

THE DARLINGTON BUSINESS VENTURE LIMITED
FINANCIAL STATEMENTS

FOR
31 MARCH 2002

Company Registration Number 1826820



SANDERS SWINBANK
Chartered Accountants & Registered Auditors
7 Victoria Road
Darlington
DL1 5SN

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE
OFFICERS AND PROFESSIONAL ADVISERS**

The board of directors

Mr M R Airey
Ms V Ashby
Cllr S M Brown MBE
Mr R L Coad
Mr D Laud
Cllr D A A Lyonette
Mr D Metcalfe
Mr R Niven
Mr J Pratt
Mr F Turnbull MBE (deceased)
Ms L Walden
Mr B Woods

Company secretary

Mr S Kirtley

Registered office

6th Floor
Northgate House
Darlington
Co Durham
DL1 1XA

Auditors

Sanders Swinbank
Chartered Accountants
& Registered Auditors
7 Victoria Road
Darlington
DL1 5SN

Bankers

Barclays Bank plc
P O Box 31
27/31 High Row
Darlington
Co Durham
DL3 7QS

THE DARLINGTON BUSINESS VENTURE LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2002

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

- Pre-start in business advice and guidance-one to one.
- Business Start-up counselling and training including our own induction programme, one to one counselling and two day training sessions.
- On going support via reviews.
- Focused support for the 50+ age group who are unwaged; to encourage self-employment.
- Specialist training in a range of business related subjects including eg NVQ 3 Owner Manager and ISO 9000.
- The management of a woman's network for start-up and existing businesses.
- The organisation of specific Seminars, Workshops and Exhibitions, providing a platform for supporting businesses.
- The management of a Business Volunteer Mentor Programme providing free business support for SME's via a team of selected specialists working throughout the Tees Valley sub region.
- Workspace provision via 50,000 sq. ft. of offices and workshops in Darlington.
- The provision of up-to-date news and comment through business publishing through partnership with Newsquest (N.E.) Ltd.
- The planning and delivery of a range of business events providing information transfer, networking and business inter-trade opportunities.
- Promotional support for Darlington and District and Tees Valley Business Clubs.
- Bespoke training in a range of Business Management functions
- Working in partnership to provide specialist training for the socially excluded.
- The company is a constituent member of the Darlington Business Support Network, which provides access to, for example, the Falchion Fund soft loan scheme and the Darlington Borough Council loan and grants programme.
- The company works in association with a number of other key business support organisations locally, sub-regionally and nationally.
- The subsidiary, Darlington Enterprise Association Limited, continues to maintain its important contribution to the small business sector through the provision of a range of workspace accommodation available to rent on easy in easy out terms.

THE DARLINGTON BUSINESS VENTURE LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2002

A notable feature of the year was the expansion of our business via the introduction of a new trading brand Stockton Business Venture providing us with the opportunity of a greater share of the business start-up market from Business Link Tees Valley. In addition, towards the end of the financial year the Company secured over £140,000 of capital investment to develop in the next year a new conference and training facility together with a fully, equipped digital incubator unit for new businesses.

RESULTS

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

DIRECTORS

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

Mr M R Airey
Ms V Ashby
Cllr S M Brown MBE
Mr R L Coad
Mr D Laud
Cllr D A A Lyonette
Mr D Metcalfe
Mr R Niven
Mr J Pratt
Mr F Turnbull MBE (deceased)
Ms L Walden
Mr B Woods

DIRECTORS' RESPONSIBILITIES

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 group at the end of the year and of the group's surplus or deficiency for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2002

AUDITORS

A resolution to re-appoint Sanders Swinbank as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
6th Floor
Northgate House
Darlington
Co Durham
DL1 1XA

Signed by order of the directors

S Kirtley
MR S KIRTLEY
Company Secretary

Approved by the directors on 17/9/02

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2002

We have audited the financial statements on pages 7 to 15 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 10 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company 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. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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.

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONTINUED)


YEAR ENDED 31 MARCH 2002

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 31 March 2002 and of the surplus of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

7 Victoria Road
Darlington
DL1 5SN

(9-9-02)
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SANDERS SWINBANK
Chartered Accountants
& Registered Auditors

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

GROUP INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2002

	Note	2002 £	2001 £
GROUP TURNOVER	2	460,625	431,290
Administrative expenses		(424,077)	(351,328)
OPERATING SURPLUS	3	36,548	79,962
Interest receivable		1,218	1,481
Interest payable	5	(16,254)	(20,888)
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		21,512	60,555
Tax on surplus on ordinary activities		(3,480)	(496)
RETAINED SURPLUS FOR THE FINANCIAL YEAR	6	18,032	60,059

The company has taken advantage of section 230 of the Companies Act 1985 not to publish
its own Income and Expenditure Account.

