790)</u>	<u>(137,100)</u>
Operating profit/(loss)	2	298	(501)
Interest receivable		31,114	34,273
Interest payable		<u>(298)</u>	<u>(122)</u>
Profit on ordinary activities before taxation		31,114	33,650
Tax on profit on ordinary activities	3	<u>(6,223)</u>	<u>8,509</u>
Profit on ordinary activities after taxation	9	<u>24,891</u>	<u>42,159</u>

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

East Kent Spatial Development Company
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Balance sheet
as at 31 March 2008

	Note	£	2008 £	£	2007 £
Fixed assets					
Tangible fixed assets	4		1,437		1,789
Current assets					
Debtors	5	7,695,938		7,696,188	
Cash at bank		832,913		655,398	
		<u>8,528,851</u>		<u>8,351,586</u>	
Creditors: amounts falling due within one year	6	(550,306)		(491,635)	
Net current assets			7,978,545		7,859,951
Total assets less current liabilities			7,979,982		7,861,740
Creditors: amounts falling due after more than one year	7		(9,176,177)		(9,082,826)
Net liabilities			(1,196,195)		(1,221,086)
Capital and Reserves					
Other reserves	9		(1,460,358)		(1,460,358)
Profit and loss account	9		264,163		239,272
			<u>(1,196,195)</u>		<u>(1,221,086)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 September 2008.



C Moore
 Director

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

East Kent Spatial Development Company
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Notes to the financial statements
for the year ended 31 March 2008

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 the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.3 Turnover

All turnover derives from grants released (see note 1.6).

1.4 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 Equipment	-	33% straight line
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1.5 Operating leases

Rentals under operating leases are charged 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.

1.6 Grants

The company's activities are funded primarily by grant aid.

Grants by member organisations are given to finance the general administration of the company. Such grants are recognised in the profit and loss account of the period in which they become receivable.

Other grants receivable of a revenue nature are credited to the profit and loss account in the period to which the expenditure, towards which they are intended to contribute, are incurred.

Other grants receivable to finance loans made by the company are credited to the profit and loss account in the period in which repayment is made.