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

GROUP BALANCE SHEET

31 MARCH 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	7		494,367		507,712
CURRENT ASSETS					
Debtors	9	279,489		80,814	
Cash at bank and in hand		88,608		73,724	
		<u>368,097</u>		<u>154,538</u>	
CREDITORS: Amounts falling due within one year	10	<u>288,658</u>		<u>84,830</u>	
NET CURRENT ASSETS			<u>79,439</u>		<u>69,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>573,806</u>		<u>577,420</u>
CREDITORS: Amounts falling due after more than one year	11		<u>239,056</u>		<u>256,807</u>
			<u>334,750</u>		<u>320,613</u>
Government grants	12		<u>164,023</u>		<u>167,918</u>
			<u>170,727</u>		<u>152,695</u>
RESERVES	15				
Group Income and Expenditure Account	16		<u>170,727</u>		<u>152,695</u>
MEMBERS' FUNDS			<u>170,727</u>		<u>152,695</u>

These financial statements were approved by the directors on the 17/9/02..... and are signed on their behalf by:

Chairman



**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	7		9,776		10,231
Investments	8		16		12
			<u>9,792</u>		<u>10,243</u>
CURRENT ASSETS					
Debtors	9	315,757		104,381	
Cash at bank and in hand		<u>192</u>		<u>15,905</u>	
		315,949		120,286	
CREDITORS: Amounts falling due within one year	10	<u>230,373</u>		<u>39,176</u>	
NET CURRENT ASSETS			<u>85,576</u>		<u>81,110</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>95,368</u>		<u>91,353</u>
RESERVES	15				
Group Income and Expenditure Account	16		95,368		91,353
MEMBERS' FUNDS			<u>95,368</u>		<u>91,353</u>

These financial statements were approved by the directors on the 17/9/02 and are signed on their behalf by:

Chairman



**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention,, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 230 of the Companies Act 1985.

Turnover

The turnover shown in the group income and expenditure account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Leasehold Improvements	- over the life of the lease
Equipment	- 25% - 50% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Group Income and Expenditure Account.

Deferred government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

2. TURNOVER

Income represents the amount derived from the provision of services which fall within the group's ordinary activities stated net of value added tax.

An analysis of turnover is given below:

	2002	2001
	£	£
United Kingdom	<u>460,625</u>	<u>431,290</u>

3. OPERATING SURPLUS

Operating surplus is stated after charging/(crediting):

	2002	2001
	£	£
Directors' emoluments	—	—
Amortisation of government grants	(3,895)	(3,898)
Depreciation	14,679	17,879
Auditors' remuneration		
- as auditors	3,290	3,280
- for other services	<u>300</u>	<u>—</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2002	2001
	No.	No.
Number of administrative staff	<u>10</u>	<u>8</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	135,752	115,230
Social security costs	12,382	12,090
Other pension costs	3,059	3,529
	<u>151,193</u>	<u>130,849</u>

5. INTEREST PAYABLE

	2002	2001
	£	£
Other similar charges payable	<u>16,254</u>	<u>20,888</u>

6. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £4,015 (2001 - £55,296).

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

7. TANGIBLE FIXED ASSETS

Group	Forge Way £	Whessoe Road £	Leasehold Improv's £	Equipment £	Total £
COST					
At 1 April 2001	488,648	112,965	15,264	67,300	684,177
Additions	—	—	—	1,334	1,334
At 31 March 2002	<u>488,648</u>	<u>112,965</u>	<u>15,264</u>	<u>68,634</u>	<u>685,511</u>
DEPRECIATION					
At 1 April 2001	66,900	40,033	12,463	57,069	176,465
Charge for the year	9,773	2,259	1,426	1,221	14,679
At 31 March 2002	<u>76,673</u>	<u>42,292</u>	<u>13,889</u>	<u>58,290</u>	<u>191,144</u>
NET BOOK VALUE					
At 31 March 2002	<u>411,975</u>	<u>70,673</u>	<u>1,375</u>	<u>10,344</u>	<u>494,367</u>
At 31 March 2001	<u>421,748</u>	<u>72,932</u>	<u>2,801</u>	<u>10,231</u>	<u>507,712</u>

Company	Equipment £
COST	
At 1 April 2001	67,300
Additions	548
At 31 March 2002	<u>67,848</u>
DEPRECIATION	
At 1 April 2001	57,069
Charge for the year	1,003
At 31 March 2002	<u>58,072</u>
NET BOOK VALUE	
At 31 March 2002	<u>9,776</u>
At 31 March 2001	<u>10,231</u>

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

8. INVESTMENTS

Company	Group companies
	£
COST:	
At 1 April 2001	12
Additions	4
At 31 March 2002	<u>16</u>
NET BOOK VALUE:	
At 31 March 2002	<u>16</u>
At 31 March 2001	<u>12</u>

The company held the complete ordinary shareholdings in the following three companies:

Darlington Enterprise Association Limited	12
Stockton Business Venture Limited	2
DBV Limited	2

All companies are incorporated in the UK. Stockton Business Venture Limited and DBV Limited were acquired during the year but remained dormant. Darlington Enterprise Association lets property to small firms in Darlington.

9. DEBTORS

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	51,935	47,467	43,658	42,975
VAT recoverable	15,703	5,658	10,570	—
Other debtors	164,611	7,869	228,126	55,157
Prepayments and accrued income	47,240	19,820	33,403	6,249
	<u>279,489</u>	<u>80,814</u>	<u>315,757</u>	<u>104,381</u>

10. CREDITORS: Amounts falling due within one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Darlington Borough Council	18,125	18,125	—	—
Bank loans and overdrafts	59,236	22,935	43,264	11,540
Trade creditors	27,610	5,020	27,610	5,020
Other creditors	169,261	16,178	145,073	44
Accruals and deferred income	14,426	22,572	14,426	22,572
	<u>288,658</u>	<u>84,830</u>	<u>230,373</u>	<u>39,176</u>

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

11. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans and overdrafts	209,056	226,807	—	—
Other creditors	30,000	30,000	—	—
	<u>239,056</u>	<u>256,807</u>	<u>—</u>	<u>—</u>

12. GOVERNMENT GRANTS

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Received and receivable:				
At 1 April 2001	(194,879)	(194,879)	—	—
At 31 March 2002	<u>(194,879)</u>	<u>(194,879)</u>	<u>—</u>	<u>—</u>
Amortisation:				
At 1 April 2001	26,961	23,063	—	—
Credit to profit and loss account	3,895	3,898	—	—
At 31 March 2002	<u>30,856</u>	<u>26,961</u>	<u>—</u>	<u>—</u>
Net balance at 31 March 2002	<u>164,023</u>	<u>167,918</u>	<u>—</u>	<u>—</u>

13. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2002 the group had annual commitments under non-cancellable operating leases as set out below.

	2002	2001
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>29,000</u>	<u>29,000</u>

**THE DARLINGTON BUSINESS VENTURE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

14. RELATED PARTY TRANSACTIONS

During the year the company traded with its subsidiary company, Darlington Enterprise Association Limited, as follows:

	£
Rent payable	3,000
Management charge received	40,000

At the balance sheet date the following balances existed

Amount owed by the subsidiary company	63,515
---------------------------------------	--------

During the year the company contracted for services worth £2,900 on a normal commercial basis from Blackett, Hart and Pratt, a partnership in which, J Pratt, a director, is a partner.

During the year the company contracted for services worth £4,102 on a normal commercial basis with i2i Marketing Solutions Limited, a company in which D Laud, a director has a material interest.

During the year the company contracted for services worth £6,463 on a normal commercial basis with Niven and Niven, a partnership in which R Niven, a director, is a partner.

During the year the company contracted for services worth £375 on a normal commercial basis from Technocopy Limited, a company in which B Woods, a director, has a material interest.

15. COMPANY LIMITED BY GUARANTEE

The Darlington Business Venture is a company limited by guarantee without a share capital. The guarantee of members is limited to a contribution of £25 each in the event of the company being wound up.

16. RESERVES

Group	Income and expenditure account £
Balance brought forward	152,695
Retained surplus for the year	18,032
Balance carried forward	<u>170,727</u>
Company	Income and expenditure account £
Balance brought forward	91,353
Retained surplus for the year	4,015
Balance carried forward	<u>95,368</u>

17.